

AMENDMENTS TO LB897

Introduced by Natural Resources.

1 1. Strike the original sections and insert the following new
2 sections:

3 Section 1. Section 10-1103, Reissue Revised Statutes of Nebraska, is
4 amended to read:

5 10-1103 For purposes of the Nebraska Governmental Unit Security
6 Interest Act:

7 (1) Authorizing statute means any statute which authorizes the
8 issuance of bonds;

9 (2) Bond means any bond, note, warrant, loan agreement, lease,
10 lease-purchase agreement, pledge agreement, agreement authorized by the
11 governing body of a generating power agency pursuant to section 2 of this
12 act, or other evidence of indebtedness for which a security interest is
13 granted or a pledge made upon revenue or other property, including any
14 limited tax revenue, to provide for payment or security;

15 (3) Governmental unit means the State of Nebraska, any county,
16 school district, city, village, public power district, sanitary and
17 improvement district, educational service unit, community college area,
18 natural resources district, airport authority, fire protection district,
19 hospital authority, joint entity created under the Interlocal Cooperation
20 Act, joint public agency, instrumentality, or any other district,
21 authority, or political subdivision of the State of Nebraska and
22 governmental units as defined in subdivision (a)(45) of section 9-102,
23 Uniform Commercial Code;

24 (4) Measure means any ordinance, resolution, or other enactment
25 authorizing the issuance of bonds or authorizing an indenture with
26 respect to bonds pursuant to an authorizing statute; and

27 (5) Owner means any holder, registered owner, or beneficial owner of

1 a bond.

2 Sec. 2. (1) For purposes of this section:

3 (a) Generating power agency has the same meaning as in Chapter 70,
4 article 6; and

5 (b) Regional transmission organization has the same meaning as in
6 section 70-1001.01.

7 (2) Any generating power agency buying or selling fuel, power, or
8 energy which operates in a regional transmission organization shall be
9 authorized to engage in commodity futures financial hedging transactions
10 with products regulated under the federal Commodity Futures Trading
11 Commission for fuel, power, or energy as part of its sound business
12 practices. Any generating power agency engaged in such transactions is
13 authorized to grant a foreclosable security interest in and a lien on
14 such agency's commodity futures account contracts or funds used for such
15 transactions in an amount not exceeding five percent of such agency's
16 annual gross revenue averaged over the preceding three calendar years.

17 (3) The authority to enter into agreements for the use of commodity
18 futures financial hedging transactions shall be authorized by a
19 resolution adopted or an agreement approved by the governing body of the
20 generating power agency.

21 (4) The authority granted in this section is limited to granting a
22 security interest in and a lien on future account contracts or funds
23 specifically designated and used for such commodity futures financial
24 hedging transactions. Except as otherwise authorized under Chapter 70,
25 this section does not authorize granting a foreclosable security interest
26 in or a lien on any other funds, assets, facilities, or property of a
27 generating power agency.

28 (5) An agreement authorized by this section shall be considered a
29 bond as defined in section 10-1103.

30 Sec. 3. The Revisor of Statutes shall assign section 2 of this act
31 to Chapter 70, article 6.

1 Sec. 4. Original section 10-1103, Reissue Revised Statutes of
2 Nebraska, is repealed.