

1 STATE OF OKLAHOMA

2 1st Session of the 60th Legislature (2025)

3 COMMITTEE SUBSTITUTE

4 FOR

5 HOUSE BILL NO. 1220

6 By: West (Kevin)

7 COMMITTEE SUBSTITUTE

8 An Act relating to securitization revenue stream of
9 certain obligations issued by the Oklahoma
10 Development Finance Authority pursuant to the
11 February 2021 Regulated Utility Consumer Protection
12 Act; and pursuant to the February 2021 Unregulated
13 Utility Consumer Protection Act; making legislative
14 findings with regard to matters of statewide concern;
15 imposing restriction on certain municipalities with
16 respect to franchise fees; imposing restriction on
17 certain municipalities with respect to locally
18 imposed taxes; providing for noncodification;
19 providing for codification; and declaring an
20 emergency.

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

22 SECTION 1. NEW LAW A new section of law not to be
23 codified in the Oklahoma Statutes reads as follows:

24 The Legislature finds that it had the authority to enact the
provisions of the "February 2021 Regulated Utility Consumer
Protection Act" (hereinafter "the Act"). The Legislature finds that
cities and towns of the state have imposed certain franchise fees on
the securitization revenue stream which is required for defeasance

1 of the obligations issued by the Oklahoma Development Finance
2 Authority pursuant to the Act. The Legislature finds that the
3 purpose of the Act was a matter of statewide concern and not a
4 matter of purely local or municipal concern. The Legislature finds
5 that certain municipalities have imposed franchise fees on the
6 securitization revenue stream contrary to legislative intent. The
7 Legislature finds that municipalities have imposed certain local
8 taxes upon the securitization revenue stream contrary to legislative
9 intent.

10 SECTION 2. NEW LAW A new section of law to be codified
11 in the Oklahoma Statutes as Section 9083 of Title 74, unless there
12 is created a duplication in numbering, reads as follows:

13 A. No municipality shall impose any franchise fee upon or with
14 respect to the securitization revenue stream required pursuant to
15 the provisions of the Act, any bond indenture related to the
16 obligations issued by the Oklahoma Development Finance Authority
17 pursuant to the Act, or any order of the Oklahoma Corporation
18 Commission authorizing an affected public utility to impose charges
19 which constitute the securitization revenue stream to defease the
20 obligations issued by the Oklahoma Development Finance Authority
21 pursuant to the Act.

22 B. The provisions of this section shall be applicable to the
23 securitization revenue stream for bonds or other obligations issued
24 by the Oklahoma Development Finance Authority as described in

1 subsection A of this section and shall also be applicable to the
2 securitization revenue stream for any bonds or other obligations
3 issued by the Oklahoma Development Finance Authority on or after the
4 effective date of this act for a purpose similar to the obligations
5 issued by the Oklahoma Development Finance Authority pursuant to the
6 Act.

7 SECTION 3. NEW LAW A new section of law to be codified
8 in the Oklahoma Statutes as Section 9084 of Title 74, unless there
9 is created a duplication in numbering, reads as follows:

10 A. No municipality shall impose any sales tax, use tax or any
11 other tax authorized pursuant to the provisions of Section 2701 et
12 seq. of the Title 68 of the Oklahoma Statutes on or with respect to
13 the securitization revenue stream for bonds or other obligations
14 issued by the Oklahoma Development Finance Authority as described in
15 subsection A of Section 2 of this act.

16 B. The provisions of this section shall be applicable to the
17 securitization revenue stream for bonds or other obligations issued
18 by the Oklahoma Development Finance Authority pursuant to the Act
19 and shall also be applicable to the securitization revenue stream
20 for any bonds or other obligations issued by the Oklahoma
21 Development Finance Authority on or after the effective date of this
22 act for a purpose similar to the obligations issued by the Oklahoma
23 Development Finance Authority pursuant to the Act.

24

1 SECTION 4. NEW LAW A new section of law not to be
2 codified in the Oklahoma Statutes reads as follows:

3 The Legislature finds that it had the authority to enact the
4 provisions of the "February 2021 Unregulated Utility Consumer
5 Protection Act" (hereinafter "the Act"). The Legislature finds that
6 cities and towns of the state have imposed certain franchise fees on
7 the securitization revenue stream which is required for defeasance
8 of the obligations issued by the Oklahoma Development Finance
9 Authority pursuant to the Act. The Legislature finds that the
10 purpose of the Act was a matter of statewide concern and not a
11 matter of purely local or municipal concern. The Legislature finds
12 that certain municipalities have imposed franchise fees on the
13 securitization revenue stream contrary to legislative intent. The
14 Legislature finds that municipalities have imposed certain local
15 taxes upon the securitization revenue stream contrary to legislative
16 intent.

17 SECTION 5. NEW LAW A new section of law to be codified
18 in the Oklahoma Statutes as Section 9061 of Title 74, unless there
19 is created a duplication in numbering, reads as follows:

20 A. No municipality shall impose any franchise fee upon or with
21 respect to the securitization revenue stream required pursuant to
22 the provisions of the Act, any bond indenture related to the
23 obligations issued by the Oklahoma Development Finance Authority
24 pursuant to the Act, or any order of the Oklahoma Corporation

1 Commission authorizing an affected public utility to impose charges
2 which constitute the securitization revenue stream to defease the
3 obligations issued by the Oklahoma Development Finance Authority
4 pursuant to the Act.

5 B. The provisions of this section shall be applicable to the
6 securitization revenue stream for bonds or other obligations issued
7 by the Oklahoma Development Finance Authority as described in
8 subsection A of this section and shall also be applicable to the
9 securitization revenue stream for any bonds or other obligations
10 issued by the Oklahoma Development Finance Authority on or after the
11 effective date of this act for a purpose similar to the obligations
12 issued by the Oklahoma Development Finance Authority pursuant to the
13 Act.

14 SECTION 6. NEW LAW A new section of law to be codified
15 in the Oklahoma Statutes as Section 9062 of Title 74, unless there
16 is created a duplication in numbering, reads as follows:

17 A. No municipality shall impose any sales tax, use tax or any
18 other tax authorized pursuant to the provisions of Section 2701 et
19 seq. of the Title 68 of the Oklahoma Statutes on or with respect to
20 the securitization revenue stream for bonds or other obligations
21 issued by the Oklahoma Development Finance Authority as described in
22 subsection A of Section 5 of this act.

23 B. The provisions of this section shall be applicable to the
24 securitization revenue stream for bonds or other obligations issued

1 by the Oklahoma Development Finance Authority pursuant to the Act
2 and shall also be applicable to the securitization revenue stream
3 for any bonds or other obligations issued by the Oklahoma
4 Development Finance Authority on or after the effective date of this
5 act for a purpose similar to the obligations issued by the Oklahoma
6 Development Finance Authority pursuant to the Act.

7 SECTION 7. It being immediately necessary for the preservation
8 of the public peace, health or safety, an emergency is hereby
9 declared to exist, by reason whereof this act shall take effect and
10 be in full force from and after its passage and approval.

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