

1 STATE OF OKLAHOMA

2 1st Session of the 56th Legislature (2017)

3 COMMITTEE SUBSTITUTE

4 FOR ENGROSSED

5 SENATE BILL NO. 291

By: Newberry of the Senate

and

Echols of the House

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10 COMMITTEE SUBSTITUTE

11 An Act relating to the Oklahoma Energy Independence  
12 Act; amending 19 O.S. 2011, Section 460.5, which  
13 relates to the Oklahoma Energy Independence Act;  
14 modifying scope; modifying provisions related to  
15 liens and lien priority; providing for enforcement of  
16 lien; prescribing procedures; authorizing recovery of  
17 costs, expenses and fees; and providing an effective  
18 date.

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

20 SECTION 1. AMENDATORY 19 O.S. 2011, Section 460.5, is  
21 amended to read as follows:

22 Section 460.5 A. The Oklahoma Energy Independence Act shall  
23 apply to new construction and developed property on which property  
24 taxes are paid and on which the owners of the property are current  
in the payment of the property taxes.

1 B. The repayment of any loan made pursuant to the Oklahoma  
2 Energy Independence Act shall be upon such terms as may be agreed to  
3 by the property owner and the County Energy District Authority.

4 C. Any loan made pursuant to the Oklahoma Energy Independence  
5 Act shall constitute a lien on the property which is the subject of  
6 the loan only upon the recording of a mortgage covering the property  
7 in the office of the county clerk. Any mortgage securing a loan  
8 ~~shall be junior and inferior to all previously recorded liens or~~  
9 ~~mortgages of any kind. 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 judicial or nonjudicial foreclosure as~~  
12 ~~provided by law~~ is a first and prior lien against the real property  
13 and has the same priority status as a lien for any other ad valorem  
14 tax. The lien runs with the land, and that portion of the principal  
15 balance of the loan that has not yet become due is not eliminated by  
16 foreclosure of a property tax lien. Such lien may be enforced by  
17 the County Energy District Authority in the same manner that a  
18 property tax lien against real property may be enforced by the local  
19 government as provided by law. Delinquent installments under the  
20 loan incur interest and penalties in the same manner as delinquent  
21 property taxes. A County Energy District may recover costs and  
22 expenses, including attorney fees, in a suit to collect a delinquent  
23 installment of a loan in the same manner as in a suit to collect  
24 delinquent property tax.

1 D. Only appliances or improvements that are permanently affixed  
2 to the property shall be eligible for financing pursuant to the  
3 Oklahoma Energy Independence Act.

4 SECTION 2. This act shall become effective November 1, 2017.

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