

1 (\$10,000,000.00), for the purpose of constructing, reconstructing,
2 improving, bettering or extending any properties which it is
3 authorized to maintain or operate hereunder. The Commission shall
4 pledge all or any part of the revenues derived from the operation of
5 the parks controlled and operated by the Commission to the payment
6 of the interest and principal of such bonds.

7 B. The bonds authorized by this section shall be authorized by
8 resolution of the Commission and may, as provided in such
9 resolution:

10 1. Be issued in one or more series;

11 2. Bear such date or dates and may mature at such time not
12 exceeding twenty-five (25) years from their respective dates;

13 3. Bear interest at a rate or rates not exceeding ten percent
14 (10%) per annum; and

15 4. Contain such terms, covenants and conditions.

16 C. The bonds authorized by this section may be sold in a manner
17 and upon terms as determined by the Commission. The interest cost
18 yield to maturity of any issue of bonds shall not exceed ten percent
19 (10%) per annum, payable semiannually.

20 D. Any resolution authorizing the issuance of bonds under ~~this~~
21 ~~act~~ Section 2200 et seq. of this title may contain covenants
22 including, but not limited to:

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- 1 1. The purpose or purposes to which the proceeds of the sale of
2 bonds may be applied, and the deposit, use, and disposition thereof;
- 3 2. The use, deposit, securing of deposits, and disposition of
4 the revenues of the Commission, including the creating and
5 maintenance of reserves;
- 6 3. The issuance of additional bonds payable from revenues of
7 the Commission;
- 8 4. The operation and maintenance of properties of the
9 Commission;
- 10 5. The insurance to be carried thereon, and the use, deposit
11 and disposition of insurance monies;
- 12 6. Books of account and the inspection and audit thereof and
13 the accounting methods of the Commission;
- 14 7. The nonrendering of any free service by the Commission
15 except for promotional activities as deemed in this act; and
- 16 8. The preservation of the properties of the Commission so long
17 as any of the bonds remain outstanding, from any mortgage, sale,
18 lease or other encumbrances not specifically permitted by the terms
19 of the resolution.
- 20 E. At the discretion of the Commission, any bonds issued under
21 the provisions of this act may be secured by a trust indenture by
22 and between the Commission and a corporate trustee, which may be any
23 trust company or bank having the powers of a trust company within

1 the state. Any trust indenture may pledge or assign the revenues
2 from the operation of properties of the Commission, but shall not
3 convey or mortgage any properties, except such revenues. Any trust
4 indenture or any resolution providing for the issuance of such bonds
5 may contain provisions for protecting and enforcing the rights and
6 remedies of the bondholders as may be reasonable and proper and not
7 in violation of law, including covenants setting forth the duties of
8 the Commission in relation to:

9 1. The construction, improvement, maintenance, repair,
10 operation and insurance of the improvements in connection with which
11 such bonds shall have been authorized;

12 2. The custody, safeguarding and application of all monies; and

13 3. The employment of consulting engineers in connection with
14 the construction or operation of such improvements.

15 F. It shall be lawful for any bank or trust company
16 incorporated under the laws of the state, which may act as
17 depository of the proceeds of bonds or of revenues, to furnish
18 indemnifying bonds or to pledge securities as may be required by the
19 Commission. Any trust indenture may set forth the rights and
20 remedies of the bondholders and of the trustee, and may restrict the
21 individual right of action by bondholders as is customary in trust
22 agreements or trust indentures securing bonds and debentures of
23 corporations. In addition to the foregoing, any trust indenture may

1 contain other provisions as the Commission may deem reasonable and
2 proper for the security of the bondholders. All expenses incurred
3 in carrying out the provisions of any trust indenture may be treated
4 as a part of the cost of operation of the improvements for which the
5 bonds are authorized.

6 G. Monies received pursuant to the authority of this act,
7 whether as proceeds from the sale of bonds or as revenues from the
8 operations of the properties which have been identified for bond
9 repayment purposes, shall be deemed to be trust funds, to be held
10 and applied solely as provided in this act. The resolution
11 authorizing the issuance of bonds of any issue, or the trust
12 indenture securing such bonds, shall provide that any officer to
13 whom, or any bank or trust company to which, the monies shall be
14 paid, shall act as trustee of the monies and shall hold and apply
15 the same for the purpose hereof, subject to such regulations as this
16 act and such resolution or trust indenture may provide.

17 SECTION 2. This act shall become effective November 1, 2011.

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19 COMMITTEE REPORT BY: COMMITTEE ON ECONOMIC DEVELOPMENT, TOURISM AND
20 FINANCIAL SERVICES, dated 04-07-2011 - DO PASS, As Amended.

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