

1 **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2 STATE OF OKLAHOMA

3 1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE
FOR
5 HOUSE BILL NO. 1422

By: West (Josh) of the House

6 and

7 **Woods** of the Senate

10 COMMITTEE SUBSTITUTE

11 An Act relating to the Grand River Dam Authority;
12 amending 82 O.S. 2021, Section 870, as amended by
13 Section 1, Chapter 364, O.S.L. 2022 (82 O.S. Supp.
14 2024, Section 870), which relates to authorization of
bonds; increasing maximum bond capacity; updating
statutory language; updating statutory references;
making language gender neutral; and declaring an
emergency.

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

18 SECTION 1. AMENDATORY 82 O.S. 2021, Section 870, as
19 amended by Section 1, Chapter 364, O.S.L. 2022 (82 O.S. Supp. 2024,
20 Section 870), is amended to read as follows:

21 Section 870. The district shall have power and is hereby
22 authorized to issue from time to time, as the need therefor arises,
23 revenue bonds for its corporate purposes in such amount or amounts
24 not to exceed ~~One Billion Four Hundred Ten Million Dollars~~

1 ~~(-\$1,410,000,000.00)~~, or in the event that the Oklahoma Department of
2 Commerce has approved an application under the provisions of
3 division (1) of subparagraph a of paragraph 1 of subsection E of
4 Section 4 of the Large-scale Economic Activity and Development Act
5 of 2022 not to exceed Two Billion Dollars ~~(\$2,000,000,000.00)~~, Three
6 Billion Six Hundred Million Dollars (\$3,600,000,000.00) outstanding
7 at any time as are necessary, incidental or convenient to the
8 exercise of the powers, rights, privileges and functions conferred
9 upon it by ~~this act~~ Section 862 of this title, or any other act or
10 law, and without limitations of the generality of the powers, rights
11 and privileges heretofore granted, for acquiring a steam generating
12 plant or plants and related facilities, and to extend, improve and
13 reconstruct the same; and for constructing, installing and acquiring
14 dams, reservoirs, hydroelectric power plants, or any electrical
15 generating plant or plants or any other electrical power or
16 generating facilities; or any plant or plants for the production of
17 steam for heating and processing purposes; and all and any
18 facilities of every kind necessary, incidental or convenient for the
19 production and generation of electric power and energy; and for
20 acquiring, constructing and installing transmission lines,
21 substations and all facilities necessary, incidental or convenient
22 to the sale, resale, interchange and distribution of electric power
23 and energy; and for carrying on the business and functions of the
24 district, as is now or hereafter may be authorized by law; and for

1 acquiring additions and improvements to and extensions of
2 facilities, at any time existing, of the district; and for the
3 acquisition of lands and rights-of-way for such use as is now, or
4 may be, authorized by law for the construction, replacement and
5 repair of any dams, plants or other facilities of the district; and
6 to enable it to finance, in cooperation with any ~~"public agency"~~
7 public agency, as defined under the Interlocal Cooperation Act,
8 Sections 1001 through 1008 of Title 74 of the Oklahoma Statutes, any
9 other agency of government, rural electric ~~co-op~~ cooperative
10 corporation, or any private or public corporation, the development
11 and utilization of electrical energy or the water resources and
12 rights in waters vested in said the district for such purposes as
13 are, or may be, authorized by the laws of Oklahoma, and for
14 financing and refinancing present outstanding obligations of the
15 district, including the payment of any claims, charges or interest
16 on bonds required to be paid. The bonds herein authorized may
17 either be (1) sold for cash, at public or private sale, at such
18 price or prices as the Board shall determine with the advice and
19 assistance of the State Bond Advisor, or (2) may be issued on such
20 terms as the Board shall determine in exchange for property of any
21 kind, real, personal or mixed, or any interest therein which the
22 Board shall deem necessary, incidental or convenient for any such
23 corporate purposes, or (3) may be issued in exchange for like
24 principal amounts of other obligations of the district, matured or

1 unmatured, or (4) may be issued in such principal amounts that when
2 the proceeds thereof are invested in legal and qualified
3 investments, the proceeds together with the resulting proceeds of
4 such investments will be sufficient to retire the outstanding
5 indebtedness or any portion thereof at maturity or at prior
6 redemption or upon purchase or tender for purchase. The proceeds of
7 sale of such bonds shall be deposited in such bank or banks or trust
8 company or trust companies, and shall be paid out pursuant to such
9 terms and conditions as may be agreed upon between the district and
10 the purchasers of such bonds. All such bonds shall be authorized by
11 resolutions of the Board concurred in by at least four of the
12 members thereof, and shall bear such date or dates, mature at such
13 time or times, bear interest at such rate or rates, at such time or
14 times, be in such denominations, be in such form, either coupon or
15 registered, carry such registration privileges as to principal only
16 or as to both principal and interest, and as to exchange of coupon
17 bonds for registered bonds or vice versa, and exchange of bonds of
18 one denomination for bonds of other denominations, be executed in
19 such manner and be payable at such place or places within or without
20 ~~the State of Oklahoma~~ this state as such resolution or resolutions
21 may provide. Any resolution or resolutions, including any related
22 trust indenture or indentures, authorizing any bonds may contain
23 provisions which shall be part of the contract between the district
24 and the holders thereof from time to time (a) reserving the right to

1 | redeem such bonds at such time or times, in such amounts and at such
2 | prices as may be provided, (b) providing for the setting aside of
3 | sinking funds or reserve funds and the regulation and disposition
4 | thereof, (c) pledging to secure the payment of the principal of and
5 | interest on such bonds and of the sinking fund or reserve fund
6 | payments agreed to be made in respect of such bonds all or any part
7 | of the gross or net revenues thereafter received by the district in
8 | respect of the property, real, personal or mixed, to be acquired or
9 | constructed with such bonds or the proceeds thereof, or all or any
10 | part of the gross or net revenues thereafter received by the
11 | district from whatever source derived and monies and securities held
12 | under such resolutions or indentures or contract rights with respect
13 | to any of the foregoing, (d) prescribing the purposes to which such
14 | bonds or any bonds thereafter to be issued, or the proceeds thereof,
15 | may be applied, (e) agreeing to fix and collect rates and charges
16 | sufficient to produce revenues adequate to pay the items specified
17 | in subparagraphs (a), (b), (c), (d) and (e) of Section 868 of this
18 | title and prescribing the use and disposition of all revenues, and
19 | the investment of such revenues and other monies pending their
20 | expenditures in investments authorized or permitted by law, (f)
21 | prescribing limitations upon the issuance of additional bonds and
22 | upon the agreements which may be made with the purchasers and
23 | successive holders thereof, (g) with regard to the construction,
24 | extension, improvement, reconstruction, operation, maintenance and

1 repair of the properties of the district, carrying of insurance upon
2 all or any part of ~~said~~ the properties covering loss or damage or
3 loss of use and occupancy resulting from specified risk, (h) fixing
4 the procedure, if any, by which, if the district shall so desire,
5 the terms of any contract with the holders of such bonds may be
6 amended or abrogated, the amount of bonds the holders of which must
7 consent thereto, and the manner in which such consent may be given,
8 (i) for the execution and delivery by the district to a bank or
9 trust company authorized by law to accept trusts, or to the United
10 States of America or any office or agency thereof, of indentures and
11 agreements for the benefit of the holders of such bonds setting
12 forth any or all of the agreements herein authorized to be made with
13 or from the benefit of the holders of such bonds and such other
14 provisions as may be customary in such indentures or agreements, and
15 (j) such other provisions, not inconsistent with the provisions of
16 ~~the act~~ Section 861 et seq. of this title, as the Board may approve.

17 Any such resolution and any indenture or agreement entered into
18 pursuant thereto may provide that in the event that (a) default
19 shall be made in the payment of the interest on any or all bonds
20 when and as the same shall become due and payable, or (b) default
21 shall be made in the payment of the principal of any or all bonds
22 when and as the same shall become due and payable, whether at the
23 maturity thereof, by call for redemption or otherwise, or (c)
24 default shall be made in the performance for any agreement made with

1 the purchasers or successive holders of any bonds, and such default
2 shall have continued such period, if any, as may be prescribed by
3 ~~said~~ the resolution in respect thereof, the trustee under the
4 indenture or indentures entered into in respect of the bonds
5 authorized thereby, or if there shall be no such indenture, a
6 trustee appointed in the manner provided in such resolution or
7 resolutions by the holders of twenty-five percent (25%) in aggregate
8 principal amount of the bonds authorized thereby and at the time
9 outstanding may, and, upon the written request of the holders of
10 twenty-five percent (25%) in aggregate principal amount of the bonds
11 authorized by such resolution or resolutions at the time
12 outstanding, shall, in his, her, or its own name, but for the equal
13 and proportionate benefit of the holders of all of such bonds, and
14 with or without possession thereof,

15 (1) By mandamus or other suit, action or proceeding at law or
16 in equity, enforce all rights of the holders of such bonds,

17 (2) Bring suit upon such bonds and/or the appurtenant coupons,

18 (3) By action or suit in equity, require the district to
19 account as if it were the trustee of an express trust for the
20 bondholders,

21 (4) By action or suit in equity, enjoin any acts or things
22 which may be unlawful or in violation of the rights of the holders
23 of such bonds, and/or

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1 (5) After such notice to the district as such resolution may
2 provide, declare the principal of all of such bonds due and payable,
3 and if all defaults shall have been made good, then with the written
4 consent of the holder or holders of twenty-five percent (25%) in
5 aggregate principal amount of such bonds at the time outstanding
6 annul such declaration and its consequence; provided, however, that
7 the holders of more than a majority in principal amount of the bonds
8 authorized thereby and at the time outstanding by instrument or
9 instruments in writing delivered to such trustee have the right to
10 direct and control any and all action taken or to be taken by such
11 trustee under this paragraph. Any such resolution, indenture or
12 agreement may provide that in any such suit, action or proceeding,
13 any such trustee, whether or not all of such bonds shall have been
14 declared due and payable, and with or without possession of any
15 thereof, shall be entitled as of right to the appointment of a
16 receiver who may enter and take possession of all or any part of the
17 properties of the district and operate and maintain the same, and
18 fix, collect and receive rates and charges sufficient to provide
19 revenues adequate to pay the items set forth in subparagraphs (a),
20 (b), (c), (d) and (e) of Section 868 of this title and the costs and
21 disbursements of such suit, action or proceeding, and to apply such
22 revenues in conformity with the provisions of Section 861 et seq. of
23 this title and the resolution or resolutions authorizing such bonds.
24 In any suit, action or proceeding by any such trustee, the

1 reasonable fees, counsel fees and expense of such trustee and of the
2 receiver or receivers, if any, shall constitute taxable
3 disbursements and all costs and disbursements, and all costs and
4 disbursements allowed by the court shall be a first charge upon any
5 revenues pledged to secure the payment of such bonds. Subject to
6 the provisions of the Oklahoma Constitution ~~of the State of~~
7 ~~Oklahoma~~, the courts of the County of Craig, or other county wherein
8 the domicile may be situated, shall have jurisdiction of any such
9 suit, action or proceeding by any such trustee on behalf of the
10 bondholders and of all property involved therein. In addition to
11 the powers hereinabove specifically provided for, each such trustee
12 shall have and possess all powers necessary or appropriate for the
13 exercise of any thereof, or incident to the general representation
14 of the bondholders in the enforcement of their right.

15 Before any bonds shall be sold by the district, a certified copy
16 of the proceedings for the issuance thereof, including the form of
17 such bonds, together with any other information which the Attorney
18 General of ~~the State of Oklahoma~~ this state may require, shall be
19 submitted to the Attorney General and if he or she shall find that
20 such bonds have been issued in accordance with law he or she shall
21 approve such bonds and execute a certificate to that effect which
22 shall be filed in the Office of the State Auditor and Inspector of
23 ~~the State of Oklahoma~~ this state and be recorded in a record kept
24 for that purpose. No bonds shall be issued until the same shall

1 have been registered by the State Auditor and Inspector, who shall
2 so register the same if the Attorney General shall have filed with
3 the State Auditor and Inspector his or her certificate approving the
4 bonds and the proceedings for the issuance thereof as hereinabove
5 provided. All bonds approved by the Attorney General as aforesaid,
6 and registered by the State Auditor and Inspector as aforesaid, and
7 issued in accordance with the proceedings so approved shall be valid
8 and binding obligations of the district and shall be incontestable
9 for any cause from and after the time of such registration.

10 SECTION 2. It being immediately necessary for the preservation
11 of the public peace, health or safety, an emergency is hereby
12 declared to exist, by reason whereof this act shall take effect and
13 be in full force from and after its passage and approval.

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15 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated
03/06/2025 - DO PASS, As Amended and Coauthored.
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