

353.758 Issuance of revenue bonds -- Proceeds of bonds -- Notes or temporary bonds.

- (1) The authority may provide for the issuance of revenue bonds to pay any part of the cost of any projects undertaken pursuant to an agreement. The principal and interest on these bonds shall be payable solely from the funds provided for such payment. Any issue may be in one (1) or more series and any series may enjoy equal or subordinate status with respect to the pledge of funds from which they are payable, shall be dated, shall bear interest at such rate or rates as established by the authority, shall mature at a time or times not exceeding twenty (20) years from their date or dates, all as may be provided by the authority, and may be made redeemable before maturity, at the option of the authority, at the price or prices and under the terms and conditions as may be fixed by the authority prior to the issuance of the bonds. The authority shall determine the form of the bonds and fix the denomination of the bonds and the place or places for payment of principal and interest, which may be at any bank or trust company within or without this Commonwealth or at the office of the Finance and Administration Cabinet. The bonds shall be signed by the facsimile signature of the chair or secretary of the authority, and the seal of the authority or a facsimile thereof shall be affixed thereto and attested by the manual or facsimile signature of the secretary or chair of the authority. All bonds issued under the provisions of KRS 353.750 to 353.776 shall have all the qualities and incidents of negotiable instruments under the Uniform Commercial Code, KRS Chapter 355. The authority may sell bonds at public or private sale.
- (2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the project or projects for which the bonds are issued, and shall be disbursed in the manner and under any restrictions as the authority may provide in the proceedings authorizing the issuance of the bonds or in the trust indenture securing the same. If the proceeds of the bonds of any issue, by error of estimates or otherwise, is less than the cost, additional bonds may be issued in like manner to provide the amount of the deficit and, unless otherwise provided in the proceedings authorizing the issuance of the bonds or in the trust indenture securing the same, shall be deemed to be of the same issue and entitled to payment from the same fund without preference or priority of the bonds first issued. If the proceeds of the bonds of any issue exceed the cost, the surplus shall be deposited to the credit of the sinking fund or funds for these bonds or any account or accounts therein as the authority shall provide in the proceedings or trust indenture authorizing and securing the bonds.
- (3) Prior to the preparation of definitive bonds, the authority may, under like restrictions, issue notes or temporary bonds that shall be exchangeable for definitive bonds when the definitive bonds are executed and available for delivery.

Effective: June 20, 2005

History: Created 2005 Ky. Acts ch. 155, sec. 5, effective June 20, 2005.