



1 and provisions of the agreement; the provider of any credit facility  
2 may be located either within or without the United States of America.

3 (2) ~~"Par formula" means any Par formula.~~ – Any provision or formula  
4 adopted by the unit to provide for the adjustment, from time to time of  
5 the interest rate or rates borne by any bonds or notes including:

6 a. A provision providing for such adjustment so that the purchase  
7 price of such bonds or notes in the open market would be as  
8 close to par as possible;

9 b. A provision providing for such adjustment based upon a  
10 percentage or percentages of a prime rate or base rate, which  
11 percentage or percentages may vary or be applied for different  
12 periods of time; or

13 c. Any other provision as the unit may determine to be consistent  
14 with this section and the applicable provisions of this Chapter  
15 and does not materially and adversely affect the financial  
16 position of the unit and the marketing of the bonds or notes at a  
17 reasonable interest cost to the unit.

18 (3) Project. – Any of the following:

19 a. A project as defined in G.S. 159I-3.

20 b. Any of the following as defined in S.L. 1998-132: water supply  
21 systems, water conservation projects, water reuse projects,  
22 wastewater collection systems, and wastewater treatment  
23 works.

24 c. Any project or purpose authorized or described in G.S.  
25 159-48(b) or (d).

26 (g1) Credit Facility. – The obligation of a unit of local government under a credit  
27 facility to repay any drawing thereunder may be made payable and otherwise secured, to  
28 the extent applicable, as provided in this section."

29 **SECTION 3.** G.S. 160A-543 reads as rewritten:

30 "**§ 160A-543. Bonds authorized.**

31 (a) A city may issue its general obligation bonds under the Local Government  
32 Bond Act to finance services, facilities or functions provided within a service district. If  
33 a proposed bond issue is required by law to be submitted to and approved by the voters  
34 of the city, and if the proceeds of the proposed bond issue are to be used in connection  
35 with a service that is or, if the bond issue is approved, will be provided only for one or  
36 more service districts or at a higher level in service districts than city wide, the proposed  
37 bond issue must be approved concurrently by a majority of those voting throughout the  
38 entire city and by a majority of the total of those voting in all of the affected or to be  
39 affected service districts.

40 (b) A city may issue special obligation bonds pursuant to G.S. 159I-30 to finance  
41 services, facilities, or functions provided within a service district."

42 **SECTION 4.** This act is effective when it becomes law.