

1 STATE OF OKLAHOMA

2 1st Session of the 57th Legislature (2019)

3 COMMITTEE SUBSTITUTE
4 FOR ENGROSSED
5 SENATE BILL NO. 1000

By: Leewright of the Senate

and

6 Fetgatter of the House

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9 COMMITTEE SUBSTITUTE

10 An Act relating to the Oklahoma Energy Independence
11 Act; amending 19 O.S. 2011, Section 460.5, which
12 relates to applicability of Act and liens; modifying
13 property to which Act applies; authorizing counties
14 to establish Property Assessed Clean Energy programs;
15 modifying repayment structure of certain loans;
16 requiring certain recording; modifying lien status of
17 certain loans; modifying authority over certain
18 liens; stating improvements eligible for financing;
19 and providing an effective date.

20 BE IT ENACTED BY THE PEOPLE OF THE STATE OF OKLAHOMA:

21 SECTION 1. AMENDATORY 19 O.S. 2011, Section 460.5, is
22 amended to read as follows:

23 Section 460.5 A. The Oklahoma Energy Independence Act shall
24 apply only to ~~developed~~ property zoned as commercial property on
which property taxes are paid and on which the owners of the
property are current in the payment of the property taxes. The
Oklahoma Energy Independence Act shall not apply to any property

1 zoned as residential property. Counties are authorized to establish
2 commercial Property Assessed Clean Energy (PACE) programs to
3 facilitate financing between commercial property owners and private
4 lenders.

5 B. The repayment of any loan made pursuant to the Oklahoma
6 Energy Independence Act shall be upon such terms as may be agreed to
7 by ~~the~~ a property owner and ~~the County Energy District Authority~~ a
8 private lender.

9 1. In the event of a mortgage on the property where a lien is
10 recorded pursuant to the Oklahoma Energy Independence Act, the
11 property owner shall obtain written consent from any mortgage holder
12 or holders prior to the issuance of any loan pursuant to the
13 Oklahoma Energy Independence Act.

14 2. Such loans issued in accordance with the Oklahoma Energy
15 Independence Act between a commercial property owner and a private
16 lender shall not accelerate upon default of a mortgage.

17 C. Any loan made pursuant to the Oklahoma Energy Independence
18 Act shall constitute a lien on the property which is the subject of
19 the loan only upon the recording of ~~a mortgage covering~~ an
20 assessment contract provided by the county on the property in the
21 office of the county clerk. Any ~~mortgage securing a loan~~ lien
22 imposed pursuant to the Oklahoma Energy Independence Act shall be
23 junior and inferior to all previously recorded liens or mortgages of
24 any kind run with the property and have the same priority and status

1 as a lien for unpaid ad valorem property taxes and shall not be
2 extinguished by virtue of a sale by the county for delinquent
3 property taxes. The exclusive method of enforcing a lien for
4 failure to repay any loan made pursuant to the Oklahoma Energy
5 Independence Act shall be by ~~judicial or nonjudicial foreclosure as~~
6 ~~provided by law~~ the local government in the same manner and with the
7 same priority as the enforcement of a lien for unpaid ad valorem
8 property taxes.

9 D. Only appliances or improvements that are permanently affixed
10 to the property shall be eligible for financing pursuant to the
11 Oklahoma Energy Independence Act. Improvements shall be related to
12 energy efficiency, water conservation or building resiliency and are
13 available for new construction or improvements on existing buildings
14 that are commercial properties.

15 SECTION 2. This act shall become effective November 1, 2019.

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