

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE
5 FOR
6 HOUSE BILL NO. 1220

By: West (Kevin) and **Fugate** of
the House

and

Standridge of the Senate

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10 COMMITTEE SUBSTITUTE

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

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

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

The Legislature finds that it had the authority to enact the
provisions of the "February 2021 Regulated Utility Consumer

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

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

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

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

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

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

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

1 act for a purpose similar to the obligations issued by the Oklahoma
2 Development Finance Authority pursuant to the Act.

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

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

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

22 A. No municipality shall impose any franchise fee upon or with
23 respect to the securitization revenue stream required pursuant to
24 the provisions of the Act, any bond indenture related to the

1 obligations issued by the Oklahoma Development Finance Authority
2 pursuant to the Act, or any order of the Oklahoma Corporation
3 Commission authorizing an affected public utility to impose charges
4 which constitute the securitization revenue stream to defease the
5 obligations issued by the Oklahoma Development Finance Authority
6 pursuant to the Act.

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

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

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

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

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

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14 COMMITTEE REPORT BY: COMMITTEE ON GOVERNMENT OVERSIGHT, dated
15 02/26/2025 - DO PASS, As Amended and Coauthored.

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