

1 ENGROSSED HOUSE AMENDMENT  
TO  
2 ENGROSSED SENATE BILL NO. 797 By: David of the Senate  
3 and  
4 Watson of the House  
5  
6

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

11 AUTHORS: Add the following House Coauthors: Hoskin and Sherrer  
12 AMENDMENT NO. 1. Strike the title, enacting clause and entire bill  
13 and insert  
14

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

20 SECTION 2. This act shall become effective November 1, 2015."  
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1 Passed the House of Representatives the 23rd day of April, 2015.

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4 Presiding Officer of the House of  
5 Representatives

6 Passed the Senate the \_\_\_\_ day of \_\_\_\_\_, 2015.

7  
8  
9 Presiding Officer of the Senate

1 ENGROSSED SENATE  
2 BILL NO. 797

By: David of the Senate

3 and

4 Watson of the House

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

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

12 SECTION 3. AMENDATORY 82 O.S. 2011, Section 874, is  
13 amended to read as follows:

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16 not be authorized to mortgage or otherwise encumber any of its  
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18 therein, or to acquire any property or interest subject to a  
19 mortgage or conditional sale, provided that this section shall not  
20 be construed as preventing the pledging of the revenues of the  
21 district as herein authorized.

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

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

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

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



1 paragraph 1 of this subsection and from the requirements of Section  
2 129.4 of Title 74 of the Oklahoma Statutes.

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

24

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

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

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

16 G. All property of the district shall be at all times exempted  
17 from forced sale, and nothing contained in Sections 861 through 890  
18 of this title shall authorize the sale of any of the property of the  
19 district under any judgment rendered in any suit, and such sales are  
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22 interest in a lease of shoreland that has been entered into by the  
23 district pursuant to subsection B of this section for a term of  
24 longer than two (2) years, provided the provisions of the lease

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

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

11 SECTION 4. This act shall become effective November 1, 2015.

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

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14 \_\_\_\_\_  
15 Presiding Officer of the Senate

16 Passed the House of Representatives the \_\_\_\_ day of \_\_\_\_\_,  
17 2015.

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19 \_\_\_\_\_  
20 Presiding Officer of the House  
21 of Representatives

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