

1 STATE OF OKLAHOMA

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

3 POLICY COMMITTEE  
4 RECOMMENDATION

5 FOR

6 HOUSE BILL NO. 1220

By: West (Kevin)

7 POLICY COMMITTEE RECOMMENDATION

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.

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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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