



OFFICE OF THE GOVERNOR

THOMAS J. VILSACK
GOVERNOR

SALLY J. PEDERSON
LT. GOVERNOR

March 9, 2006

The Honorable Chester Culver
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

I hereby transmit:

Senate File 2056, an Act relating to the Honey Creek Premier Destination Park bond program and providing an effective date.

The above Senate File is hereby approved this date.

Sincerely,

A handwritten signature in black ink that reads "Thomas J. Vilsack".

Thomas J. Vilsack
Governor

TJV:jmc

cc: Secretary of the Senate
Chief Clerk of the House





SENATE FILE 2056

AN ACT

RELATING TO THE HONEY CREEK PREMIER DESTINATION PARK BOND PROGRAM AND PROVIDING AN EFFECTIVE DATE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section 463C.2, Code Supplement 2005, is amended by adding the following new subsections:

NEW SUBSECTION. 5A. "Gross revenues" means all income and receipts derived from the operation of the Honey creek premier destination park.

NEW SUBSECTION. 5B. "Net revenues" means gross revenues less operating expenses.

NEW SUBSECTION. 5C. "Operating expenses" means salaries, wages, costs of maintenance and operation, and costs of materials, supplies, insurance, and purchases made at wholesale, in connection with the operation of the Honey creek premier destination park, and all other items normally included as operating expenses under requirements of law or recognized accounting practices. "Operating expenses" does not include depreciation, costs of capital improvements or extensions, bond principal payments, or bond interest payments.

Sec. 2. Section 463C.11, subsection 1, Code Supplement 2005, is amended to read as follows:

1. The Honey creek premier destination park bond fund is established as a separate and distinct fund in the state treasury consisting of Honey creek premier destination park revenues, any moneys appropriated by the general assembly to the fund, and any other moneys available to and obtained or accepted by the authority for placement in the fund. The moneys in the fund shall be used to develop the Honey creek premier destination park in the state by funding the development and construction of facilities in the park including but not limited to lodges, campgrounds, cabins, and golf courses. The treasurer of state is authorized to establish separate and distinct accounts within the Honey creek premier destination park bond fund in connection with the issuance of the authority's bonds in accordance with the trust indenture or resolution authorizing the bonds and the authority is authorized to determine which revenues and accounts shall be pledged as security for the bonds. Amounts deposited in the Honey creek premier destination park bond fund shall be deposited in the separate and distinct accounts as set forth in the trust indenture or resolution authorizing the bonds. The authority is authorized to pledge and use the gross net revenues from the Honey creek premier destination park ~~to-and~~ for payment of the bonds. ~~Revenues-may-also-be used-for-the-payment-of-insurance,-other-credit-enhancements, and-other-financing-arrangements.--Operating-expenses-of-the Honey-creek-premier-destination-park-may-be-paid-from-the revenues-to-the-extent-the-revenues-exceed-the-amount determined-by-the-authority-to-be-necessary-for-debt-service on-the-bonds.~~

Sec. 3. Section 463C.12, subsections 1 and 8, Code Supplement 2005, are amended to read as follows:

1. The authority may issue taxable or tax-exempt bonds, or a combination thereof, for the purpose of funding the Honey creek premier destination park bond fund established in section 463C.11 and for the purpose of refunding any bonds issued under this section. The authority may issue bonds in principal amounts which, in the opinion of the board, are necessary to provide sufficient funds for the Honey creek premier destination park bond fund established in section 463C.11, the payment of interest on the bonds, the

establishment of reserves to secure the bonds, the costs of issuance of the bonds, other expenditures of the authority incident to and necessary or convenient to carry out the bond issue for the fund, and all other expenditures of the board necessary or convenient to administer the fund; provided, however, excluding the issuance of refunding bonds, the board shall issue bonds issued pursuant to this section shall-not-be issued-in-an-aggregate-principal-amount which exceeds result in the deposit of net bond proceeds of not more than twenty-eight million dollars credited to the Honey creek premier destination park bond fund.

8. ~~All~~ Tax-exempt bonds issued by the authority in connection with the program, which are exempt from taxation for federal tax purposes, are also exempt from taxation by the state of Iowa and the interest on ~~the~~ these bonds is exempt from state income taxes and state inheritance and estate taxes.

Sec. 4. Section 463C.13, subsection 3, Code Supplement 2005, is amended to read as follows:

3. The authority shall not at any time issue bonds, secured in whole or in part by a bond reserve fund, if, upon the issuance of the bonds, the amount in the bond reserve fund will be less than the bond reserve fund requirement for the bond reserve fund, unless the authority at the time of issuance of the bonds deposits in the bond reserve fund from the proceeds of the bonds issued or from other sources an amount which, together with the amount then in the bond reserve fund, will not be less than the bond reserve fund requirement for the bond reserve fund. For the purposes of this section, the term "bond reserve fund requirement" means, as of any particular date of computation, an amount of money, as provided in the trust indenture, resolution, or other instrument of the authority authorizing the bonds with respect to which the bond reserve fund is established, equal to not more than the lesser of any of the following:

a. ~~ten~~ Ten percent of the outstanding stated principal amount of bonds secured in whole or in part by the bond reserve fund.

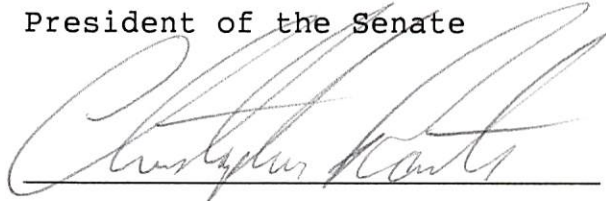
b. The maximum annual debt service on the issue of bonds.

c. One hundred twenty-five percent of the average annual debt service on the issue of bonds.

Sec. 5. EFFECTIVE DATE. This Act, being deemed of immediate importance, takes effect upon enactment.



JOHN P. KIBBIE
President of the Senate



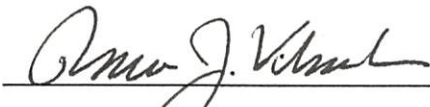
CHRISTOPHER C. RANTS
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2056, Eighty-first General Assembly.



MICHAEL E. MARSHALL
Secretary of the Senate

Approved March 9, 2006



THOMAS J. VILSACK
Governor