

1 ENGROSSED HOUSE
2 BILL NO. 1422

By: West (Josh) of the House

3 and

4 Woods of the Senate

5
6 An Act relating to the Grand River Dam Authority;
7 amending 82 O.S. 2021, Section 870, as amended by
8 Section 1, Chapter 364, O.S.L. 2022 (82 O.S. Supp.
9 2024, Section 870), which relates to authorization of
10 bonds; increasing maximum bond capacity; updating
11 statutory language; updating statutory references;
12 making language gender-neutral; and declaring an
13 emergency.

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

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

18 Section 870. The district shall have power and is hereby
19 authorized to issue from time to time, as the need therefor arises,
20 revenue bonds for its corporate purposes in such amount or amounts
21 not to exceed ~~One Billion Four Hundred Ten Million Dollars~~
22 ~~(\$1,410,000,000.00), or in the event that the Oklahoma Department of~~
23 ~~Commerce has approved an application under the provisions of~~
24 ~~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~~

1 Billion Six Hundred Million Dollars (\$3,600,000,000.00) outstanding
2 at any time as are necessary, incidental or convenient to the
3 exercise of the powers, rights, privileges and functions conferred
4 upon it by ~~this act~~ Section 862 of this title, or any other act or
5 law, and without limitations of the generality of the powers, rights
6 and privileges heretofore granted, for acquiring a steam generating
7 plant or plants and related facilities, and to extend, improve and
8 reconstruct the same; and for constructing, installing and acquiring
9 dams, reservoirs, hydroelectric power plants, or any electrical
10 generating plant or plants or any other electrical power or
11 generating facilities; or any plant or plants for the production of
12 steam for heating and processing purposes; and all and any
13 facilities of every kind necessary, incidental or convenient for the
14 production and generation of electric power and energy; and for
15 acquiring, constructing and installing transmission lines,
16 substations and all facilities necessary, incidental or convenient
17 to the sale, resale, interchange and distribution of electric power
18 and energy; and for carrying on the business and functions of the
19 district, as is now or hereafter may be authorized by law; and for
20 acquiring additions and improvements to and extensions of
21 facilities, at any time existing, of the district; and for the
22 acquisition of lands and rights-of-way for such use as is now, or
23 may be, authorized by law for the construction, replacement and
24 repair of any dams, plants or other facilities of the district; and

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

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

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

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

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

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

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

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

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

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

21 (5) After such notice to the district as such resolution
22 may provide, declare the principal of all of such
23 bonds due and payable, and if all defaults shall have
24 been made good, then with the written consent of the

1 holder or holders of twenty-five percent (25%) in
2 aggregate principal amount of such bonds at the time
3 outstanding annul such declaration and its
4 consequence; provided, however, that the holders of
5 more than a majority in principal amount of the bonds
6 authorized thereby and at the time outstanding by
7 instrument or instruments in writing delivered to such
8 trustee have the right to direct and control any and
9 all action taken or to be taken by such trustee under
10 this paragraph. Any such resolution, indenture or
11 agreement may provide that in any such suit, action or
12 proceeding, any such trustee, whether or not all of
13 such bonds shall have been declared due and payable,
14 and with or without possession of any thereof, shall
15 be entitled as of right to the appointment of a
16 receiver who may enter and take possession of all or
17 any part of the properties of the district and operate
18 and maintain the same, and fix, collect and receive
19 rates and charges sufficient to provide revenues
20 adequate to pay the items set forth in subparagraphs
21 (a), (b), (c), (d) and (e) of Section 868 of this
22 title and the costs and disbursements of such suit,
23 action or proceeding, and to apply such revenues in
24 conformity with the provisions of Section 861 et seq.

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

22 Before any bonds shall be sold by the district, a certified copy
23 of the proceedings for the issuance thereof, including the form of
24 such bonds, together with any other information which the Attorney

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

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

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1 Passed the House of Representatives the 11th day of March, 2025.

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4 Presiding Officer of the House
of Representatives

5 Passed the Senate the ____ day of _____, 2025.

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9 Presiding Officer of the Senate