GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

S 2

SENATE BILL 679 Finance Committee Substitute Adopted 4/30/03

Short Title: N	Modify State Financing Laws.	(Public)
Sponsors:		
Referred to:		
	April 2, 2003	
	A BILL TO BE ENTITLED	
AN ACT TO N	MODIFY THE PUBLIC FINANCING LAWS OF THE	STATE.
The General A	ssembly of North Carolina enacts:	
SEC	TION 1. G.S. 159-89 reads as rewritten:	
"§ 159-89. Spe	ecial covenants.	
A revenue l	bond order or a trust agreement securing revenue bond	ls <u>may be between</u>
the State or th	e issuing municipality and a bank or trust company	located within or
without the Sta	te of North Carolina, and may contain covenants as to	
(1)	The pledge of all or any part of revenues received	
	from the undertaking to be financed by the bonds	
(2)	enterprise of which the undertaking is to become a pa	
(2)	Rates, fees, rentals, tolls or other charges to be estable and collected, and the use and disposal of revenues.	
	funds received or to be received.	, girts, graints, and
(3)	The setting aside of debt service reserves and the	he regulation and
(3)	disposition thereof.	ne regulation and
(4)	The custody, collection, securing, investment, and	I navment of any
(1)	moneys held for the payment of revenue bonds.	payment of any
(5)	Limitations or restrictions on the purposes to whic	h the proceeds of
	sale of revenue bonds then or thereafter to be issued to	_
(6)	Limitations or restrictions on the issuance of additio	• • •
(-)	or notes; the terms upon which additional revenue be	
	be issued and secured; or the refunding of outstandin	•
	bonds.	
(7)	The procedure, if any, by which the terms of a	any contract with
	bondholders may be amended or abrogated, the perc	centage of revenue
	bonds the bondholders of which must consent theret	•
	in which such consent may be given.	

1	(8)	Events of default and the rights and liabilities arising thereupon, the
2	, ,	terms and conditions upon which revenue bonds issued under this
3		Article shall become or may be declared due before maturity, and the
4		terms and conditions upon which such declaration and its
5		consequences may be waived.
6	(9)	The preparation and maintenance of a budget with respect to the
7		expenses of the State or a municipality, as the case may be, for the
8		operation and maintenance of revenue bond projects.
9	(10)	The retention or employment of consulting engineers, independent
10		auditors, and other technical consultants in connection with revenue
11		bond projects.
12	(11)	Limitations on or the prohibition of free service by revenue bond
13		projects to any person, firm, or corporation, public or private.
14	(12)	The acquisition and disposal of property for revenue bond projects.
15	(13)	Provisions for insurance and for accounting reports and the inspection
16		and audit thereof.
17	(14)	The continuing operation and maintenance of the revenue bond project
18		or the utility or enterprise of which it is to become a part."
19	SECT	FION 2. This act is effective when it becomes law.