

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 769

Short Title: Joint Agencies Issue Bonds.

(Public)

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Sponsors: Senator Rauch.

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Referred to: Public Utilities.

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April 4, 1989

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THAT JOINT AGENCIES MAY ISSUE BONDS,  
INCLUDING SHORT-TERM OBLIGATIONS, FOR CAPITAL COSTS OF FUEL  
NECESSARY FOR THE OPERATION OF AN AUTHORIZED PROJECT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 159B-3 reads as rewritten:

**"§ 159B-3. Definitions.**

The following terms whenever used or referred to in this Chapter shall have the following respective meanings unless a different meaning clearly appears from the context:

- (1) 'Bonds' shall mean electric revenue bonds, notes and other evidences of indebtedness of a joint agency or municipality issued under the provisions of this Chapter and shall include refunding bonds.
- (2) 'Cost' or 'cost of a project' shall mean, but shall not be limited to, the cost of acquisition, construction, reconstruction, improvement, enlargement, betterment or extension of any project, including the cost of studies, plans, specifications, surveys, and estimates of costs and revenues relating thereto; the cost of land, land rights, rights-of-way and easements, water rights, fees, permits, approvals, licenses, certificates, franchises, and the preparation of applications for and securing the same; administrative, legal, engineering and inspection expenses; financing fees, expenses and costs; working capital; initial fuel costs; interest on the bonds during the period of construction and for such reasonable period thereafter as may be determined by the

1 issuing municipality or joint agency (provided that a period of three  
2 years shall be deemed to be reasonable for bonds issued to finance a  
3 generating unit expected to be operated to supply base load);  
4 establishment of reserves; and all other expenditures of the issuing  
5 municipality or joint agency incidental, necessary or convenient to the  
6 acquisition, construction, reconstruction, improvement, enlargement,  
7 betterment or extension of any project and the placing of the same in  
8 operation. The term shall also mean the capital cost of fuel for any  
9 project.

- 10 (2a) 'Electric system' shall mean any electric power generation,  
11 transmission or distribution system.
- 12 (3) 'Governing board' shall mean the legislative body, council, board of  
13 commissioners, board of trustees, or other body charged by law with  
14 governing the municipality, joint agency, or joint municipal assistance  
15 agency.
- 16 (4) 'Joint agency' shall mean a public body and body corporate and politic  
17 organized in accordance with the provisions of Article 2 of this  
18 Chapter.
- 19 (4a) 'Joint municipal assistance agency' shall mean a public body and body  
20 corporate and politic organized in accordance with the provisions of  
21 Article 3 of this Chapter.
- 22 (5) 'Municipality' shall mean a city, town or other unit of municipal  
23 government created under the laws of the State, or any board, agency,  
24 or commission thereof, owning a system or facilities for the  
25 generation, transmission or distribution of electric power and energy  
26 for public and private uses.
- 27 (6) 'Project' shall mean any system or facilities for the generation,  
28 transmission and transformation, or any of them, of electric power and  
29 energy by any means whatsoever including, but not limited to, any one  
30 or more electric generating units situated at a particular site, or any  
31 interest in the foregoing, whether an undivided interest as a tenant in  
32 common or otherwise.
- 33 (7) 'State' shall mean the State of North Carolina."  
34 Sec. 2. This act is effective upon ratification.