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April 16, 2025

**AS AMENDED**

ENGROSSED HOUSE

BILL NO. 1422

By: West (Josh) of the House

and

# Woods of the Senate

[ Grand River Dam Authority - bonds - capacity -  
emergency ]

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

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

Section 870. The district shall have power and is hereby authorized to issue from time to time, as the need therefor arises, revenue bonds for its corporate purposes in such amount or amounts not to exceed ~~One Billion Four Hundred Ten Million Dollars (\$1,410,000,000.00)~~, or in the event that the Oklahoma Department of Commerce has approved an application under the provisions of division (1) of subparagraph a of paragraph 1 of subsection E of Section 4 of the Large-scale Economic Activity and Development Act of 2022 not to exceed ~~Two Billion Dollars (\$2,000,000,000.00)~~, Three Billion Six Hundred Million Dollars (\$3,600,000,000.00) outstanding

1 at any time as are necessary, incidental or convenient to the  
2 exercise of the powers, rights, privileges and functions conferred  
3 upon it by ~~this act~~ Section 862 of this title, or any other act or  
4 law, and without limitations of the generality of the powers, rights  
5 and privileges heretofore granted, for acquiring a steam generating  
6 plant or plants and related facilities, and to extend, improve and  
7 reconstruct the same; and for constructing, installing and acquiring  
8 dams, reservoirs, hydroelectric power plants, or any electrical  
9 generating plant or plants or any other electrical power or  
10 generating facilities; or any plant or plants for the production of  
11 steam for heating and processing purposes; and all and any  
12 facilities of every kind necessary, incidental or convenient for the  
13 production and generation of electric power and energy; and for  
14 acquiring, constructing and installing transmission lines,  
15 substations and all facilities necessary, incidental or convenient  
16 to the sale, resale, interchange and distribution of electric power  
17 and energy; and for carrying on the business and functions of the  
18 district, as is now or hereafter may be authorized by law; and for  
19 acquiring additions and improvements to and extensions of  
20 facilities, at any time existing, of the district; and for the  
21 acquisition of lands and rights-of-way for such use as is now, or  
22 may be, authorized by law for the construction, replacement and  
23 repair of any dams, plants or other facilities of the district; and  
24 to enable it to finance, in cooperation with any ~~"public agency"~~

1 public agency, as defined under the Interlocal Cooperation Act,  
2 Sections 1001 through 1008 of Title 74 of the Oklahoma Statutes, any  
3 other agency of government, rural electric ~~co-op~~ cooperative  
4 corporation, or any private or public corporation, the development  
5 and utilization of electrical energy or the water resources and  
6 rights in waters vested in ~~said~~ the district for such purposes as  
7 are, or may be, authorized by the laws of Oklahoma, and for  
8 financing and refinancing present outstanding obligations of the  
9 district, including the payment of any claims, charges or interest  
10 on bonds required to be paid. The bonds herein authorized may  
11 either be (1) sold for cash, at public or private sale, at such  
12 price or prices as the Board shall determine with the advice and  
13 assistance of the State Bond Advisor, or (2) may be issued on such  
14 terms as the Board shall determine in exchange for property of any  
15 kind, real, personal or mixed, or any interest therein which the  
16 Board shall deem necessary, incidental or convenient for any such  
17 corporate purposes, or (3) may be issued in exchange for like  
18 principal amounts of other obligations of the district, matured or  
19 unmatured, or (4) may be issued in such principal amounts that when  
20 the proceeds thereof are invested in legal and qualified  
21 investments, the proceeds together with the resulting proceeds of  
22 such investments will be sufficient to retire the outstanding  
23 indebtedness or any portion thereof at maturity or at prior  
24 redemption or upon purchase or tender for purchase. The proceeds of

1 sale of such bonds shall be deposited in such bank or banks or trust  
2 company or trust companies, and shall be paid out pursuant to such  
3 terms and conditions as may be agreed upon between the district and  
4 the purchasers of such bonds. All such bonds shall be authorized by  
5 resolutions of the Board concurred in by at least four of the  
6 members thereof, and shall bear such date or dates, mature at such  
7 time or times, bear interest at such rate or rates, at such time or  
8 times, be in such denominations, be in such form, either coupon or  
9 registered, carry such registration privileges as to principal only  
10 or as to both principal and interest, and as to exchange of coupon  
11 bonds for registered bonds or vice versa, and exchange of bonds of  
12 one denomination for bonds of other denominations, be executed in  
13 such manner and be payable at such place or places within or without  
14 ~~the State of Oklahoma~~ this state as such resolution or resolutions  
15 may provide. Any resolution or resolutions, including any related  
16 trust indenture or indentures, authorizing any bonds may contain  
17 provisions which shall be part of the contract between the district  
18 and the holders thereof from time to time (a) reserving the right to  
19 redeem such bonds at such time or times, in such amounts and at such  
20 prices as may be provided, (b) providing for the setting aside of  
21 sinking funds or reserve funds and the regulation and disposition  
22 thereof, (c) pledging to secure the payment of the principal of and  
23 interest on such bonds and of the sinking fund or reserve fund  
24 payments agreed to be made in respect of such bonds all or any part

1 of the gross or net revenues thereafter received by the district in  
2 respect of the property, real, personal or mixed, to be acquired or  
3 constructed with such bonds or the proceeds thereof, or all or any  
4 part of the gross or net revenues thereafter received by the  
5 district from whatever source derived and monies and securities held  
6 under such resolutions or indentures or contract rights with respect  
7 to any of the foregoing, (d) prescribing the purposes to which such  
8 bonds or any bonds thereafter to be issued, or the proceeds thereof,  
9 may be applied, (e) agreeing to fix and collect rates and charges  
10 sufficient to produce revenues adequate to pay the items specified  
11 in subparagraphs (a), (b), (c), (d) and (e) of Section 868 of this  
12 title and prescribing the use and disposition of all revenues, and  
13 the investment of such revenues and other monies pending their  
14 expenditures in investments authorized or permitted by law, (f)  
15 prescribing limitations upon the issuance of additional bonds and  
16 upon the agreements which may be made with the purchasers and  
17 successive holders thereof, (g) with regard to the construction,  
18 extension, improvement, reconstruction, operation, maintenance and  
19 repair of the properties of the district, carrying of insurance upon  
20 all or any part of ~~said~~ the properties covering loss or damage or  
21 loss of use and occupancy resulting from specified risk, (h) fixing  
22 the procedure, if any, by which, if the district shall so desire,  
23 the terms of any contract with the holders of such bonds may be  
24 amended or abrogated, the amount of bonds the holders of which must

1 consent thereto, and the manner in which such consent may be given,  
2 (i) for the execution and delivery by the district to a bank or  
3 trust company authorized by law to accept trusts, or to the United  
4 States of America or any office or agency thereof, of indentures and  
5 agreements for the benefit of the holders of such bonds setting  
6 forth any or all of the agreements herein authorized to be made with  
7 or from the benefit of the holders of such bonds and such other  
8 provisions as may be customary in such indentures or agreements, and  
9 (j) such other provisions, not inconsistent with the provisions of  
10 ~~the act~~ Section 861 et seq. of this title, as the Board may approve.

11 Any such resolution and any indenture or agreement entered into  
12 pursuant thereto may provide that in the event that (a) default  
13 shall be made in the payment of the interest on any or all bonds  
14 when and as the same shall become due and payable, or (b) default  
15 shall be made in the payment of the principal of any or all bonds  
16 when and as the same shall become due and payable, whether at the  
17 maturity thereof, by call for redemption or otherwise, or (c)  
18 default shall be made in the performance for any agreement made with  
19 the purchasers or successive holders of any bonds, and such default  
20 shall have continued such period, if any, as may be prescribed by  
21 ~~said the~~ the resolution in respect thereof, the trustee under the  
22 indenture or indentures entered into in respect of the bonds  
23 authorized thereby, or if there shall be no such indenture, a  
24 trustee appointed in the manner provided in such resolution or

1 resolutions by the holders of twenty-five percent (25%) in aggregate  
2 principal amount of the bonds authorized thereby and at the time  
3 outstanding may, and, upon the written request of the holders of  
4 twenty-five percent (25%) in aggregate principal amount of the bonds  
5 authorized by such resolution or resolutions at the time  
6 outstanding, shall, in his, her, or its own name, but for the equal  
7 and proportionate benefit of the holders of all of such bonds, and  
8 with or without possession thereof,

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

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

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

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

20 (5) After such notice to the district as such resolution  
21 may provide, declare the principal of all of such  
22 bonds due and payable, and if all defaults shall have  
23 been made good, then with the written consent of the  
24 holder or holders of twenty-five percent (25%) in

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



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

21 Before any bonds shall be sold by the district, a certified copy  
22 of the proceedings for the issuance thereof, including the form of  
23 such bonds, together with any other information which the Attorney  
24 General of ~~the State of Oklahoma~~ this state may require, shall be

1 submitted to the Attorney General and if he or she shall find that  
2 such bonds have been issued in accordance with law he or she shall  
3 approve such bonds and execute a certificate to that effect which  
4 shall be filed in the Office of the State Auditor and Inspector of  
5 ~~the State of Oklahoma~~ this state and be recorded in a record kept  
6 for that purpose. No bonds shall be issued until the same shall  
7 have been registered by the State Auditor and Inspector, who shall  
8 so register the same if the Attorney General shall have filed with  
9 the State Auditor and Inspector his or her certificate approving the  
10 bonds and the proceedings for the issuance thereof as hereinabove  
11 provided. All bonds approved by the Attorney General as aforesaid,  
12 and registered by the State Auditor and Inspector as aforesaid, and  
13 issued in accordance with the proceedings so approved shall be valid  
14 and binding obligations of the district and shall be incontestable  
15 for any cause from and after the time of such registration.

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

20 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS  
21 April 16, 2025 - DO PASS AS AMENDED  
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