

## LEGISLATIVE BILL 623

Approved by the Governor April 6, 1987

Introduced by Hartnett, 45

AN ACT relating to bonds and warrants; to authorize the issuance of refunding bonds by certain districts, cities, and villages; to eliminate provisions on refunding bonds; to repeal sections 10-613 and 10-614, Reissue Revised Statutes of Nebraska, 1943; and to declare an emergency.

Be it enacted by the people of the State of Nebraska,

Section 1. Any sanitary and improvement district, any road improvement district, and any fire protection district in the State of Nebraska which has issued or which will issue bonds for any purpose, and such bonds or any part of such bonds are unpaid, are a legal liability against such district, and are bearing interest, may issue refunding bonds with which to call and redeem all or any part of such outstanding bonds at or before the maturity or the redemption date of such bonds, may include various series and issues of the outstanding bonds in a single issue of refunding bonds, and may issue refunding bonds to pay any redemption premium and interest to accrue and become payable on the outstanding bonds being refunded or refunding bonds issued. The refunding bonds may be issued and delivered at any time prior to the date of maturity or the redemption date of the bonds to be refunded that the governing body or the administrator determines to be in the best interest of any such district. The proceeds derived from the sale of the refunding bonds issued pursuant to this section may be invested in obligations of or guaranteed by the United States government pending the time the proceeds are required for the purpose for which such refunding bonds were issued. To further secure the refunding bonds, any such district may enter into a contract with any bank or trust company, within or without the state, with respect to the safekeeping and application of the proceeds of the refunding bonds and the safekeeping and application of the earnings on the investment of such proceeds. Any outstanding bonds, which shall have been called for redemption and which have sufficient funds or obligations of or guaranteed by the United States government set aside in safekeeping to

be applied for the complete payment of such bonds, interest on such bonds, and redemption premium, if any, on the redemption date, shall not be considered as outstanding and unpaid, and such bonds shall be fully secured by and be payable from such funds or obligations so deposited. Each new refunding bond so issued shall state on the bond (1) the object of its issue, (2) this section of the law under which such issue was made, including a statement that the issue is made pursuant to such section, and (3) the date and principal amount of the bond or bonds for which the refunding bonds are being issued.

Sec. 2. Any city or village which has annexed all or part of any sanitary and improvement district, any road improvement district, or any fire protection district and has become legally liable for the bonds or warrants of the district or any part thereof shall also be authorized to exercise the powers set forth in section 1 of this act with respect to such bonds or to issue refunding bonds upon such terms as the governing body shall deem appropriate to call and redeem such warrants at or before maturity.

Sec. 3. Sections 1 and 2 of this act shall be deemed to provide an additional, alternative, and complete method for doing the things authorized in such sections, shall be deemed and construed to be supplemental and additional to the powers conferred by any other laws, and shall not be regarded to be in degradation of any powers existing on the effective date of this act, except that insofar as sections 1 and 2 of this act are inconsistent with any other law or home rule charter, such sections shall be controlling.

Sec. 4. That sections 10-613 and 10-614, Reissue Revised Statutes of Nebraska, 1943, are repealed.

Sec. 5. Since an emergency exists, this act shall be in full force and take effect, from and after its passage and approval, according to law.