

2023 Kansas Statutes

66-1,252. Prohibited state actions; conflict of law; invalidity of act. (a) The state and its agencies, including the commission, hereby pledge and agree with bondholders, the owners of the securitized utility tariff property and other financing parties that the state and its agencies shall not take any action listed in this section. This subsection does not preclude limitation or alteration if full compensation is made by law for the full protection of the securitized utility tariff charges collected pursuant to a financing order and of the bondholders and any assignee or financing party entering into a contract with the public utility. The prohibited actions are as follows:

(1) Altering the provisions of this section that authorize the commission to create an irrevocable contract right or chose in action by the issuance of a financing order, to create securitized utility tariff property and to make the securitized utility tariff charges imposed by a financing order irrevocable, binding or nonbypassable charges for all existing and future retail customers within the service area of the public utility;

(2) taking or permitting any action that impairs or would impair the value of securitized utility tariff property or the security for the securitized utility tariff bonds or revises the securitized utility tariff costs for which recovery is authorized;

(3) impairing the rights and remedies of the bondholders, assignees and other financing parties in any way; or

(4) except for changes made pursuant to the adjustment mechanism authorized under this section, reducing, altering or impairing securitized utility tariff charges that are to be imposed, billed, charged, collected and remitted for the benefit of the bondholders, any assignee and any other financing parties until any and all principal, interest, premium, financing costs and other fees, expenses or charges incurred and any contracts to be performed in connection with the related securitized utility tariff bonds have been paid and performed in full.

(b) Any person or entity that issues securitized utility tariff bonds may include the language specified in this section in the securitized utility tariff bonds and related documentation.

(c) An assignee or financing party shall not be considered a public utility, an electric public utility, a natural gas public utility or person providing electric or natural gas service by virtue of engaging in the transactions described in this act.

(d) If there is a conflict between this act and any other law regarding the attachment, assignment, perfection, effect of perfection or priority of, assignment or transfer of or security interest in securitized utility tariff property, this section shall govern.

(e) If any provision of this act is held invalid or is invalidated, superseded, replaced, repealed or expires for any reason, such occurrence does not affect the validity of any action allowed under this section that is taken by a public utility, an assignee, a financing party, a collection agent or a party to an ancillary agreement, and any such action remains in full force and effect with respect to all securitized utility tariff bonds issued or authorized in a financing order issued under this section before the date that such provision is held invalid or is invalidated, superseded, replaced, repealed or expires for any reason.

History: L. 2021, ch. 29, § 13; April 22.