

216.845 Kentucky Health and Geriatric Authority revenue bond guarantee fund -- How made up -- Use of -- Payments on default.

- (1) There is hereby created a Kentucky Health and Geriatric Authority revenue bond guarantee fund which shall be deposited in the State Treasury and which shall consist of the following:
 - (a) Appropriations made by the General Assembly;
 - (b) Proceeds of an annual charge not to exceed five percent (5%) of the annual rental to be paid by the lessee of any project of the authority which charge shall be an insurance premium for the bond guarantee created hereby;
 - (c) Gifts, contributions or other sums designated for the use of said bond guarantee fund which may be made to the authority.
- (2) The moneys contained in the bond guarantee fund shall be invested as the authority may direct and shall be used only to insure the payment of all bonds, notes or other obligations of the authority as to principal and interest. At such times as the moneys contained in the bond guarantee fund are sufficient to pay the principal and interest on all bonds of the authority, which would become due in the next ensuing two (2) years, the authority need not collect premiums, or accept gifts or accumulate moneys beyond such demand and any surplus moneys shall be credited to the general fund of the Commonwealth. In the event of the default or threat of default on the payment of principal of or interest on any of the bonds of the authority, the authority shall pay over such sums contained in the bond guarantee fund as are necessary to pay the principal of and interest on such bonds as are in default or threat of default to the extent of the bond guarantee fund. The authority shall establish such rules and regulations as are necessary to further implement the bond guarantee fund as are not inconsistent with KRS 216.800 to 216.853.

Effective: June 13, 1968

History: Created 1968 Ky. Acts ch. 132, sec. 19, effective June 13, 1968.