

66.161 Issuing bonds or obligations to fund or refund outstanding bonds.

- (1) Upon the determination of the governing body that the issuance will be in the issuer's best interest, the issuer may:
 - (a) Issue bonds to fund or refund any outstanding bonds or obligations previously issued. Any bonds issued pursuant to this subsection shall mature as determined by the governing body consistent with KRS 66.091, but their maturity shall not be later than the date that would have been permitted by KRS 66.091, as if the original bonds or obligations had been issued under the provisions of this chapter; and
 - (b) Issue obligations, if authorized by other law, to fund or refund any outstanding bonds previously issued under this chapter.
- (2) Bonds may be issued pursuant to this section to fund or refund all or any portion of the outstanding bonds, whether or not the bonds to be funded or refunded were issued subject to call or redemption prior to maturity, or are the original bonds, or are themselves refunding bonds.
- (3) Moneys derived from the proceeds of bonds issued pursuant to this section to fund or refund bonds shall, to the extent required by the legislation or proceedings, be placed in an escrow fund, which may be in the sinking fund, and pledged for the purpose of funding or refunding the refunded bonds and shall be used, together with any other available funds as provided in this section, for that purpose. When the issuer has placed in escrow moneys derived from proceeds of refunding bonds or obligations or otherwise, or investments, or a combination of both, determined to be sufficient, with the interest or other investment income accruing on those investments, for the payment of debt charges on the refunded bonds, the refunded bonds shall no longer be considered to be outstanding, shall not be considered for purposes of determining any limitation, direct or indirect, on the net indebtedness of the issuer, and the levy of taxes or other charges for the payment of debt charges on the refunded bonds under this chapter.
- (4) The authority granted by this section is in addition to and not a limitation on any other authorizations granted by or pursuant to law for the same or similar purposes.

Effective: July 15, 1996

History: Created 1996 Ky. Acts ch. 280, sec. 16, effective July 15, 1996.