ENGROSSED HOUSE AMENDMENT
TO
ENGROSSED SENATE BILL NO. 797 By: David of the Senate

and

Watson of the House

An Act relating to the Grand River Dam Authority; amending 82 O.S. 2011, Section 874, which relates to disposal of property; authorizing the district to sell property to certain entities upon approval by the Board; and providing an effective date.

AUTHORS: Add the following House Coauthors: Hoskin and Sherrer

AMENDMENT NO. 1. Strike the title, enacting clause and entire bill and insert

"An Act relating to the Grand River Dam Authority; amending 82 O.S. 2011, Section 874, which relates to disposal of property; authorizing the district to sell property to certain entities upon approval by the Board; and providing an effective date.

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

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

Section 874. A. Nothing in Sections 861 through 890 of this title shall be construed as authorizing the district and it shall

not be authorized to mortgage or otherwise encumber any of its property of any kind, real, personal or mixed, or any interest therein, or to acquire any property or interest subject to a mortgage or conditional sale, provided that this section shall not be construed as preventing the pledging of the revenues of the district as herein authorized.

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

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

2. Notwithstanding any other provision of law, the district may sell real and personal property <u>directly</u> used for ~~an electrical substation, transformer station, switch station, or similar purpose~~

~~to a rural electric cooperative corporation which has an ownership interest in an electricity generating station in which the district also has an ownership interest~~ the generation, transmission or distribution of electricity to any corporation, limited liability company, association, cooperative, municipal corporation or a beneficial trust thereof engaged in the furnishing of wholesale or retail electric if the Board approves by a vote of five or more members that the property is not necessary to the business of the district. Sales pursuant to this paragraph shall be exempt from the requirements and limitations of paragraph 1 of this subsection and from the requirements of Section 129.4 of Title 74 of the Oklahoma Statutes.

D. The district may lease any of its lands if the Board, by the affirmative vote of five or more of the members, shall have determined that the same can be leased without injury to or without interference with the operations of the project, and shall have approved the terms of any lease. Except as otherwise provided, no shorelands (lands lying between the low and high water marks) shall be leased for a term longer than two (2) years and not more than one-fourth (1/4) mile of the lake front shall be leased to any one person, firm or corporation. The district may lease shorelands for a term longer than two (2) years and more than one-fourth (1/4) mile of lake front may be leased to any one person, firm, or corporation without regard to the limitations herein, if the Board, by the

affirmative vote of a majority of the members, determines that the lease is necessary or beneficial to the business of the district. The district may lease shorelands to political subdivisions, agencies of the State of Oklahoma, or tax-exempt public trusts, for any public purpose, on such terms as are mutually satisfactory to the parties, notwithstanding the limitations herein. No lease shall deprive the owner of any land adjacent to the shorelands or lake front, or abutting thereon, of ingress or egress to and from the water of the lakes and shall not deprive the owner of any wharf, dock or boat anchorage privileges that would belong to the owner if the shorelands or lake front were not leased.

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

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

G. All property of the district shall be at all times exempted from forced sale, and nothing contained in Sections 861 through 890 of this title shall authorize the sale of any of the property of the district under any judgment rendered in any suit, and such sales are hereby prohibited and forbidden. The provisions of this subsection shall not apply to any property constructed on a lease or the interest in a lease of shoreland that has been entered into by the district pursuant to subsection B of this section for a term of longer than two (2) years, provided the provisions of the lease authorizing the mortgage and forced sale of the property or lease interest has been approved by an affirmative vote of a majority of the members of the Board.

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

SECTION 2. This act shall become effective November 1, 2015."

Passed the House of Representatives the 23rd day of April, 2015.

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Presiding Officer of the House of Representatives

Passed the Senate the ____ day of _____, 2015.

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Presiding Officer of the Senate

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B. Nothing in Sections 861 through 890 of this title shall be construed as authorizing the sale, lease or other disposition of any property or interest of the district by the district or any receiver

of any of its properties or through any court proceeding or otherwise.

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

2. Notwithstanding any other provision of law, the district may sell real and personal property directly used for ~~an electrical substation, transformer station, switch station, or similar purpose to a rural electric cooperative corporation which has an ownership interest in an electricity generating station in which the district also has an ownership interest~~ the generation, transmission or distribution of electricity to any association, cooperative, municipal corporation or a beneficial trust thereof engaged in the furnishing of wholesale or retail electric if the Board approves by a vote of five (5) or more members that the property is not necessary to the business of the district. Sales pursuant to this paragraph shall be exempt from the requirements and limitations of

paragraph 1 of this subsection and from the requirements of Section 129.4 of Title 74 of the Oklahoma Statutes.

D. The district may lease any of its lands if the Board, by the affirmative vote of five or more of the members, shall have determined that the same can be leased without injury to or without interference with the operations of the project, and shall have approved the terms of any lease. Except as otherwise provided, no shorelands (lands lying between the low and high water marks) shall be leased for a term longer than two (2) years and not more than one-fourth (1/4) mile of the lake front shall be leased to any one person, firm or corporation. The district may lease shorelands for a term longer than two (2) years and more than one-fourth (1/4) mile of lake front may be leased to any one person, firm, or corporation without regard to the limitations herein, if the Board, by the affirmative vote of a majority of the members, determines that the lease is necessary or beneficial to the business of the district. The district may lease shorelands to political subdivisions, agencies of the State of Oklahoma, or tax-exempt public trusts, for any public purpose, on such terms as are mutually satisfactory to the parties, notwithstanding the limitations herein. No lease shall deprive the owner of any land adjacent to the shorelands or lake front, or abutting thereon, of ingress or egress to and from the water of the lakes and shall not deprive the owner of any wharf,

dock or boat anchorage privileges that would belong to the owner if the shorelands or lake front were not leased.

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

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

G. All property of the district shall be at all times exempted from forced sale, and nothing contained in Sections 861 through 890 of this title shall authorize the sale of any of the property of the district under any judgment rendered in any suit, and such sales are hereby prohibited and forbidden. The provisions of this subsection shall not apply to any property constructed on a lease or the interest in a lease of shoreland that has been entered into by the district pursuant to subsection B of this section for a term of longer than two (2) years, provided the provisions of the lease

authorizing the mortgage and forced sale of the property or lease interest has been approved by an affirmative vote of a majority of the members of the Board.

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

SECTION 2. This act shall become effective November 1, 2015.

Passed the Senate the 11th day of March, 2015.

_____
Presiding Officer of the Senate

Passed the House of Representatives the ____ day of _____, 2015.

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Presiding Officer of the House of Representatives