

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                                   STATE OF OKLAHOMA

3                                   2nd Session of the 53rd Legislature (2012)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 2503

By: Watson of the House

and

David of the Senate

7  
8  
9  
10                                   COMMITTEE SUBSTITUTE

11                   An Act relating to the Grand River Dam Authority;  
12                   amending 82 O.S. 2011, Section 863.2, which relates  
13                   to the Board of Directors of the Grand River Dam  
14                   Authority; authorizing the Board to delegate certain  
15                   responsibility to the general manager or a designee;  
16                   requiring monthly reporting to the Board; and  
17                   declaring an emergency.

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

19                   SECTION 1.           AMENDATORY           82 O.S. 2011, Section 863.2, is  
20 amended to read as follows:

21                   Section 863.2 A. The powers, rights and privileges and  
22 functions of the Grand River Dam Authority, hereinafter referred to  
23 as the "district", shall be exercised by a seven-member Board of  
24

1 Directors, to be appointed according to the provisions of this  
2 section.

3 B. The Board shall have rulemaking authority pursuant to the  
4 provisions of Section 861 et seq. of this title. By majority vote,  
5 the Board shall have the authority to grant exemptions from any  
6 rules not promulgated pursuant to the Administrative Procedures Act  
7 which deal with the waters of the Grand River and its tributaries.  
8 The Board shall be responsible for approving business expenses of  
9 the district necessary to carry out the business of the district.  
10 It shall be the duty of the Board of Directors to oversee the  
11 functions of the district and ensure the operations of the district  
12 are in compliance with all applicable state laws and that expenses  
13 of the district comply with state and federal guidelines for  
14 business expense deductibility. The Board may delegate to the  
15 general manager of the district or a designee of the general manager  
16 the responsibility to approve the expenditure of monies for business  
17 expenses as defined by the Board. The General Manager shall present  
18 such business expenses at each monthly meeting of the Board.

19 C. Members appointed to the Board or who serve as designees  
20 shall be domiciled in the State of Oklahoma and shall have paid  
21 state income taxes for a minimum of one (1) year prior to the date  
22 of appointment.

23  
24

1 D. No person shall be eligible to serve on the Board of  
2 Directors if the person, during the three (3) years prior to the  
3 appointment, has been employed by an investor-owned utility company,  
4 or has held a federal, state or county office, elective or  
5 appointive.

6 E. A member of the Board may be eligible to serve on the  
7 Oklahoma Ordnance Works Authority Board of Trustees, if appointed to  
8 that position by the Governor.

9 F. On July 1, 2003, or on the effective date of this act,  
10 whichever occurs later, all positions of the current Board of  
11 Directors shall be deemed vacant, and the new members of the Board  
12 of Directors shall be appointed as follows:

13 1. The Governor shall appoint a director to represent the  
14 industrial and commercial customers of the district;

15 2. The Governor shall appoint a director to represent economic  
16 development interests, lake enthusiasts and property owners;

17 3. The Governor shall appoint an at-large director;

18 4. The President Pro Tempore of the Oklahoma State Senate shall  
19 appoint an at-large director;

20 5. The Speaker of the House of Representatives shall appoint an  
21 at-large director;

22  
23  
24

1           6. The General Manager of the Oklahoma Association of Electric  
2 Cooperatives, or designee, shall be a voting ex officio director;  
3 and

4           7. The Executive Director of the Municipal Electric Systems of  
5 Oklahoma, or designee, shall be a voting ex officio director.

6           G. The initial term of office for the five directors appointed  
7 pursuant to subsection F of this section shall be as follows:

8           1. The at-large director appointed by the President Pro Tempore  
9 of the Senate shall serve for a term of seven (7) years;

10          2. The at-large director appointed by the Speaker of the House  
11 of Representatives shall serve for a term of six (6) years;

12          3. The director appointed by the Governor representing economic  
13 development interests, lake enthusiasts and property owners shall  
14 serve for a term of five (5) years;

15          4. The director appointed by the Governor to represent  
16 industrial and commercial customers shall serve for a term of four  
17 (4) years; and

18          5. The at-large director appointed by the Governor shall serve  
19 for a term of three (3) years.

20          H. A successor to a director of the Board shall be appointed in  
21 the same manner as the original director and shall serve a term of  
22 seven (7) years.

23  
24

UNDERLINED language denotes Amendments to present Statutes.  
**BOLD FACE CAPITALIZED** language denotes Committee Amendments.  
~~Strike thru~~ language denotes deletion from present Statutes.

1 I. Any director appointed to fill a vacancy on the Board  
2 occurring prior to the expiration of the term for which the  
3 predecessor was appointed shall be appointed for the remainder of  
4 such term.

5 J. No director shall be appointed to more than one seven-year  
6 term; provided, however, a director may be appointed to fill the  
7 unexpired portion of a term and shall be eligible for reappointment  
8 to serve a full seven-year term.

9 K. Each director shall qualify by taking the official oath of  
10 office prescribed by general statute.

11 L. Any person serving on the Board of Directors on July 1,  
12 2003, may serve on the Board as provided in this section if they are  
13 so appointed or designated and such person is eligible to serve  
14 under the provisions of this section.

15 M. Any director or designee may be removed for just cause by  
16 the Governor.

17 N. Each director shall be allowed actual and necessary expenses  
18 incurred by such director for attending meetings of the Board and  
19 authorized business of the district pursuant to the provisions of  
20 the State Travel Reimbursement Act. No director shall hold any  
21 other position of employment within the Grand River Dam Authority at  
22 the same time such director is serving on the Board.

23  
24

1 O. The time and place of the regular meetings and the manner in  
2 which special meetings may be called shall be set forth in the  
3 bylaws of the district. Four directors shall constitute a quorum at  
4 any meeting, and, except as otherwise provided in this act or in the  
5 bylaws, all action may be taken by the affirmative vote of the  
6 majority of the Board present at any such meeting, except that no  
7 contracts which involve an amount greater than Fifty Thousand  
8 Dollars (\$50,000.00), or which are to run for a longer period than  
9 one (1) year, and no bonds, notes or other evidence of indebtedness,  
10 and no amendment of the bylaws, shall be valid unless authorized or  
11 ratified by the affirmative vote of at least four directors.

12 P. At the first meeting of the Board following July 1, 2003,  
13 the members appointed pursuant to this section shall, by majority  
14 vote, elect a chair and chair-elect who shall serve as the vice-  
15 chair. The chair and the chair-elect shall serve a term of one (1)  
16 year. Thereafter, the membership of the Board shall elect a chair-  
17 elect, at the first meeting of each year and the previous chair-  
18 elect shall assume the position of chair for the ensuing year. A  
19 member may serve more than one term as chair or chair-elect during  
20 their tenure on the Board, provided, however, they may only serve  
21 one term in any three-year period.

22 Q. The Asset Committee shall be chaired by the director  
23 appointed to represent economic development interests, lake  
24

1 enthusiasts and property owners. Other members of the Committee may  
2 be selected by the Board.

3 R. The Board may appoint temporary or permanent subcommittees  
4 which may include employees of the district or other persons for any  
5 purpose it deems necessary or appropriate.

6 S. The Board is authorized to adopt or amend the bylaws of the  
7 district as necessary to comply with the provisions of this act.

8 T. For the purposes of Section 4254 of Title 74 of the Oklahoma  
9 Statutes, the directors of this board, appointed pursuant to this  
10 section, shall not be considered state officers or state employees.

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

15

16 COMMITTEE REPORT BY: COMMITTEE ON ENERGY AND UTILITY REGULATION,  
17 dated 02/16/2012 - DO PASS, As Amended and Coauthored.

18

19

20

21

22

23

24

25