PAG LIN

```
1
   1
                                                   SENATE FILE 2056
                                          AN ACT
   4 RELATING TO THE HONEY CREEK PREMIER DESTINATION PARK BOND
1
          PROGRAM AND PROVIDING AN EFFECTIVE DATE.
1
    7 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
1
   8
                         Section 463C.2, Code Supplement 2005, is
1
          Section 1.
1 10 amended by adding the following new subsections:
          NEW SUBSECTION. 5A. "Gross revenues" means all income and
1 11
  12 receipts derived from the operation of the Honey creek premier
1 13 destination park.
1 14
          NEW SUBSECTION.
                               5B.
                                      "Net revenues" means gross revenues
1 15 less operating expenses.
1 16 NEW SUBSECTION. 5C. "Operating expenses" means salaries,
1 17 wages, costs of maintenance and operation, and costs of
1 18 materials, supplies, insurance, and purchases made at
1 19 wholesale, in connection with the operation of the Honey creek
1 20 premier destination park, and all other items normally
1 21 included as operating expenses under requirements of law or
1 22 recognized accounting practices. "Operating expenses" does 1 23 not include depreciation, costs of capital improvements or
1 24 extensions, bond principal payments, or bond interest
1
  25 payments.
1 26 Sec. 2. Section 463C.11, subsection 1, Code Supplement 1 27 2005, is amended to read as follows:
          1. The Honey creek premier destination park bond fund is
1
  28
  29 established as a separate and distinct fund in the state
1 30 treasury consisting of Honey creek premier destination park
1 31 revenues, any moneys appropriated by the general assembly to
  32 the fund, and any other moneys available to and obtained or 33 accepted by the authority for placement in the fund. The 34 moneys in the fund shall be used to develop the Honey creek
  35 premier destination park in the state by funding the 1 development and construction of facilities in the park
1
    2 including but not limited to lodges, campgrounds, cabins, and
2
    3 golf courses. The treasurer of state is authorized to
   4 establish separate and distinct accounts within the Honey 5 creek premier destination park bond fund in connection with
2
    6 the issuance of the authority's bonds in accordance with the
2
    7 trust indenture or resolution authorizing the bonds and the
   8 authority is authorized to determine which revenues and
   9 accounts shall be pledged as security for the bonds. Amounts
2
  10 deposited in the Honey creek premier destination park bond
  11 fund shall be deposited in the separate and distinct accounts
2 12 as set forth in the trust indenture or resolution authorizing
2 13 the bonds. The authority is authorized to pledge and use the
  14 gross net revenues from the Honey creek premier destination
2 15 park to and for payment of the bonds. Revenues may also be
2 16 used for the payment of insurance, other credit enhancements, 2 17 and other financing arrangements. Operating expenses of the 2 18 Honey creek premier destination park may be paid from the
2 19 revenues to the extent the revenues exceed the amount
2 20 determined by the authority to be necessary for debt service
  21 on the bonds.
       Sec. 3. Section 463C.12, subsections 1 and 8, Code
2 23 Supplement 2005, are amended to read as follows:
   1. The authority may issue <u>taxable or tax=exempt</u> bonds<u>, or combination thereof</u>, for the purpose of funding the Honey
2 26 creek premier destination park bond fund established in
2 27 section 463C.11 and for the purpose of refunding any bonds
2 28 issued under this section. The authority may issue bonds 2 29 principal amounts which, in the opinion of the board, are
                                          The authority may issue bonds in
  30 necessary to provide sufficient funds for the Honey creek
  31 premier destination park bond fund established in section 32 463C.11, the payment of interest on the bonds, the
  33 establishment of reserves to secure the bonds, the costs of
  34 issuance of the bonds, other expenditures of the authority
35 incident to and necessary or convenient to carry out the bond
   1 issue for the fund, and all other expenditures of the board 2 necessary or convenient to administer the fund; provided,
    3 however, excluding the issuance of refunding bonds, the board
```

4 shall issue bonds issued pursuant to this section shall not be <del>5 issued in an aggregate principal amount</del> which <del>exceeds</del> <u>result</u> 6 in the deposit of net bond proceeds of not more than twenty= 7 eight million dollars <u>credited to the Honey creek premier</u> 8 destination park bond fund. 3 9 8. All Tax=exempt bonds issued by the authority in 3 10 connection with the program, which are exempt from taxation <u>for federal tax purposes,</u> are <u>also</u> exempt from taxation by the 3 12 state of Iowa and the interest on the these bonds is exempt 3 13 from state income taxes and state inheritance and estate 3 14 taxes. 3 15 Sec. 4. Section 463C.13, subsection 3, Code Supplement 3 16 2005, is amended to read as follows:
3 17 3. The authority shall not at any time issue bonds,
3 18 secured in whole or in part by a bond reserve fund, if, upon 3 19 the issuance of the bonds, the amount in the bond reserve fund 20 will be less than the bond reserve fund requirement for the 21 bond reserve fund, unless the authority at the time of 3 22 issuance of the bonds deposits in the bond reserve fund from 23 the proceeds of the bonds issued or from other sources an 3 24 amount which, together with the amount then in the bond 3 25 reserve fund, will not be less than the bond reserve fund 3 26 requirement for the bond reserve fund. For the purposes of 27 this section, the term "bond reserve fund requirement" means, 28 as of any particular date of computation, an amount of money, 3 29 as provided in the trust indenture, resolution, or other 30 instrument of the authority authorizing the bonds with respect 3 31 to which the bond reserve fund is established, equal to not 3 32 more than the lesser of any of the following: 3 33 a. ten Ten percent of the outstanding stated principal 3 34 amount of bonds secured in whole or in part by the bond 3 35 reserve fund. b. The maximum annual debt service on the issue of bonds. c. One hundred twenty=five percent of the average annual debt service on the issue of bonds. 4 Sec. 5. EFFECTIVE DATE. This Act, being deemed of 4 5 immediate importance, takes effect upon enactment. 4 4 8 4 4 9 JOHN P. KIBBIE 4 10 President of the Senate 4 4 12 4 13 CHRISTOPHER C. RANTS 4 14 4 15 Speaker of the House 4 I hereby certify that this bill originated in the Senate and 4 17 4 18 is known as Senate File 2056, Eighty=first General Assembly. 4 19 4 20 4 21 4 22 MICHAEL E. MARSHALL 4 23 Secretary of the Senate \_, 2006 4 24 Approved \_ 4 25 4 2.7

4 28 THOMAS J. VILSACK

4 29 Governor