

**63B-1a-601 Bond anticipation notes -- Authorization, terms, and procedures.**

- (1)
  - (a) The commission may issue bond anticipation notes in the form and with the terms that the commission determines.
  - (b) Each bond anticipation note and the interest on it are a general obligation of the state.
- (2) The commission shall, by resolution:
  - (a) establish the interest rate or rates, including variable rates, for the bond anticipation notes; and
  - (b) provide that each bond anticipation note and any interest due on it is payable from:
    - (i) the proceeds of the sale of bonds;
    - (ii) money of the state on hand and legally available for that purpose in accordance with the authorized security; or
    - (iii) any combination of Subsections (2)(b)(i) and (ii).
- (3) If the general obligation bonds have not been issued before the maturity of the bond anticipation notes issued in anticipation of the sale of those bonds, the commission shall, in order to meet the bond anticipation notes that are maturing:
  - (a) issue renewal bond anticipation notes for that purpose;
  - (b) pay the bond anticipation notes from state money legally available for paying those notes; or
  - (c) any combination of Subsections (3)(a) and (b).
- (4) The commission may, by resolution:
  - (a) provide that the bond anticipation notes are subject to redemption before maturity;
  - (b) enter into agreements and make other arrangements, including any or all of those authorized by Subsection 63B-1a-102(2), that the commission considers necessary or appropriate in connection with the issuance, sale, and resale of the bond anticipation notes;
  - (c) resell or retire any bond anticipation notes purchased by the state before the stated maturity of those bond anticipation notes; and
  - (d) establish whatever funds and accounts are necessary or desirable to carry out the authorization and issuance of bond anticipation notes.

Enacted by Chapter 2, 2003 General Session