

IC 13-21-12

Chapter 12. Financing: Requirements for Issuance of Bonds Generally

IC 13-21-12-1

Terms and covenants of bonds; validity; sale

Sec. 1. (a) All bonds issued under this article may:

- (1) be issued as serial or term bonds or as a combination of both;
- (2) be executed and delivered by the district at any time and from time to time;
- (3) bear the date or dates;
- (4) bear the maximum interest rates, if fixed rates are used, or specify any manner in which the interest rate will be determined, if variable or adjustable rates are used;
- (5) be redeemable before the stated maturities of the bonds on the terms and conditions and at premiums as necessary or advisable;
- (6) be issued in any denomination of not less than five thousand dollars (\$5,000);
- (7) be in a form, either book entry or registered, or both;
- (8) carry registration conversion privileges;
- (9) be payable in a medium of payment and at a place or places, which may be at any one (1) or more banks or trust companies within or outside Indiana;
- (10) provide for the replacement of mutilated, destroyed, stolen, or lost bonds;
- (11) be authenticated in a manner and upon compliance with conditions;
- (12) establish reserves from the proceeds of the sale of bonds or from other money, or both, to secure the payment of the principal and interest on the bonds issued under this article or IC 13-9.5-9 (before its repeal);
- (13) establish reserves from the proceeds of the sale of bonds or from other money, or both, for extensions, enlargements, additions, replacements, renovations, and improvements to or for the facilities; and
- (14) contain other terms and covenants;

as provided in the resolution of the board authorizing the bonds.

(b) The bonds issued under this article may mature at the time or times determined by the board, but not to exceed forty (40) years.

(c) The bonds issued under this article:

- (1) may bear either the impressed or facsimile seal of the district; and
- (2) shall be:
 - (A) executed by the manual or facsimile signature of the chairperson of the board; and
 - (B) attested by the manual or facsimile signature of the district controller;

as long as one (1) of these signatures is manual. However, any

signatures may be facsimiles if the bonds are to be manually authenticated by a fiduciary.

(d) The bonds and the interest coupons pertaining to the bonds, if any, issued under this article and IC 13-9.5-9 (before its repeal) are valid and binding obligations of the district for all purposes in accordance with the terms of this article. If before delivery of the bonds and related interest coupons a person whose signature appears on the bonds and related interest coupons has ceased to be an officer of the district, the bonds shall be treated as if the person had continued to be an officer of the district until after delivery.

(e) The bonds issued under this article or IC 13-9.5-9 (before its repeal), other than waste management district bonds issued under IC 13-21-7 or IC 13-9.5-9-3 (before its repeal), may be sold at public or private sale for the price or prices that is provided in the resolution authorizing the issuance of the bonds.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-2

Securement of bond by trust indenture; provisions allowable in trust indenture or resolution

Sec. 2. The bonds issued under this article or IC 13-9.5-9 (before its repeal) may be secured by a trust indenture between the district and a corporate trustee, which may be any national or state bank having its principal office in Indiana and having trust powers. The trust indenture or resolution under which the bonds are issued may do the following:

- (1) Mortgage the land, interest in land, or the facilities for which the bonds are issued.
- (2) Pledge the revenues or any other money, or any part of the revenues or money, to be received by the district.
- (3) Contain the provisions for protecting and enforcing the rights and remedies of the bondholders or lenders that may be considered reasonable, including covenants setting forth the duties of the district or board in relation to the construction of the facilities and the custody, safeguarding, application, and investment of all money received or to be received by the district for the facilities financed by the issuance of the bonds.
- (4) Provide for the establishment of reserve funds from the bond proceeds or from other sources to the extent authorized.
- (5) Set forth the:
 - (A) rights and remedies of the bondholders and trust; and
 - (B) provisions restricting the individual rights or actions of bondholders.
- (6) Contain provisions regarding the following:
 - (A) The investment of money.
 - (B) Sales, exchange, or disposal of property.
 - (C) The manner of authorizing and making of payments without regard to any general statute relating to these matters.
- (7) Provide for the following:

(A) The payment of the proceeds of the sale of bonds to the trustee, officer, bank, or depository that may be determined under the trust indenture or resolution for the custody of the proceeds.

(B) The method of disbursement of the proceeds, with the safeguards and restrictions that are determined.

(8) Provide for the appointment of a receiver by the circuit or superior court of the county under terms and conditions that are considered reasonable.

(9) Contain other provisions that the district considers reasonable and proper for the security of the bondholders.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-3

Security exempt from registration requirement of IC 23

Sec. 3. A security issued in connection with a financing under this article, the interest on which is excludable from adjusted gross income tax, is exempt from the registration requirements of IC 23.

As added by P.L.1-1996, SEC.11. Amended by P.L.192-2002(ss), SEC.156.

IC 13-21-12-4

Bonds and anticipation notes exempt from taxation

Sec. 4. All:

(1) bonds, including grant and bond anticipation notes, issued under this article or IC 13-9.5-9 (before its repeal); and

(2) the interest on the bonds and notes;

are exempt from taxation in accordance with IC 6-8-5.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-5

Revenues received by board or district exempt from taxation

Sec. 5. All revenues received by the board or district under this article or IC 13-9.5-9 (before its repeal) are exempt from all taxation.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-6

Alternative financing methods

Sec. 6. The facilities or any part of the facilities to be financed under this article may be financed by any combination of one (1) or more of the methods provided for in this article.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-7

Action to contest validity bonds or to prevent issuance; time limitation

Sec. 7. An action to:

(1) contest the validity of the bonds; or

(2) prevent the issuance of the bonds;

must be brought within thirty (30) days following the first

publication of public notice of the adoption of the resolution authorizing the bonds.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-8

Authority for issuance of bonds

Sec. 8. (a) This article constitutes full authority for the issuance of bonds. No procedure, proceedings, publications, notices, consents, approvals, orders, acts, or things by a board, officer, commission, department, agency, or instrumentality of the state is required to issue bonds or to do any act or perform anything under this article except as prescribed by this article.

(b) The:

(1) powers conferred by this article are in addition to and not in substitution for; and

(2) limitations imposed by this article do not affect;

the powers conferred by any other statute.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-9

Facility and sale of byproducts exempt from regulation under IC 8-1-2 and IC 8-1.5

Sec. 9. The following are exempt from regulation under IC 8-1-2 and IC 8-1.5:

(1) A facility owned, operated, or financed under this article.

(2) The sale of byproducts from the facility.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-10

Covenant and agreement with bondholders

Sec. 10. The general assembly covenants and agrees with the holders of any bonds that as long as any bonds of a district issued under this article or IC 13-9.5-9 (before its repeal) are outstanding and unpaid, the state:

(1) will not limit or alter the rights of the district to:

(A) acquire, construct, reconstruct, improve, enlarge, extend, own, operate, and maintain any project or interest in any project;

(B) establish, maintain, revise, charge, and collect the fees and taxes referred to in this article; and

(C) fulfill the terms of any agreements made with the holders of the bonds; and

(2) will not in any way impair the rights and remedies of the bondholders;

until the bonds, together with interest on the bonds, interest on any unpaid installment of interest, and all costs and expenses in connection with any action or proceedings by or on behalf of the bondholders, are fully paid, met, and discharged.

As added by P.L.1-1996, SEC.11.

IC 13-21-12-11

Article supplemental to other statutes

Sec. 11. This article is supplemental to all other statutes covering the acquisition, construction, modification, use, and maintenance of facilities for solid waste disposal by a district.

As added by P.L.1-1996, SEC.11.