

BILL SUMMARY
1st Session of the 56th Legislature

Bill No.:	HB 2383
Version:	FULLPCS1
Request Number:	7735
Author:	Rep. Leslie Osborn
Date:	4/27/2017
Impact:	Grand River Dam Authority:

Net Positive Revenue
FY-18: \$4.2 Million

Research Analysis

The Proposed Committee Substitute to HB 2383 authorizes the Grand River Dam Authority (GRDA) to provide retail electric power or electric service to electric consuming facilities, and grants it the exclusive right to provide retail electric power or service to any entity located within the boundary of the Oklahoma Ordnance Works Authority/Mid-America Industrial Park. The measure also authorizes GRDA to enter into agreements for wind or battery storage power.

The GRDA would be exempted from any requirements within Title 61 – Public Buildings and Public Works, from the Information Technology Consolidation and Coordination Act, from statutes and rules relating to hiring procedures and compensation for state employees, from the State Travel Reimbursement Act, and from the Surplus Property Act. The bill removes language providing for different terms of office for members of the GRDA Board of Directors, as well as a limitation on contracting authority that required contracts involving an amount greater than \$50,000 or are scheduled for longer than 1 year to be approved by the board.

The PCS to HB 2383 removes language setting the compensation of classified and unclassified employees of GRDA. The measure also removes language defining and limiting how GRDA funds may be deposited or disbursed.

The bill would require payment in lieu of taxes of an amount not to exceed 1% of its operating revenues, payable monthly in equal installments of 1/12 of the total annual amount, based upon the previous year's financial statements. This payment is in lieu of any and all other payments imposed by the state, counties, cities, towns and other political subdivisions upon GRDA, except for payment for services rendered.

Finally, the measure repeals 82 O.S. 2011, Section 862.2 - Certain Authority Contracts Not Public Construction Contracts, and updates and clarifies statutory language.

Prepared By: Sean Webster

Fiscal Analysis

Provides for in-lieu payment of one percent of gross operating revenues; provides for certain operational efficiencies

The Authority indicates the payment provisions will result in an estimated \$4,200,000 in FY-18. The measure includes provisions which have the potential to realize operational efficiencies for the Authority.

Prepared By: Mark Tygret

Other Considerations

None.