**South Carolina General Assembly**

119th Session, 2011-2012

**H. 3633**

**STATUS INFORMATION**

General Bill

Sponsors: Reps. Loftis, Brantley, Clyburn, McLeod, Neilson, Bales, Knight, Munnerlyn, J.H. Neal, Spires, Erickson, Gambrell, Howard, King, Agnew, Hosey, Gilliard, Limehouse, Whipper, R.L. Brown, Funderburk, Herbkersman, Hixon, Hodges, Jefferson, Long, Lucas, Williams, Willis and Toole

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Introduced in the House on February 9, 2011

Currently residing in the House Committee on **Agriculture, Natural Resources and Environmental Affairs**

Summary: Agribusiness Economic Development Authority Act

**HISTORY OF LEGISLATIVE ACTIONS**

Date Body Action Description with journal page number

2/9/2011 House Introduced and read first time ([House Journal‑page 9](file:///h:\hj%20archive\2011\02-09-11.docx))

2/9/2011 House Referred to Committee on **Agriculture, Natural Resources and Environmental Affairs** ([House Journal‑page 10](file:///h:\hj%20archive\2011\02-09-11.docx))

2/24/2011 House Member(s) request name added as sponsor: Willis

4/7/2011 House Member(s) request name added as sponsor: Toole

**VERSIONS OF THIS BILL**

[2/9/2011](file:///p:\pprever\2011-12\3633_20110209.docx)

**A** **BILL**

TO AMEND THE CODE OF LAWS OF SOUTH CAROLINA, 1976, BY ADDING CHAPTER 14 TO TITLE 46 SO AS TO ENACT THE “SOUTH CAROLINA AGRIBUSINESS ECONOMIC DEVELOPMENT AUTHORITY ACT OF 2011”, TO CREATE THIS AUTHORITY WITHIN THE DEPARTMENT OF AGRICULTURE TO HELP ALLEVIATE THE SHORTAGE OF CAPITAL AND CREDIT AVAILABLE FOR INVESTMENT IN AGRIBUSINESS; TO PROVIDE FOR THE AUTHORITY’S MEMBERS, OFFICERS, AND EMPLOYEES; TO PROVIDE FOR THE AUTHORITY’S POWERS INCLUDING, AMONG OTHER THINGS, THE AUTHORITY TO MAKE AGRIBUSINESS LOANS, TO ISSUE BONDS IN ORDER TO MAKE AND PURCHASE AGRIBUSINESS LOANS, AND TO INSURE AND REINSURE AGRIBUSINESS LOANS; TO PROVIDE THAT THE AUTHORITY IS EXEMPT FROM PROPERTY TAX; AND TO FURTHER PROVIDE THE DUTIES AND OBLIGATIONS OF THE AUTHORITY AND PROCEDURES UNDER WHICH THE AUTHORITY SHALL CARRY OUT ITS POWERS, DUTIES, AND OBLIGATIONS.

Be it enacted by the General Assembly of the State of South Carolina:

Whereas, the General Assembly finds that private enterprise and existing federal and state governmental programs have not adequately served the need for economic development assistance, capital, and credit at affordable rates of interest for investment in agribusiness in South Carolina; and

Whereas, the General Assembly finds that it is a matter of public necessity that the South Carolina Agribusiness Economic Development Authority be created and empowered to alleviate the severe shortage of capital and credit available at affordable interest rates for investment in agribusiness and for the export of agricultural and forestry products, commodities, and services by providing capital and credit at interest rates within the financial means of persons and businesses engaged in agribusiness and agricultural and forestry exports. Now, therefore,

Be it enacted by the General Assembly of the State of South Carolina:

SECTION 1. This act may be cited as the “South Carolina Agribusiness Economic Development Authority Act of 2011”.

SECTION 2. Title 46 of the 1976 Code is amended by adding:

“CHAPTER 14

South Carolina Agribusiness Economic Development Authority

Section 46‑14‑10. As used in this chapter:

(1) ‘Agribusiness loan’ means a loan made by a lending institution or by the authority to a person for the purpose of financing or refinancing land acquisition or improvement; soil conservation; irrigation; construction, renovation, or expansion of buildings and facilities; purchase of farm fixtures, livestock, poultry, and fish of any kind; seeds; fertilizers; pesticides; feeds; machinery; equipment; containers or supplies or any other products employed in the production, cultivation, harvesting, storage, marketing, processing, distribution, or export of agricultural products.

(2) ‘Agribusiness’ means the commercial production, storage, processing, marketing, distribution, or export of any agronomic, floricultural, horticultural, viticultural, silvicultral, or aquacultural crop including, but not limited to, farm products, livestock and livestock products, poultry and poultry products, milk and dairy products, fruit and other horticultural products, forest products, seafood, and aquacultural products.

(3) ‘Authority’ means the South Carolina Agribusiness Economic Development Authority.

(4) ‘Bonds’ or ‘notes’ means the bonds, notes, renewal notes, refunding bonds, interim certificates, certificates of indebtedness, debentures, warrants, commercial paper, or other obligations or evidences of indebtedness authorized to be issued by the authority pursuant to the provisions of this chapter.

(5) ‘Commissioner’ means the South Carolina Commissioner of Agriculture.

(6) ‘Department’ means the South Carolina Department of Agriculture.

(7) ‘Lending institution’ means a bank, bank or trust company, federal land bank, production credit association, bank for cooperatives, building and loan association, homestead, insurance company, investment banker, mortgage banker or company, pension or retirement fund, savings bank or savings and loan association, small business investment company, credit union, the federal government, or any other financial institution authorized to do business in this State or operating under the supervision of a federal agency or a corporation organized or operating pursuant to Section 25 of the Federal Reserve Act.

(8) ‘Persons’ means an individual, partnership, firm, corporation, company, cooperative, association, society, trust or any other business unit or entity, including a state or federal agency.

Section 46‑14‑20. (A) The South Carolina Agribusiness Economic Development Authority, a body politic and corporate, is created within the Department of Agriculture. The authority is a public agency and an instrumentality of the State for the performance of essential public functions.

(B) The authority is composed of ten members appointed to three‑year terms as follows:

(1) one member appointed by the Governor to a term that expires on July first of years that precede by one year those years that are evenly divisible by three;

(2) one member appointed by the Governor to a term that expires on July first of years that are evenly divisible by three;

(3) one member appointed by the Governor to a term that expires July first of years that follow by one year those years that are evenly divisible by three;

(4) one member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on July first of years that precede by one year those years that are evenly divisible by three;

(5) one member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires July first of years that are evenly divisible by three;

(6) one member appointed by the General Assembly upon the recommendation of the President Pro Tempore of the Senate to a term that expires on July first of years that follow by one year those years that are evenly divisible by three;

(7) one member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on July first of years that precede by one year those years that are evenly divisible by three.

(8) one member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on July first of years that are evenly divisible by three;

(9) one member appointed by the General Assembly upon the recommendation of the Speaker of the House of Representatives to a term that expires on July first of years that follow by one year those years that are evenly divisible by three;

(10) the commissioner or the commissioner’s designee who shall serve ex officio with the same rights and privileges, including voting rights, as other members.

(C) A member appointed pursuant to subsection (B)(1) through (9) may be reappointed to no more than two successive three‑year terms. Upon the expiration of a three‑year term, a member continues to serve until a successor is appointed and qualifies.

(D) A vacant office must not be included in the determination of a quorum. A vacancy in an office does not impair the rights of the members to exercise all rights and to conduct official business of the authority.

(E) A majority of the members constitutes a quorum for the transaction of official business. All official actions of the authority require an affirmative vote of a majority of the members present and voting at a meeting.

(F) Members of the authority must not receive a salary for the performance of their duties as members; however, appointed members may receive per diem, mileage, and subsistence as provided by law for members of state boards, committees, and commissions.

(G) The authority shall meet quarterly and may meet more frequently upon call.

(H) The authority may delegate to one or more of its members, officers, employees, or agents those powers and duties the authority considers proper.

Section 46‑14‑30. (A) The authority annually shall elect a chairman and vice chairman from its members.

(B) The authority may appoint an executive director. The salary of the executive director must be set and approved by the authority board members.

(C) The executive director shall administer and enforce this chapter in accordance with regulations promulgated by the authority. The executive director may employ personnel as may be necessary to administer and enforce the provisions of this chapter, subject to the approval of the authority. All employees other than the executive director must be compensated in accordance with the same salary schedules adopted by the department. All employees must be under the supervision of the executive director.

(D) The authority may employ legal, financial, and technical experts and consultants as it considers necessary on a contractual basis.

Section 46‑14‑40. The authority has all the powers necessary to give effect to and carry out the purposes and provisions of this chapter, including the following powers, in addition to all other powers granted by other provisions of this chapter, to:

(1) sue and be sued in its own name and in the name of any subsidiary corporation or entity which may be created pursuant to item (19);

(2) have a seal and alter the same at its pleasure;

(3) adopt bylaws for the internal organization and government of the authority;

(4) promulgate regulations for the administration of the chapter;

(5) undertake and carry out or authorize the completion of studies and analyses of agricultural conditions and needs within the State and needs relating to the promotion of agricultural and forest product exports and ways of meeting these needs, conduct studies and analyses available to the public and to the agribusiness industry, engage in research, and disseminate information;

(6) make loans to or deposits with lending institutions and purchase or sell agricultural loans;

(7) make and execute contracts and all other instruments necessary or convenient for the exercise of its powers and functions under this chapter with any federal or state governmental agency, public or private corporation, lending institution, or other entity or person, and state governmental agencies are authorized to enter into contracts and otherwise cooperate with the authority to facilitate the purposes of this chapter;

(8) accept federal, state, or private financial or technical assistance and comply with conditions for this assistance, if these conditions are not in conflict with the intent of this chapter;

(9) purchase or participate in the purchase and enter into commitments by itself or together with others for the purchase of federally issued securities if the proceeds of these securities are utilized in accordance with the provisions of this chapter;

(10) accept, administer, and expend donations of movable or immovable property from any source and receive, administer, and expend revenue, which may be appropriated in the annual general appropriations act, and financial assistance, guarantees, insurance, or subsidies from the federal or state government;

(11) subject to the rights of holders of bonds of the authority:

(a) renegotiate, refinance, or foreclose on a mortgage, security interest or lien;

(b) commence an action to protect or enforce a right or benefit conferred upon the authority by law, mortgage, security interest, lien, contract, or other agreement; and

(c) bid for and purchase property at a foreclosure or at any other sale or otherwise acquire or take possession of any property. If the authority engages in any of the activities provided for in subitems 11(a) through (c), the authority may complete, administer, and pay the principal of and interest on any obligation incurred in connection with the property and may dispose of and otherwise deal with the property in a manner necessary or desirable to protect the interest of the authority or of holders of the authorities bonds;

(12) procure or provide for the procurement of insurance or reinsurance against any loss in connection with its property or operations including, but not limited to, insurance, reinsurance, or other guarantees from a federal or state governmental agency or private insurance company for the payment of bonds issued by the authority, or bonds, notes or any other obligations or evidences of indebtedness issued or made by any subsidiary corporation or entity created pursuant to item (20) or by any lending institution or other entity or person, or procure or provide for the procurement of insurance or reinsurance against loss with respect to agribusiness loans, mortgages, or mortgage loans or any other type of loans, including the power to pay premiums on the insurance or reinsurance;

(13) establish, pay, and collect fees and charges in connection with its loans, deposits, insurance commitments, and services including, but not limited to, reimbursement of costs of issuing bonds, origination and servicing fees, and insurance premiums;

(14) acquire or contract to acquire from a person, firm, corporation, municipality, or federal or state agency, by grant, purchase or otherwise, movable or immovable property or any interest in this property; own, hold, clear, improve, lease, construct, or rehabilitate and sell, invest, assign, exchange, transfer, convey, lease, mortgage, or otherwise dispose of or encumber this property, subject to the rights of holders of the bonds of the authority, at public or private sale, with or without public bidding;

(15) borrow money, issue bonds, and provide for the rights of the lenders or holders of these bonds and purchase, discount, sell, negotiate, and guarantee and insure, coinsure, and reinsure notes, drafts, checks, bills of exchange, acceptances, bankers acceptances, cable transfers, letters of credit, and other evidence of indebtedness, with or without credit enhancement devices;

(16) subject to the rights of holders of the bonds of the authority, consent to any modification with respect to the rate of interest, time, or payment of any installment of principal or interest, security, or any other term or condition of a loan, contract, mortgage, mortgage loan or commitment, or agreement of any kind to which the authority is a party or beneficiary;

(17) make, insure, coinsure, or reinsure, or cause to be insured, coinsured, or reinsured, agricultural loans, mortgage loans, or mortgages, or any other type of loans, and pay or receive premiums on the insurance, coinsurance, or reinsurance and establish reserves for losses and participate in the insurance, coinsurance, or reinsurance of agribusiness loans, mortgage loans, or mortgages, or any other type of loans with the federal or state government or any private insurance company;

(18) maintain an office at a place or places as the authority determines;

(19) serve as the beneficiary of any public trust;

(20) after reporting to the House of Representatives Agriculture, Natural Resources and Environmental Affairs Committee and the Senate Agriculture and Natural Resources Committee, create subsidiary corporations or entities as may be necessary to borrow money, insure, or reinsure agribusiness loans or issue bonds in the international financial market.

Section 46‑14‑50. The authority may purchase or contract to purchase and sell or contract to sell agribusiness loans made by lending institutions. All lending institutions are authorized to purchase and sell agribusiness loans to the authority in accordance with the provisions of this chapter and regulations of the authority. To the extent that a provision of this section may be inconsistent with any provision of law governing lending institutions, the provisions of this section control.

Section 46‑14‑60. The authority may make, or contract to make, loans to and deposits with lending institutions. Lending institutions may borrow funds and accept deposits from the authority in accordance with the provisions of this chapter and regulations of the authority. The authority shall require that all proceeds of its loans to or deposits with lending institutions, or an equivalent amount, must be used by the lending institutions to make agribusiness loans, subject to the terms and conditions the authority may prescribe. To the extent that a provision of this section may be inconsistent with any provision of law governing lending institutions, the provisions of this section control.

Section 46‑14‑70. (A) The authority may issue from time to time bonds, notes, bond anticipation notes, renewal notes, refunding bonds, interim certificates, certificates of indebtedness, debentures, warrants, commercial paper, or other obligations or evidences of indebtedness, hereinafter collectively referred to as ‘bonds’, to provide funds for and to fulfill and achieve its authorized public functions or corporate purposes, as set forth in this chapter including, but not limited to, the purchase of agribusiness loans from lending institutions, the making of loans to or deposits with lending institutions, the payment of interest on bonds of the authority, the establishment of reserves to secure these bonds, the establishment of reserves with respect to the insurance of agribusiness loans, and all other purposes and expenditures of the authority incident to and necessary or convenient to carry out its public functions or corporate purposes.

(B) Except as may otherwise be provided by the authority, all bonds issued by the authority must be negotiable instruments and may be general obligations of the authority, secured by full faith and credit of the authority and payable out of any money, assets, or revenue of the authority or from any other sources whatsoever that may be available to the authority. Obligations issued pursuant to the provisions of this chapter must not be deemed to constitute a debt, liability, or obligation of the State, or of any political subdivision of the State, or a pledge of the faith and credit of the State or of any political subdivision of the State, but must be payable solely from the revenue or assets of the authority. Each obligation issued pursuant to this chapter must contain on its face a statement to the effect that the authority is not obligated to pay the obligation or the interest on the obligation except from the revenue or asset pledges for this and that neither the faith and credit nor the taxing power of the State, or of any political subdivision of the State, is pledged to the payment of the principal of or the interest on the obligation.

(C) Bonds must be authorized, issued, and sold by a resolution or resolutions of the authority adopted as provided in this chapter. These bonds may be of such series, bear a date or dates, mature at a time or times, bear interest at a rate or rates, including variable, adjustable, or zero interest rates, be payable at a time or times, be in those denominations, be sold at a price or prices, at public or private negotiated sale, be in a form, carry registration and exchangeability privileges, be payable at a place or places, be subject to terms of redemption, and be entitled to priorities on the income, revenue, and receipts of, or available to, the authority as may be provided by the authority in the resolution or resolutions providing for the issuance and sale of the bonds of the authority.

(D) The bonds of the authority must be signed by the members or officers of the authority, by either manual or electronic signatures, as determined by resolution or resolutions of the authority, and must have impressed or imprinted on the bond the seal of the authority, or a facsimile of the seal. The coupons attached to coupon bonds of the authority must bear the facsimile signature of each member or officer of the authority as determined by resolution or resolutions of the authority. The authority also may provide for the authentication of the bonds, notes, or coupons by a trustee or fiscal agent.

(E) Bonds of the authority may be validly issued, sold, and delivered, notwithstanding that one or more of the members or officers of the authority signing the bonds, or whose facsimile signature or signatures may be on the bonds or on coupons, shall have ceased to be a member or officer of the authority at the time the bonds actually shall have been delivered.

(F) Bonds of the authority may be sold for such price in such manner and from time to time as may be determined by the authority to be most beneficial, and the authority may pay all expenses, premiums, fees, or commissions that the authority considers necessary or advantageous in connection with the issuance and sale of the bonds, subject to the provisions of this chapter.

(G) The bonds or notes may be issued in coupon or in registered form, or both, as the authority determines, and provision may be made for the registration of coupon bonds or notes as to principal alone, also as to both principal and interest, for the reconversion into coupon bonds or notes of bonds or notes registered as to both principal and interest, and for the interchange of registered and coupon bonds or notes.

(H) Before the preparation of definitive bonds, the authority may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definite bonds when the bonds shall have been executed and are available for delivery. The authority also may provide for the replacement loan of bonds or notes that become mutilated, destroyed or lost.

(I) Bonds or notes may be issued under the provisions of this chapter without obtaining, except as otherwise expressly provided in this chapter, the consent of any department, division, commission, board, body, bureau, or agency of the State, and without any other proceedings or the happening of any conditions or things other than those proceedings, conditions, or things that are specifically required by this chapter and provisions of the resolution authorizing the issuance of the bonds or notes or the trust agreement securing the bonds or notes.

Section 46‑14‑80. (A) The authority may insure and reinsure agribusiness loans made by lending institutions, subject to the terms, conditions, limitations, collateral and security provisions, and reserve requirements as the authority determines in accordance with regulations promulgated by the authority.

(B) Unless the authority determines otherwise, insurance of agribusiness loans must be in the amount of one hundred percent of the unpaid principal and interest on each loan.

(C) An insured agribusiness loan is in default when the holder of the loan makes application to the authority for payment of insurance on the loan stating that the loan is in default in accordance with the terms of any agreement with respect to the insurance executed pursuant to this section.

(D) The authority may enter into agreements with a person, lending institution, or holder of an insured agribusiness loan upon terms as may be agreed upon between the authority and the person, lending institution, or holder to provide for the administration, application, and repayment of the loans and to establish the conditions for payment of insurance by the authority and for the servicing, suing on, or foreclosing on insured agricultural loans.

(E) The aggregate value of all agricultural loans insured by the authority and outstanding at any one time must not exceed twenty times the total value of funds, investments, properties, and other assets of the authority except that this insurance may be further expanded by use of federal, state, or private loan insurance, reinsurance, or guarantees of which the authority is or becomes the beneficiary.

Section 46‑14‑90. A pledge made by the authority is valid and binding from time to time when the pledge is made. The money, assets, or revenue of the authority so pledged and thereafter received by the authority immediately is subject to the lien of the pledge without any physical delivery of the lien or further act, and the lien of a pledge is valid and binding as against all parties having claims of any kind in tort, contract, or otherwise against the authority, irrespective of whether these parties have notice of the lien. The resolution or other instrument creating a pledge does not need to be recorded or filed in order to establish and perfect a lien or security interest in the property pledged by the authority. Nothing herein may be construed to prohibit the authority from selling assets subject to a pledge except to the extent that the sale may be restricted by the trust agreement or resolution providing for the issuance of these obligations.

Section 46‑14‑100. (A) Subject to the rights of the holders of the bonds of the authority, the authority may issue bonds from time to time for the purpose of refunding bonds of the authority then outstanding, together with the payment of redemption premiums on the bonds and interest accrued or to accrue to the date or redemption of the outstanding bonds. This refunding is subject to the provisions of this chapter in the same manner and to the same extent as any other bonds issued by the authority pursuant to this chapter, unless otherwise determined by resolution of the authority. Refunding bonds issued by the authority may be sold or exchanged for outstanding bonds of the authority, and, if sold, the proceeds may be applied, in addition to any other authorized purposes, to the purchase, redemption, or payment of the outstanding bonds.

(B) Pending the application for the proceeds of these refunding obligations, with any other available funds, to the payment of the principal, accrued interest, and any redemption premium on the obligations being refunded, and, if so provided or permitted in the resolution authorizing the issuance of the refunding obligation or in the trust agreement securing the same, to the payment of any interest on the refund, obligations, and any expenses in connection with the refunding, these proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America, which mature or which are subject to redemption by the holders of these obligations, at the option of the holders, not later than the respective dates when the proceeds, together with the interest accruing on the proceeds, will be required for the purposes intended.

Section 46‑14‑110. Subject to the rights of holders of bonds, the authority has the power out of any funds available, to purchase bonds of the authority, which must then be canceled, at a price not exceeding:

(1) if the bonds are then subject to optional redemption, the optional redemption price then applicable plus accrued interest to the next interest payment date; or

(2) if the bonds are not then subject to optional redemption, the optional redemption price applicable on the first date after the purchase upon which the notes or bonds become subject to optional redemption plus accrued interest to that date.

Section 46‑14‑120. (A) The exercise of the powers of this chapter must be in all respects for the benefit of the people of the State, for their well‑being and prosperity, and for the improvement of their social and economic conditions, and the authority must not be required to pay any tax or assessment on any property owned by the authority under the provisions of this chapter or upon the income from this property.

(B) Obligations issued by the authority pursuant to the provisions of this chapter must at all times be free from taxation by the State or any local unit or political subdivision or other instrumentality of the State, excepting inheritance or gift taxes, income taxes on the gain from the transfer of the obligations, and franchise taxes. The interest on the obligations is not subject to taxation as income.

Section 46‑14‑130. In consideration of the acceptance of and payment for the bonds of the authority by the holders of the bonds, the State pledges to and agrees with the holders of any bonds of the authority issued pursuant to the provisions of this chapter, that the State will not impair, limit, or alter the rights vested in the authority to fulfill the terms of any agreements made with the holders of the bonds of the authority, or in any way impair the rights or remedies of these holders of the bonds, until the bonds, together with the interest on the bonds, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of these holders, are fully met and discharged. The authority is authorized to include this pledge and agreement of the State in any agreement with the holders of bonds of the authority.

Section 46‑14‑140. (A) Notwithstanding any other provision of law to the contrary, all monies received pursuant to the authority of this chapter is deemed to be trust funds to be held and applied solely as provided in this chapter. Interest earned from these monies and interest received from loans made from these monies may be used for any purposes set out in this chapter and for the costs of administering this chapter. The resolution authorizing obligations or the trust agreement securing obligations may provide that any of these monies may be temporarily invested pending the disbursement of the monies and must provide that any officer with whom, or any bank or trust company with which, these monies are deposited shall act as trustee of the monies and shall hold and apply the monies for the purposes of this chapter, subject to regulations promulgated pursuant to this chapter and any provisions in the resolution or trust agreement.

(B) All monies of the authority may be invested in:

(1) bonds, notes, or treasury bills of the United States;

(2) nonconvertible debt securities of these issuers;

(a) the Federal Home Loan Bank Board;

(b) Fannie Mae;

(c) the Federal Farm Credit Bank; and

(d) the Student Loan Marketing Association;

(3) any other obligations not listed in items (1) or (2) which are guaranteed as to principal and interest by the United States or any of its agencies;

(4) certificates of deposit and other evidences of deposit at state and federally charted banks and savings and loan associations if any principal amount of the certificate in excess of the amount insured by the federal government or any agency of the federal government is fully collateralized;

(5) obligations of the United States or its agencies pursuant to a repurchase agreement for a shorter time than the maturity date of the security itself if the market value of the security itself is more than the amount of funds invested;

(6) money market funds whose portfolios consist of any investments provided for in items (1) through (5);

(7) a guaranteed investment or similar contract, which provides for the investment of funds at a guaranteed rate of return, with an insurance company or depository financial institution with a claim‑paying rating of no less than either of the two highest grades given by a nationally recognized rating agency; and

(8) any other investment authorized by law for the investment of funds by a unit of local government.

Section 46‑14‑150. Obligations issued pursuant to the provisions of this chapter are deemed to be securities in which all public officers and public bodies of the State and its political subdivisions, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees, and other fiduciaries may properly and legally invest funds, including capital in their control or belonging to them. These obligations are deemed securities which may properly and legally be deposited with and received by any State or municipal officer or any agency or political subdivision of the State for any purpose for which the deposit of bonds, notes, or obligations of the State is now or may hereafter be authorized by law.

Section 46‑14‑160. (A) Subject to the provisions of a contract with the holders of its bonds, the authority shall establish a system of accounts.

(B) The authority may cause an independent audit of its books and accounts to be prepared annually and the cost may be paid from any available monies of the authority.

(C) Within six months after the end of the each fiscal year, the authority shall submit to the Governor and to the General Assembly an annual report on the operations of the authority. Within sixty days after receipt of the report, the authority shall submit to the Governor and to the General Assembly a copy of the report of every audit of the books and accounts of the authority.

Section 46‑14‑170. All state officers and agencies may render services to the authority within their respective functions as may be requested by the authority.

Section 46‑14‑180. This chapter, being necessary for the welfare of the State and its residents, must be liberally construed to effect the purposes of this chapter.

Section 46‑14‑190. If the authority is terminated, all of the authority’s rights, money, assets, and revenue in excess of its obligations must be deposited into the state general fund.

Section 46‑14‑200. There may be no liability on the part of and no cause of action of any nature may arise against the members of the authority for an act or omission to act by the members in the performance of their powers and duties pursuant to this chapter. The immunity established by this section does not extend to wilful neglect or malfeasance that would otherwise be actionable. The immunity established by this section further does not extend to an act or omission occurring or arising out of the operation of a motor vehicle. The immunity established in this section is waived to the extent of any indemnification by insurance for the liability of the members of the authority for which this section otherwise provides immunity.”

SECTION 3. If any section, subsection, paragraph, subparagraph, sentence, clause, phrase, or word of this act is for any reason held to be unconstitutional or invalid, such holding shall not affect the constitutionality or validity of the remaining portions of this act, the General Assembly hereby declaring that it would have passed this act, and each and every section, subsection, paragraph, subparagraph, sentence, clause, phrase, and word thereof, irrespective of the fact that any one or more other sections, subsections, paragraphs, subparagraphs, sentences, clauses, phrases, or words hereof may be declared to be unconstitutional, invalid, or otherwise ineffective.

SECTION 4. This act takes effect upon approval by the Governor.

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