

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

S

1

SENATE BILL 236

Short Title: HFA Bonds.

(Public)

Sponsors: Senator Hoyle.

Referred to: Finance.

February 22, 2001

A BILL TO BE ENTITLED

AN ACT TO REMOVE THE CAP ON BONDS OUTSTANDING FOR THE
HOUSING FINANCE AGENCY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 122A-8 reads as rewritten:

"§ 122A-8. Bonds and notes.

The Agency is hereby authorized to provide for the issuance, at one time or from time to time, of bonds and notes of the Agency to carry out and effectuate its corporate purposes. The Agency also is hereby authorized to provide for the issuance, at one time or from time to time of (i) bond anticipation notes in anticipation of the issuance of such bonds and (ii) construction loan notes to finance the making or purchase of mortgage loans to sponsors of residential housing for the construction, rehabilitation or improvement of residential housing. ~~The total amount of bonds, bond anticipation notes, and construction loan notes outstanding at any one time shall not exceed one billion five hundred million dollars (\$1,500,000,000) excluding therefrom any bond anticipation notes for the payment of which bonds have been issued.~~ The principal of and the interest on such bonds or notes shall be payable solely from the funds herein provided for such payment. Any such notes may be made payable from the proceeds of bonds or renewal notes or, in the event bond or renewal note proceeds are not available, such notes may be paid from any available revenues or assets of the Agency. The bonds or notes of each issue shall be dated and may be made redeemable before maturity at the option of the Agency at such price or prices and under such terms and conditions as may be determined by the Agency. Any such bonds or notes shall bear interest at such rate or rates as may be determined by the Local Government Commission of North Carolina with the approval of the Agency. Notes shall mature at such time or times not exceeding 10 years from their date or dates and bonds shall mature at such time or times not exceeding 43 years from their date or dates, as may be determined by the Agency. The Agency shall determine the form and manner of execution of the bonds or notes,

1 including any interest coupons to be attached thereto, and shall fix the denomination or
2 denominations and the place or places of payment of principal and interest, which may
3 be any bank or trust company within or without the State. In case any officer whose
4 signature or a facsimile of whose signature shall appear on any bonds or notes or
5 coupons attached thereto shall cease to be such officer before the delivery thereof, such
6 signature or such facsimile shall nevertheless be valid and sufficient for all purposes the
7 same as if he had remained in office until such delivery. The Agency may also provide
8 for the authentication of the bonds or notes by a trustee or fiscal agent. The bonds or
9 notes may be issued in coupon or in registered form, or both, as the Agency may
10 determine, and provision may be made for the registration of any coupon bonds or notes
11 as to principal alone and also as to both principal and interest, and for the reconversion
12 into coupon bonds or notes of any bonds or notes registered as to both principal and
13 interest, and for the interchange of registered and coupon bonds or notes. Upon the
14 filing with the Local Government Commission of North Carolina of a resolution of the
15 Agency requesting that its bonds and notes be sold, such bonds or notes may be sold in
16 such manner, either at public or private sale, and for such price as the Commission shall
17 determine to be for the best interest of the Agency and best effectuate the purposes of
18 this Chapter, as long as the sale is approved by the Agency.

19 The proceeds of any bonds or notes shall be used solely for the purposes for which
20 issued and shall be disbursed in such manner and under such restrictions, if any, as the
21 Agency may provide in the resolution authorizing the issuance of such bonds or notes or
22 in the trust agreement hereinafter mentioned securing the same.

23 Prior to the preparation of definitive bonds, the Agency may, under like restrictions,
24 issue interim receipts or temporary bonds, with or without coupons, exchangeable for
25 definitive bonds when such bonds shall have been executed and are available for
26 delivery. The Agency may also provide for the replacement of any bonds or notes which
27 shall become mutilated or shall be destroyed or lost.

28 Bonds or notes may be issued under the provisions of this Chapter without
29 obtaining, except as otherwise expressly provided in this Chapter, the consent of any
30 department, division, commission, board, body, bureau or agency of the State, and
31 without any other proceedings or the happening of any conditions or things other than
32 those proceedings, conditions or things which are specifically required by this Chapter
33 and the provisions of the resolution authorizing the issuance of such bonds or notes or
34 the trust agreement securing the same."

35 **SECTION 2.** This act is effective when it becomes law.