

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

7                   and

8                   Standridge of the Senate

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:

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

27                  The Legislature finds that it had the authority to enact the  
28                  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  
02/26/2025 - DO PASS, As Amended and Coauthored.  
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