

SECOND REGULAR SESSION

SENATE BILL NO. 1271

91ST GENERAL ASSEMBLY

INTRODUCED BY SENATOR KLINDT.

Read 1st time March 1, 2002, and 1,000 copies ordered printed.

TERRY L. SPIELER, Secretary.

4512S.031

AN ACT

To repeal section 108.170, RSMo, relating to the public sale of bonds, notes, and other evidences of indebtedness, and to enact in lieu thereof one new section relating to the same subject.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Section 108.170, RSMo, is repealed and one new section enacted in lieu thereof, to be known as section 108.170, to read as follows:

108.170. 1. Notwithstanding any other provisions of any law or charter to the contrary, any issue of bonds, notes, or other evidences of indebtedness, including bonds, notes, or other evidences of indebtedness payable solely from revenues derived from any revenue-producing facility, hereafter issued **[under]** pursuant to any law of this state by any county, city, town, village, school district, educational institution, drainage district, levee district, nursing home district, hospital district, library district, road district, fire protection district, water supply district, sewer district, housing authority, land clearance for redevelopment authority, special authority created **[under]** pursuant to section 64.920, RSMo, authority created pursuant to the provisions of chapter 238, RSMo, or other municipality, political subdivision or district of this state shall be negotiable, may be issued in bearer form or registered form with or without coupons to evidence interest payable thereon, may be issued in any denomination, and may bear interest at a rate not exceeding ten percent per annum, and may be sold, at any sale, at the best price obtainable, not less than ninety-five percent of the par value thereof, anything in any proceedings heretofore had authorizing such bonds, notes, or other evidence of indebtedness, or in any law of this state or charter provision to the contrary notwithstanding. Such issue of bonds, notes, or other evidence of indebtedness may bear interest at a rate not exceeding fourteen percent per annum

EXPLANATION--Matter enclosed in bold-faced brackets [thus] in this bill is not enacted and is intended to be omitted in the law.

if sold at public sale after giving reasonable notice of such sale, at the best price obtainable, not less than ninety-five percent of the par value thereof; provided, that such bonds, notes, or other evidence of indebtedness may be sold to any agency or corporate or other instrumentality of the state of Missouri or of the federal government at private sale at a rate not exceeding fourteen percent per annum.

2. Notwithstanding the provisions of subsection 1 of this section to the contrary, the sale of bonds, notes, or other evidence of indebtedness issued by the state board of public buildings created **[under] pursuant to** section 8.010, RSMo, the state board of fund commissioners created **[under] pursuant to** section 33.300, RSMo, any port authority created **[under] pursuant to** section 68.010, RSMo, the bi-state metropolitan development district authorized **[under] pursuant to** section 70.370, RSMo, any special business district created **[under] pursuant to** section 71.790, RSMo, any county, as defined in section 108.465, exercising the powers granted by sections 108.450 to 108.470, the industrial development board created **[under] pursuant to** section 100.265, RSMo, any planned industrial expansion authority created **[under] pursuant to** section 100.320, RSMo, the higher education loan authority created **[under] pursuant to** section 173.360, RSMo, the Missouri housing development commission created **[under] pursuant to** section 215.020, RSMo, the state environmental improvement and energy resources authority created **[under] pursuant to** section 260.010, RSMo, the agricultural and small business development authority created **[under] pursuant to** section 348.020, RSMo, any industrial development corporation created **[under] pursuant to** section 349.035, RSMo, or the health and educational facilities authority created **[under] pursuant to** section 360.020, RSMo, shall, with respect to the sales price, manner of sale and interest rate, be governed by the specific sections applicable to each of these entities.

3. Notwithstanding other provisions of this section or other law, the sale of bonds, notes or other evidence of indebtedness issued by any housing authority created **[under] pursuant to** section 99.040, RSMo, **[may] shall** be sold at **[any] public** sale, **after giving reasonable notice of such sale**, at the best price obtainable, not less than ninety-five percent of the par value thereof, and may bear interest at a rate not exceeding fourteen percent per annum. [The sale shall be a public sale unless the issuing jurisdiction adopts a resolution setting forth clear justification why the sale should be a private sale except that private activity bonds may be sold either at public or private sale.]

4. Notwithstanding other provisions of this section or law, industrial development revenue bonds may be sold at private sale and bear interest at a rate not exceeding fourteen percent per annum at the best price obtainable, not less than ninety-five percent of the par value thereof.

5. Notwithstanding other provisions in subsection 1 of this section to the contrary, revenue bonds issued for airport purposes by any constitutional charter city in this state which now has or may hereafter acquire a population of more than three hundred thousand but less

than six hundred thousand inhabitants, according to the last federal decennial census, may bear interest at a rate not exceeding fourteen percent per annum if sold at public sale after giving reasonable notice, at the best price obtainable, not less than ninety-five percent of the par value thereof.

6. For purposes of the interest rate limitations set forth in this section, the interest rate on bonds, notes or other evidence of indebtedness described in this section means the rate at which the present value of the debt service payments on an issue of bonds, notes or other evidence of indebtedness, discounted to the date of issuance, equals the original price at which such bonds, notes or other evidence of indebtedness are sold by the issuer. Interest on bonds, notes or other evidence of indebtedness may be paid periodically at such times as shall be determined by the governing body of the issuer and may be compounded in accordance with section 408.080, RSMo.

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Bill

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