

1 ENGROSSED HOUSE
2 BILL NO. 1350

By: Cox, Hoskin and Sherrer of
the House

3 and

4 Fields of the Senate
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7 An Act relating to the Grand River Dam Authority;
8 amending 82 O.S. 2011, Section 874, which relates to
9 the mortgage, sale, lease or other disposition of
10 property; allowing the Grand River Dam Authority to
11 sell electrical system equipment to customers;
12 requiring approval of the Board of Directors; and
13 making sales exempt from certain provision and the
14 Oklahoma Surplus Property Act.

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

16 SECTION 1. AMENDATORY 82 O.S. 2011, Section 874, is
17 amended to read as follows:

18 Section 874. A. Nothing in Sections 861 through 890 of this
19 title shall be construed as authorizing the district and it shall
20 not be authorized to mortgage or otherwise encumber any of its
21 property of any kind, real, personal or mixed, or any interest
22 therein, or to acquire any property or interest subject to a
23 mortgage or conditional sale, provided that this section shall not
24 be construed as preventing the pledging of the revenues of the
district as herein authorized.

1 B. Nothing in Sections 861 through 890 of this title shall be
2 construed as authorizing the sale, lease or other disposition of any
3 property or interest of the district by the district or any receiver
4 of any of its properties or through any court proceeding or
5 otherwise.

6 C. 1. The district may sell for cash, subject to competitive
7 bidding as provided by the Board of Directors of the Grand River Dam
8 Authority, any property or interest in an aggregate value not
9 exceeding the sum of Five Hundred Thousand Dollars (\$500,000.00) in
10 any one (1) year, except that the district may sell any or all
11 surplus property that the district may have acquired without regard
12 to the limitations herein, if the Board, by the affirmative vote of
13 five or more of the members, shall have determined that the same is
14 not necessary to the business of the district and shall have
15 approved the terms of any sale.

16 2. Notwithstanding any other provision of law, the district may
17 sell real and personal property used for an electrical substation,
18 transformer station, switch station, or similar purpose to a rural
19 electric cooperative corporation which has an ownership interest in
20 an electricity generating station in which the district also has an
21 ownership interest. Sales pursuant to this paragraph shall be
22 exempt from the requirements and limitations of paragraph 1 of this
23 subsection and from the requirements of Section 129.4 of Title 74 of
24 the Oklahoma Statutes.

1 3. Notwithstanding any other provision of law, the district may
2 sell any electrical system equipment that the district may have
3 acquired to a customer of the district if the Board determines by
4 the affirmative vote of five or more of the members that the
5 property is not necessary to the business of the district, that the
6 property will remain in service for the use of its customer and
7 approves the terms of the sale. Sales pursuant to this paragraph
8 shall be exempt from the requirements and limitations of paragraph 1
9 of this subsection and exempt from the requirements of the Oklahoma
10 Surplus Property Act.

11 D. The district may lease any of its lands if the Board, by the
12 affirmative vote of five or more of the members, shall have
13 determined that the same can be leased without injury to or without
14 interference with the operations of the project, and shall have
15 approved the terms of any lease. Except as otherwise provided, no
16 shorelands (lands lying between the low and high water marks) shall
17 be leased for a term longer than two (2) years and not more than
18 one-fourth (1/4) mile of the lake front shall be leased to any one
19 person, firm or corporation. The district may lease shorelands for
20 a term longer than two (2) years and more than one-fourth (1/4) mile
21 of lake front may be leased to any one person, firm, or corporation
22 without regard to the limitations herein, if the Board, by the
23 affirmative vote of a majority of the members, determines that the
24 lease is necessary or beneficial to the business of the district.

1 The district may lease shorelands to political subdivisions,
2 agencies of the State of Oklahoma, or tax-exempt public trusts, for
3 any public purpose, on such terms as are mutually satisfactory to
4 the parties, notwithstanding the limitations herein. No lease shall
5 deprive the owner of any land adjacent to the shorelands or lake
6 front, or abutting thereon, of ingress or egress to and from the
7 water of the lakes and shall not deprive the owner of any wharf,
8 dock or boat anchorage privileges that would belong to the owner if
9 the shorelands or lake front were not leased.

10 E. It is the intention of Sections 861 through 890 of this
11 title that, except by sale, lease or agreement as expressly
12 authorized in Sections 861 through 890 of this title, no property or
13 interest of the district shall ever come into the ownership or
14 control, directly or indirectly, of any person, firm or corporation
15 other than a public authority created under the laws of the State of
16 Oklahoma.

17 F. Nothing in this section shall be construed as preventing the
18 district from contracting with the United States or any agency
19 thereof for the temporary possession, control and use of properties
20 by the United States or any agency thereof for the safety and
21 defense of the United States in time of a national emergency or in
22 anticipation thereof.

23 G. All property of the district shall be at all times exempted
24 from forced sale, and nothing contained in Sections 861 through 890

1 of this title shall authorize the sale of any of the property of the
2 district under any judgment rendered in any suit, and such sales are
3 hereby prohibited and forbidden. The provisions of this subsection
4 shall not apply to any property constructed on a lease or the
5 interest in a lease of shoreland that has been entered into by the
6 district pursuant to subsection B of this section for a term of
7 longer than two (2) years, provided the provisions of the lease
8 authorizing the mortgage and forced sale of the property or lease
9 interest has been approved by an affirmative vote of a majority of
10 the members of the Board.

11 H. The provisions of this section shall not apply to any sale
12 agreement, lease agreement or other agreement entered into by the
13 district pursuant to paragraphs (f) or (g) of Section 862 of this
14 title, provided that the agreement is in compliance with any
15 applicable provision restricting the sale or leasing of property by
16 the district contained in any resolution of the district providing
17 for the issuance of revenue bonds.

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1 Passed the House of Representatives the 6th day of March, 2013.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ___ day of _____, 2013.

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8 Presiding Officer of the Senate