

SB 407

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

THE STATE SENATE
Monday, February 26, 2007

Senate Bill No. 407
As Amended

SENATE BILL NO. 407 - By: MAZZEI of the Senate and JACKSON of the House.

[Grand River Dam Authority - authorizing interest management transactions for bonds - emergency]

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

SECTION 1. AMENDATORY 82 O.S. 2001, Section 873, is amended to read as follows:

Section 873. A. The Grand River Dam Authority is hereby authorized to fund and refund any and all lawful obligations and any and all revenue bonds issued, or contracted to be sold, by it by the issuance of new revenue bonds, or from the proceeds of sale of new revenue bonds, or by the exchange of new revenue bonds and to renegotiate any agreement of indenture whereunder said obligations or revenue bonds authorized to be funded and refunded hereby may be outstanding, or contracted, but any new revenue bonds issued, exchanged or sold to fund or refund said outstanding obligations and revenue bonds and all agreements and indentures providing for the payment and securing thereof shall conform to the provisions of the Grand River Dam Authority Act, as amended; provided, that no outstanding obligations or revenue bonds shall be funded or refunded

1 or exchanged on the basis of a price in excess of principal, accrued
2 interest, redemption premium, or charges in excess of those provided
3 by said obligations or revenue bonds or the indenture or agreement
4 whereunder issued or incurred, plus the necessary and reasonable
5 costs of funding, refunding or exchange thereof; provided, further
6 that said Authority shall have the power to purchase any revenue
7 bonds issued, or contracted to be issued, by it at a price not
8 exceeding the redemption price applicable at the time of purchase
9 thereof, or, if no redemption price is fixed, then at principal plus
10 accrued interest, from any funds available and provided for the
11 payment of said revenue bonds and when purchased said bonds shall be
12 canceled.

13 B. The Authority is further authorized to enter into interest
14 rate swaps and other derivative products, and other financial
15 instruments intended to hedge interest rate risk or manage interest
16 rate costs, including any option to enter into or terminate any of
17 them, that the Authority deems to be necessary or desirable in
18 connection with any bonds issued prior to, at the same time as, or
19 after entering into such arrangement, and containing such terms and
20 provisions, and may be with such parties, as determined by the
21 Authority. Provided, any action taken by the Authority pursuant to
22 this subsection must first be approved by the Office of the State

1 Bond Advisor and the Council of Bond Oversight pursuant to the
2 provisions of the Oklahoma Bond Oversight and Reform Act.

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

7 COMMITTEE REPORT BY: COMMITTEE ON FINANCE, dated 2-20-07 - DO PASS,
8 As Amended and Coauthored.