

Fifty-fifth Legislative Assembly, State of North Dakota, begun in the Capitol in the City of Bismarck, on Monday, the sixth day of January, one thousand nine hundred and ninety-seven

SENATE BILL NO. 2087
(Political Subdivisions Committee)
(At the request of the North Dakota Municipal Bond Bank)

AN ACT to amend and reenact subsection 1 of section 6-09.4-10 of the North Dakota Century Code, relating to the required debt service reserve of the municipal bond bank; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 1 of section 6-09.4-10 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

1. The bond bank shall establish and maintain a reserve fund in which there must be deposited all moneys appropriated by the state for the purpose of ~~such~~ the fund, all proceeds of bonds required to be deposited therein by terms of any contract between the bond bank and its bondholders or any resolution of the bond bank with respect to ~~such~~ the proceeds of bonds, any other moneys or funds of the bond bank which it determines to deposit therein, any contractual right to the receipt of moneys by the bond bank for the purpose of the fund, including a letter of credit or similar instrument, and any other moneys made available to the bond bank only for the purposes of ~~such~~ the fund from any other source or sources. Moneys in the reserve fund must be held and applied solely to the payment of the interest on and the principal of bonds and sinking fund payments as the same become due and payable and for the retirement of bonds, including payment of any redemption premium required to be paid when any bonds are redeemed or retired prior to maturity. Moneys in the reserve fund may not be withdrawn therefrom if ~~such~~ the withdrawal would reduce the amount in the reserve fund to an amount less than the required debt service reserve, except for payment of interest then due and payable on bonds and the principal of bonds then maturing and payable and sinking fund payments and for the retirement of bonds in accordance with the terms of any contract between the bond bank and its bondholders and for the payments on account of which interest or principal or sinking fund payments or retirement of bonds, other moneys of the bond bank are not then available in accordance with the terms of ~~any such~~ the contract. Required ~~The required~~ debt service reserve ~~shall~~ must be an aggregate amount equal to at least the largest amount of money required by the terms of all contracts between the bond bank and its bondholders to be raised in the then current or any succeeding calendar year for the payment of interest on and maturing principal of outstanding bonds, and sinking fund payments required by the terms of any ~~such~~ contracts to sinking funds established for the payment or redemption of ~~such~~ the bonds.

SECTION 2. EMERGENCY. This Act is declared to be an emergency measure.

President of the Senate

Speaker of the House

Secretary of the Senate

Chief Clerk of the House

This certifies that the within bill originated in the Senate of the Fifty-fifth Legislative Assembly of North Dakota and is known on the records of that body as Senate Bill No. 2087 and that two-thirds of the members-elect of the Senate voted in favor of said law.

Vote: Yeas 48 Nays 0 Absent 1

President of the Senate

Secretary of the Senate

This certifies that two-thirds of the members-elect of the House of Representatives voted in favor of said law.

Vote: Yeas 92 Nays 0 Absent 5

Speaker of the House

Chief Clerk of the House

Received by the Governor at _____ M. on _____, 1997.

Approved at _____ M. on _____, 1997.

Governor

Filed in this office this _____ day of _____, 1997,

at ___ o'clock _____ M.

Secretary of State