

**SENATE CHAMBER**  
**STATE OF OKLAHOMA**

DISPOSITION

FLOOR AMENDMENT

No. \_\_\_\_\_

\_\_\_\_\_

COMMITTEE AMENDMENT

\_\_\_\_\_

(Date)

Mr./Madame President:

I move to amend Senate Bill No. 1592, by substituting the attached floor substitute for the title, enacting clause and entire body of the measure.

Submitted by:

\_\_\_\_\_  
Senator Leewright

Leewright-CB-FS-Req#4022  
3/11/2020 3:31 PM

(Floor Amendments Only) Date and Time Filed: \_\_\_\_\_

Untimely

Amendment Cycle Extended

Secondary Amendment

1 STATE OF OKLAHOMA  
2 2nd Session of the 57th Legislature (2020)

3 FLOOR SUBSTITUTE  
4 FOR  
5 SENATE BILL NO. 1592

6 By: Leewright of the Senate  
7 and  
8 Fetgatter of the House

9 FLOOR SUBSTITUTE

10 [ Oklahoma Energy Independence Act - applicability of  
11 act - fees and hire third-party services - counties -  
12 effective date ]

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

14 SECTION 1. AMENDATORY 19 O.S. 2011, Section 460.5, as  
15 amended by Section 1, Chapter 359, O.S.L. 2019 (19 O.S. Supp. 2019,  
16 Section 460.5), is amended to read as follows:

17 Section 460.5. A. The Oklahoma Energy Independence Act shall  
18 apply ~~only to property zoned as commercial property~~ all properties,  
19 except single-family residential properties, on which property taxes  
20 are to be paid and on which the owners of the property are current  
21 in the payment of the property taxes, if applicable. For the  
22 purpose of this act, property that is not classified as single-  
23 family residential property shall be classified as commercial  
24 property. The Oklahoma Energy Independence Act shall not apply to

1 any property zoned as single-family residential property. Counties  
2 are authorized to establish commercial Property Assessed Clean  
3 Energy (PACE) programs by resolution, without the prior  
4 establishment of a County Energy District Authority, to facilitate  
5 ~~financing loans~~ between ~~commercial~~ qualifying property owners and  
6 private ~~lenders~~ capital providers. Counties that approve PACE  
7 programs are authorized to enter into assessment contracts with  
8 property owners and private capital providers in which:

9 1. The property owner shall be deemed to consent to the levying  
10 and collection of annual PACE assessments to repay the loan;

11 2. The private capital provider shall collect the PACE  
12 assessments directly or through a servicer; and

13 3. The private capital provider shall enforce the lien for an  
14 unpaid PACE assessment, pursuant to the provisions of this section.

15 Counties may collect fees for costs incurred in the administration  
16 of the PACE program in an amount to be fixed by the applicable board  
17 of county commissioners and deposited with the county treasurer as  
18 required by law. A county may also retain third-party  
19 administrators for the administration of the PACE program.

20 B. The repayment of any loan made pursuant to the Oklahoma  
21 Energy Independence Act shall be ~~upon such terms as may be agreed to~~  
22 ~~by a property owner and a private lender~~ through annual assessments  
23 levied by the county and collected under terms agreed to by the  
24 property owner and the private capital provider.

1 1. In the event of a mortgage on the property where a lien is  
2 recorded pursuant to the Oklahoma Energy Independence Act, the  
3 property owner shall obtain written consent from any mortgage holder  
4 or holders prior to the issuance of any loan pursuant to the  
5 Oklahoma Energy Independence Act.

6 2. Such loans issued in accordance with the Oklahoma Energy  
7 Independence Act between a ~~commercial~~ property owner and a private  
8 ~~lender~~ capital provider shall not accelerate upon default of a  
9 mortgage.

10 C. ~~Any loan made~~ Assessments levied to repay a loan made  
11 pursuant to the Oklahoma Energy Independence Act shall constitute a  
12 lien on the property which is the subject of the loan only upon the  
13 recording of an assessment contract provided by the county on the  
14 property in the office of the county clerk. Any lien imposed  
15 pursuant to the Oklahoma Energy Independence Act shall run with the  
16 property and have the same priority and status as a lien for unpaid  
17 ad valorem property taxes and shall not be extinguished by virtue of  
18 a sale by the county for delinquent property taxes or other special  
19 assessments. The ~~exclusive~~ method of enforcing a lien for failure  
20 to ~~repay~~ pay an assessment related to any loan made pursuant to the  
21 Oklahoma Energy Independence Act shall be by the ~~local government~~  
22 private capital provider in the same manner and with the same  
23 priority as the enforcement ~~of a lien for unpaid ad valorem property~~  
24 ~~taxes~~ by the holder of any bond or coupon related to a lien for

1 unpaid assessments, as provided by law and pursuant to this  
2 subsection. If any assessment levied to repay a loan made pursuant  
3 to the Oklahoma Energy Independence Act remains unpaid for six (6)  
4 months after payment is due, the private capital provider may file  
5 an action in the district court in which the property is located to  
6 foreclose the lien of the assessment, statutory delinquent interest,  
7 as provided in this subsection, and reasonable legal fees. Any  
8 action filed pursuant to this subsection shall not accelerate  
9 repayment of the unpaid balance of a loan made pursuant to the  
10 Oklahoma Energy Independence Act. Unpaid assessments levied to  
11 repay a loan made pursuant to this act shall accrue statutory  
12 delinquent interest at the same rate as a late payment penalty for  
13 delinquent ad valorem taxes. Judgment in an action to enforce the  
14 lien shall order the property to be sold in the manner and form as  
15 foreclosure of mortgages on real estate, with appraisement. The  
16 sale shall be subject to existing taxes and special assessments, as  
17 well as assessments levied to repay a loan made pursuant to the  
18 Oklahoma Energy Independence Act.

19 1. Notwithstanding any other provision of law, the county  
20 treasurer, in a sale for delinquent ad valorem property taxes or  
21 other special assessments, may collect in that sale assessments  
22 levied to repay a loan made pursuant to this act, inclusive of  
23 penalties and fees, that are currently due or in arrears, or both,  
24

1 and remit the assessment amounts received to the private capital  
2 provider.

3 2. Notwithstanding any other provision of law, if the county  
4 takes title to property subject to a loan made pursuant to the  
5 Oklahoma Energy Independence Act, the county, and not the county  
6 resale property fund, shall be responsible for all expenses  
7 associated with the preservation of the property and the related  
8 assessments that are due will continue to accrue, inclusive of any  
9 interest or penalties, and shall not be extinguished.

10 D. Only appliances or improvements that are permanently affixed  
11 to the property shall be eligible for financing pursuant to the  
12 Oklahoma Energy Independence Act. Improvements shall be related to  
13 energy efficiency, energy sources, water conservation or building  
14 resiliency and are available for new construction or improvements on  
15 existing buildings that are ~~commercial~~ qualifying properties.  
16 County PACE programs shall establish which improvements qualify for  
17 financing.

18 SECTION 2. This act shall become effective November 1, 2020.

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20 57-2-4022 CB 3/11/2020 3:31:35 PM

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