

1 STATE OF OKLAHOMA

2 2nd Session of the 57th Legislature (2020)

3 SENATE BILL 1592

By: Leewright

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5  
6 AS INTRODUCED

7 An Act relating to the Oklahoma Energy Independence  
8 Act; amending 19 O.S. 2011, Section 460.5, as amended  
9 by Section 1, Chapter 359, O.S.L. 2019 (19 O.S. Supp.  
10 2019, Section 460.5), which relates to application of  
11 act; expanding applicability of act; authorizing  
12 counties to collect certain fees and hire third-party  
13 services; authorizing counties to determine which  
14 improvements qualify for financing; authorizing  
15 county treasurers to remit and collect certain  
16 monies; assigning certain costs to private lenders;  
17 and providing for an effective date.

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

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

22 Section 460.5. A. The Oklahoma Energy Independence Act shall  
23 apply ~~only to property zoned as commercial property,~~ industrial,  
24 educational, agricultural and nonprofit properties on which property  
taxes are to be paid and on which the owners of the property are  
current in the payment of the property taxes. The Oklahoma Energy  
Independence Act shall not apply to any property zoned as

1 residential property. Counties are authorized to establish  
2 commercial Property Assessed Clean Energy (PACE) programs to  
3 facilitate financing between ~~commercial~~ property owners and private  
4 lenders. Counties may collect fees for costs incurred in the  
5 administration of the PACE program in an amount to be fixed by the  
6 applicable board of county commissioners and deposited with the  
7 county treasurer as required by law, and may also retain third-party  
8 professional services for the administration of the PACE program.  
9 County PACE programs shall establish which energy efficient, water  
10 conservation and building resiliency improvements qualify for  
11 financing. County Treasurers may remit and collect assessment funds  
12 from the property owner and disburse the funds to the lender on  
13 properties participating in the PACE program.

14 B. The repayment of any loan made pursuant to the Oklahoma  
15 Energy Independence Act shall be upon such terms as may be agreed to  
16 by a property owner and a private lender.

17 1. In the event of a mortgage on the property where a lien is  
18 recorded pursuant to the Oklahoma Energy Independence Act, the  
19 property owner shall obtain written consent from any mortgage holder  
20 or holders prior to the issuance of any loan pursuant to the  
21 Oklahoma Energy Independence Act.

22 2. Such loans issued in accordance with the Oklahoma Energy  
23 Independence Act between a commercial property owner and a private  
24 lender shall not accelerate upon default of a mortgage.

1 C. Any loan made pursuant to the Oklahoma Energy Independence  
2 Act shall constitute a lien on the property which is the subject of  
3 the loan only upon the recording of an assessment contract provided  
4 by the county on the property in the office of the county clerk.  
5 Any lien imposed pursuant to the Oklahoma Energy Independence Act  
6 shall run with the property and have the same priority and status as  
7 a lien for unpaid ad valorem property taxes and shall not be  
8 extinguished by virtue of a sale by the county for delinquent  
9 property taxes. The exclusive method of enforcing a lien for  
10 failure to repay any loan made pursuant to the Oklahoma Energy  
11 Independence Act shall be by the local government in the same manner  
12 and with the same priority as the enforcement of a lien for unpaid  
13 ad valorem property taxes. Any costs incurred by the local  
14 government to enforce a PACE lien shall be borne by the lender.

15 D. Only appliances or improvements that are permanently affixed  
16 to the property shall be eligible for financing pursuant to the  
17 Oklahoma Energy Independence Act. Improvements shall be related to  
18 energy efficiency, water conservation or building resiliency and are  
19 available for new construction or improvements on existing buildings  
20 that are commercial properties.

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

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23 57-2-3354 CB 1/16/2020 11:10:00 AM  
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