

1 ENGROSSED HOUSE
2 BILL NO. 1220

By: West (Kevin), Fugate and
McCane of the House

3 and

4 Standridge of the Senate
5

6
7 An Act relating to securitization revenue stream of
8 certain obligations issued by the Oklahoma
9 Development Finance Authority pursuant to the
10 February 2021 Regulated Utility Consumer Protection
11 Act; and pursuant to the February 2021 Unregulated
12 Utility Consumer Protection Act; making legislative
13 findings with regard to matters of statewide concern;
14 imposing restriction on certain municipalities with
15 respect to franchise fees; imposing restriction on
16 certain municipalities with respect to locally
17 imposed taxes; providing for noncodification;
18 providing for codification; and declaring an
19 emergency.

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

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

23 The Legislature finds that it had the authority to enact the
24 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
of the obligations issued by the Oklahoma Development Finance

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

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

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

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

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

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

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

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

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

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

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

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

1 obligations issued by the Oklahoma Development Finance Authority
2 pursuant to the Act.

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

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

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

21 B. The provisions of this section shall be applicable to the
22 securitization revenue stream for bonds or other obligations issued
23 by the Oklahoma Development Finance Authority pursuant to the Act
24 and shall also be applicable to the securitization revenue stream

1 for any bonds or other obligations issued by the Oklahoma
2 Development Finance Authority on or after the effective date of this
3 act for a purpose similar to the obligations issued by the Oklahoma
4 Development Finance Authority pursuant to the Act.

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

9 Passed the House of Representatives the 3rd day of March, 2025.

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11 _____
12 Presiding Officer of the House
13 of Representatives

14 Passed the Senate the ___ day of _____, 2025.

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17 Presiding Officer of the Senate
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