

1                   **HOUSE OF REPRESENTATIVES - FLOOR VERSION**

2                               STATE OF OKLAHOMA

3                               1st Session of the 60th Legislature (2025)

4 COMMITTEE SUBSTITUTE  
5 FOR  
6 HOUSE BILL NO. 1422

By: West (Josh) of the House

and

**Woods** of the Senate

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10                               COMMITTEE SUBSTITUTE

11           An Act relating to the Grand River Dam Authority;  
12           amending 82 O.S. 2021, Section 870, as amended by  
13           Section 1, Chapter 364, O.S.L. 2022 (82 O.S. Supp.  
14           2024, Section 870), which relates to authorization of  
15           bonds; increasing maximum bond capacity; updating  
16           statutory language; updating statutory references;  
17           making language gender neutral; and declaring an  
18           emergency.

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

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

23           Section 870. The district shall have power and is hereby  
24           authorized to issue from time to time, as the need therefor arises,  
25           revenue bonds for its corporate purposes in such amount or amounts  
26           not to exceed ~~One Billion Four Hundred Ten Million Dollars~~

1 ~~(\$1,410,000,000.00), or in the event that the Oklahoma Department of~~  
2 ~~Commerce has approved an application under the provisions of~~  
3 ~~division (1) of subparagraph a of paragraph 1 of subsection E of~~  
4 ~~Section 4 of the Large-scale Economic Activity and Development Act~~  
5 ~~of 2022 not to exceed Two Billion Dollars (\$2,000,000,000.00), Three~~  
6 ~~Billion Six Hundred Million Dollars (\$3,600,000,000.00) outstanding~~  
7 at any time as are necessary, incidental or convenient to the  
8 exercise of the powers, rights, privileges and functions conferred  
9 upon it by ~~this act~~ Section 862 of this title, or any other act or  
10 law, and without limitations of the generality of the powers, rights  
11 and privileges heretofore granted, for acquiring a steam generating  
12 plant or plants and related facilities, and to extend, improve and  
13 reconstruct the same; and for constructing, installing and acquiring  
14 dams, reservoirs, hydroelectric power plants, or any electrical  
15 generating plant or plants or any other electrical power or  
16 generating facilities; or any plant or plants for the production of  
17 steam for heating and processing purposes; and all and any  
18 facilities of every kind necessary, incidental or convenient for the  
19 production and generation of electric power and energy; and for  
20 acquiring, constructing and installing transmission lines,  
21 substations and all facilities necessary, incidental or convenient  
22 to the sale, resale, interchange and distribution of electric power  
23 and energy; and for carrying on the business and functions of the  
24 district, as is now or hereafter may be authorized by law; and for

1 acquiring additions and improvements to and extensions of  
2 facilities, at any time existing, of the district; and for the  
3 acquisition of lands and rights-of-way for such use as is now, or  
4 may be, authorized by law for the construction, replacement and  
5 repair of any dams, plants or other facilities of the district; and  
6 to enable it to finance, in cooperation with any ~~"public agency"~~  
7 public agency, as defined under the Interlocal Cooperation Act,  
8 Sections 1001 through 1008 of Title 74 of the Oklahoma Statutes, any  
9 other agency of government, rural electric ~~co-op~~ cooperative  
10 corporation, or any private or public corporation, the development  
11 and utilization of electrical energy or the water resources and  
12 rights in waters vested in ~~said~~ the district for such purposes as  
13 are, or may be, authorized by the laws of Oklahoma, and for  
14 financing and refinancing present outstanding obligations of the  
15 district, including the payment of any claims, charges or interest  
16 on bonds required to be paid. The bonds herein authorized may  
17 either be (1) sold for cash, at public or private sale, at such  
18 price or prices as the Board shall determine with the advice and  
19 assistance of the State Bond Advisor, or (2) may be issued on such  
20 terms as the Board shall determine in exchange for property of any  
21 kind, real, personal or mixed, or any interest therein which the  
22 Board shall deem necessary, incidental or convenient for any such  
23 corporate purposes, or (3) may be issued in exchange for like  
24 principal amounts of other obligations of the district, matured or

1 unmatured, or (4) may be issued in such principal amounts that when  
2 the proceeds thereof are invested in legal and qualified  
3 investments, the proceeds together with the resulting proceeds of  
4 such investments will be sufficient to retire the outstanding  
5 indebtedness or any portion thereof at maturity or at prior  
6 redemption or upon purchase or tender for purchase. The proceeds of  
7 sale of such bonds shall be deposited in such bank or banks or trust  
8 company or trust companies, and shall be paid out pursuant to such  
9 terms and conditions as may be agreed upon between the district and  
10 the purchasers of such bonds. All such bonds shall be authorized by  
11 resolutions of the Board concurred in by at least four of the  
12 members thereof, and shall bear such date or dates, mature at such  
13 time or times, bear interest at such rate or rates, at such time or  
14 times, be in such denominations, be in such form, either coupon or  
15 registered, carry such registration privileges as to principal only  
16 or as to both principal and interest, and as to exchange of coupon  
17 bonds for registered bonds or vice versa, and exchange of bonds of  
18 one denomination for bonds of other denominations, be executed in  
19 such manner and be payable at such place or places within or without  
20 ~~the State of Oklahoma~~ this state as such resolution or resolutions  
21 may provide. Any resolution or resolutions, including any related  
22 trust indenture or indentures, authorizing any bonds may contain  
23 provisions which shall be part of the contract between the district  
24 and the holders thereof from time to time (a) reserving the right to

1 redeem such bonds at such time or times, in such amounts and at such  
2 prices as may be provided, (b) providing for the setting aside of  
3 sinking funds or reserve funds and the regulation and disposition  
4 thereof, (c) pledging to secure the payment of the principal of and  
5 interest on such bonds and of the sinking fund or reserve fund  
6 payments agreed to be made in respect of such bonds all or any part  
7 of the gross or net revenues thereafter received by the district in  
8 respect of the property, real, personal or mixed, to be acquired or  
9 constructed with such bonds or the proceeds thereof, or all or any  
10 part of the gross or net revenues thereafter received by the  
11 district from whatever source derived and monies and securities held  
12 under such resolutions or indentures or contract rights with respect  
13 to any of the foregoing, (d) prescribing the purposes to which such  
14 bonds or any bonds thereafter to be issued, or the proceeds thereof,  
15 may be applied, (e) agreeing to fix and collect rates and charges  
16 sufficient to produce revenues adequate to pay the items specified  
17 in subparagraphs (a), (b), (c), (d) and (e) of Section 868 of this  
18 title and prescribing the use and disposition of all revenues, and  
19 the investment of such revenues and other monies pending their  
20 expenditures in investments authorized or permitted by law, (f)  
21 prescribing limitations upon the issuance of additional bonds and  
22 upon the agreements which may be made with the purchasers and  
23 successive holders thereof, (g) with regard to the construction,  
24 extension, improvement, reconstruction, operation, maintenance and

1 repair of the properties of the district, carrying of insurance upon  
2 all or any part of ~~said~~ the properties covering loss or damage or  
3 loss of use and occupancy resulting from specified risk, (h) fixing  
4 the procedure, if any, by which, if the district shall so desire,  
5 the terms of any contract with the holders of such bonds may be  
6 amended or abrogated, the amount of bonds the holders of which must  
7 consent thereto, and the manner in which such consent may be given,  
8 (i) for the execution and delivery by the district to a bank or  
9 trust company authorized by law to accept trusts, or to the United  
10 States of America or any office or agency thereof, of indentures and  
11 agreements for the benefit of the holders of such bonds setting  
12 forth any or all of the agreements herein authorized to be made with  
13 or from the benefit of the holders of such bonds and such other  
14 provisions as may be customary in such indentures or agreements, and  
15 (j) such other provisions, not inconsistent with the provisions of  
16 ~~the act~~ Section 861 et seq. of this title, as the Board may approve.

17 Any such resolution and any indenture or agreement entered into  
18 pursuant thereto may provide that in the event that (a) default  
19 shall be made in the payment of the interest on any or all bonds  
20 when and as the same shall become due and payable, or (b) default  
21 shall be made in the payment of the principal of any or all bonds  
22 when and as the same shall become due and payable, whether at the  
23 maturity thereof, by call for redemption or otherwise, or (c)  
24 default shall be made in the performance for any agreement made with

1 the purchasers or successive holders of any bonds, and such default  
2 shall have continued such period, if any, as may be prescribed by  
3 ~~said~~ the resolution in respect thereof, the trustee under the  
4 indenture or indentures entered into in respect of the bonds  
5 authorized thereby, or if there shall be no such indenture, a  
6 trustee appointed in the manner provided in such resolution or  
7 resolutions by the holders of twenty-five percent (25%) in aggregate  
8 principal amount of the bonds authorized thereby and at the time  
9 outstanding may, and, upon the written request of the holders of  
10 twenty-five percent (25%) in aggregate principal amount of the bonds  
11 authorized by such resolution or resolutions at the time  
12 outstanding, shall, in his, her, or its own name, but for the equal  
13 and proportionate benefit of the holders of all of such bonds, and  
14 with or without possession thereof,

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

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

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

21 (4) By action or suit in equity, enjoin any acts or things  
22 which may be unlawful or in violation of the rights of the holders  
23 of such bonds, and/or  
24

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



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

15 Before any bonds shall be sold by the district, a certified copy  
16 of the proceedings for the issuance thereof, including the form of  
17 such bonds, together with any other information which the Attorney  
18 General of ~~the State of Oklahoma~~ this state may require, shall be  
19 submitted to the Attorney General and if he or she shall find that  
20 such bonds have been issued in accordance with law he or she shall  
21 approve such bonds and execute a certificate to that effect which  
22 shall be filed in the Office of the State Auditor and Inspector of  
23 ~~the State of Oklahoma~~ this state and be recorded in a record kept  
24 for that purpose. No bonds shall be issued until the same shall

1 have been registered by the State Auditor and Inspector, who shall  
2 so register the same if the Attorney General shall have filed with  
3 the State Auditor and Inspector his or her certificate approving the  
4 bonds and the proceedings for the issuance thereof as hereinabove  
5 provided. All bonds approved by the Attorney General as aforesaid,  
6 and registered by the State Auditor and Inspector as aforesaid, and  
7 issued in accordance with the proceedings so approved shall be valid  
8 and binding obligations of the district and shall be incontestable  
9 for any cause from and after the time of such registration.

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

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15 COMMITTEE REPORT BY: COMMITTEE ON APPROPRIATIONS AND BUDGET, dated  
16 03/06/2025 - DO PASS, As Amended and Coauthored.  
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