

LEGISLATIVE BILL 401

Approved by the Governor April 28, 1975

Introduced by Schmit, 23

AN ACT to amend sections 39-2223 and 39-2224, Reissue Revised Statutes of Nebraska, 1943, relating to the Nebraska Highway Bond Act; to authorize the issuance of bonds as prescribed; to provide how the proceeds of the sale of bonds shall be expended; to provide for refunding of present and future bonded indebtedness; and to repeal the original sections.

Be it enacted by the people of the State of Nebraska,

Section 1. That section 39-2223, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

39-2223. Under the authority granted by Article XIII, section 1, of the Constitution of Nebraska, the Legislature hereby authorizes the issuance of bonds in the principal amount of twenty million dollars in 1969 and in the principal amount of ~~ten~~ twenty million dollars ~~in 1974~~ on or before June 30, 1977 with the proceeds thereof to be used for the construction of highways in this state, the Legislature expressly finding that the need for such construction requires such action. Such bonds shall in all respects comply with the provisions of Article XIII, section 1, of the Constitution of Nebraska.

Sec. 2. That section 39-2224, Reissue Revised Statutes of Nebraska, 1943, be amended to read as follows:

39-2224. The proceeds of the sale of bonds authorized by section 39-2223 are hereby appropriated to the Highway Cash Fund of the Department of Roads, for the biennium ending June 30, ~~1974~~ 1977, for expenditure for the construction of highways, as defined in sections 39-2201 to 39-2222, ~~7--with-first--priority--on--the--use thereof--to--be--for--completion--of--the--Nebraska--portion--of the--National--System--of--Interstate--and--Defense--Highways--as it--now--exists;~~

Sec. 3. For the purpose of refunding present and future bonded indebtedness issued pursuant to sections 39-2201 to 39-2222, the Nebraska Highway Bond Commission may issue, without further legislative authorization, refunding bonds with which to call and redeem all or any part of such outstanding bonds at or

before the maturity or the redemption date thereof, and may include various series and issues of the outstanding bonds in a single issue of refunding bonds, and issue refunding bonds to pay any redemption premium and interest to accrue and become payable on the outstanding bonds being refunded. The refunding bonds may be issued and delivered at any time prior to the date of maturity or the redemption date of the bonds to be refunded that the Nebraska Highway Bond Commission determines to be in the best interest of the state. The refunding bonds shall, except as specifically provided in this section, be issued in accordance with sections 39-2201 to 39-2222. The proceeds derived from the sale of refunding bonds issued pursuant to this section may be invested in obligations of, or guaranteed by, the United States government pending the time the proceeds are required for the purposes for which refunding bonds are issued, and to further secure the refunding bonds, the Nebraska Highway Bond Commission may enter into a contract with any bank or trust company, within or without the state, with respect to the safekeeping and application of the proceeds of the refunding bonds and the safekeeping and application of the earnings on the investment. Such contract shall become a part of the contract with the holders of the refunding bonds. Refunding bonds, which shall have been called for redemption and which have sufficient funds or obligations of, or guaranteed by, the United States government set aside in safekeeping to be applied for the complete payment of such bonds, interest thereon, and redemption premium, if any on the redemption date, shall not be considered as outstanding and unpaid bonds with respect to the limitations set forth in section 39-2205.

Sec. 4. That original sections 39-2223 and 39-2224, Reissue Revised Statutes of Nebraska, 1943, are repealed.