



Legislation Details (With Text)

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Title: AN ACT AUTHORIZING THE CANCELLATION AND REPLACEMENT OF CHEROKEE NATION INDEBTEDNESS ISSUED PURSUANT TO THE SERIES 2006 HEALTH CARE SYSTEM BONDS; AND DECLARING AN EMERGENCY
Sponsors: Jack D. Baker, Cara Cowan Watts, Meredith Frailey
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Table with 5 columns: Date, Ver., Action By, Action, Result. Rows show legislative actions on 11/18/2008, 11/10/2008, and 10/30/2008.

AN ACT AUTHORIZING THE CANCELLATION AND REPLACEMENT OF CHEROKEE NATION INDEBTEDNESS ISSUED PURSUANT TO THE SERIES 2006 HEALTH CARE SYSTEM BONDS; AND DECLARING AN EMERGENCY
BE IT ENACTED BY THE CHEROKEE NATION:

SECTION 1. TITLE AND CODIFICATION

This legislative act shall be titled and codified as "The Series 2006 Health Care System Bond Cancellation and Replacement Act of 2009".

SECTION 2. PURPOSE

The purpose of this Act is to authorize cancellation and replacement of the Cherokee Nation Series 2006 Health Care System Bonds from certain bondholders with face value totaling \$3,365,000 at a discount rate of 94.375. The Bonds were repurchased utilizing the Motor Fuels Tax Scholarship Reserve Fund. The Motor Fuels Tax Scholarship Reserve Fund will be repaid at the stated interest rate (4.3%) of the Bonds until maturity (2016) from the Cherokee Nation Health Care System original pledged third party revenues.

SECTION 3. LEGISLATIVE HISTORY

The Nation issued \$30,000,000 Series 2006 Health Care System Bonds on December 21, 2006 pursuant to Resolution 99-05, as amended by Resolution 34-06. The Bonds were issued to fund construction of new clinics in Muskogee and Nowata and an administrative annex for the Redbird Smith clinic in Sallisaw. The Bonds are secured by a pledge of the health clinics third party revenue and a general obligation of the Nation. The Bonds carry a coupon rate ranging from 4.1 - 4.6% and mature in three phases beginning in 2011. The Bonds authorized by this act for the cancellation and replacement mature in 2016 at a coupon rate of 4.3%.

SECTION 4. FUNDING AUTHORIZATIONS

This Legislative Act authorizes the use of the Motor Fuels Tax Scholarship Reserve Fund in the amount of \$3,365,000 to replace indebtedness of Cherokee Nation Series 2006 Health Care Systems Bonds at a discount rate of 94.375. To repurchase the 2006 Health Care Systems Bonds, the Cherokee Nation is required to cancel such Bonds. This Legislative Act authorizes the replacement of the total \$3,365,000 indebtedness with an internal note payable to the Motor Fuels Tax Scholarship Reserve Fund secured by the pledged health clinics third party revenues at the same terms of interest and maturity as the original face value of the bonds.

SECTION 5. PROVISIONS AS CUMULATIVE

The provisions of this Act shall be cumulative to existing law.

SECTION 6. SEVERABILITY

The provisions of this Act are severable and if any part or provision hereof shall be held void the decision of the court so holding shall not affect or impair any of the remaining parts or provisions of this Act.

SECTION 7. EFFECTIVE DATE: EMERGENCY DECLARED

It being immediately necessary for the welfare of the Cherokee Nation, the Council hereby declares that an emergency exists, by reason whereof this Act shall take effect immediately upon its approval and signatures.

SECTION 8. SELF-HELP CONTRIBUTIONS

To the extent that this Act involves programs or services to citizens of the Nation or others, self-help contributions shall be required, unless specifically prohibited by the funding agency, or a waiver is granted due to physical or mental incapacity of the participant to contribute.