177.450 Turnpike revenue bonds.

(1) The department is authorized to provide, at one time or from time to time, for the issuance of turnpike revenue bonds of the Commonwealth for the purpose of paying all or any part of the cost of any one or more turnpike projects. The principal of and the interest on the bonds shall be payable solely from the funds provided in KRS 177.390 to 177.570 for payment. The bonds of any issue may be in one (1) or more series and any one (1) or more of the 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 a rate or rates or method of determining rates, payable at least annually, shall mature at a time or times not exceeding forty (40) years from their date or dates, all as may be determined by the department, and may be made redeemable before maturity, at the option of the department, at a price or prices and under terms and conditions as may be fixed by the department prior to the issuance of the bonds. The department shall determine the form of the bonds, including any interest coupons to be attached to the bonds, and shall fix the denomination or denominations 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 the Commonwealth. The bonds shall be signed by the commissioner of highways, and the great seal of the Commonwealth or a facsimile signature of the commissioner shall be affixed to the bonds and attested by the Secretary of State by his facsimile signature, and any coupons attached to the bonds shall bear the facsimile signature of the commissioner of highways. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be an officer before the delivery of the bonds, the signature or facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until the delivery. All bonds issued under the provisions of KRS 177.390 to 177.570 shall have and are declared to have all the qualities and incidents of negotiable instruments under the negotiable instruments law of the Commonwealth. The bonds may be issued in coupon or in registered form, or both, as the department may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, and for the reconversion into coupon bonds of any bonds registered as to both principal and interest. The department may sell the bonds in a manner, either at public or private sale, and for a price as it may determine will best effect the purposes of KRS 177.390 to 177.570.

(2) The proceeds of the bonds of each issue shall be used solely for the payment of the cost of the turnpike project or projects for which the bonds shall have been issued, and shall be disbursed in a manner and under the restrictions, if any, as the department may provide in the proceedings authorizing the issuance of the bonds or in the trust agreement mentioned in KRS 177.460 securing the bonds. If the proceeds of the bonds of any issue, by error of estimates or otherwise, shall be less than the cost, additional bonds may be issued to provide the amount of the deficit, and, unless otherwise provided in the proceedings authorizing the issuance of the bonds or in the trust agreement securing the bonds, shall be deemed to be of the same issue and shall be 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 shall exceed the cost, the surplus shall be deposited to the credit of the sinking fund or funds for the bonds or any account or accounts as the department shall have provided in the proceedings or trust agreement authorizing and securing the bonds.

(3) Prior to the preparation of definitive bonds, the department may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when the bonds shall have been executed and are available for delivery. The department may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. Bonds may be issued under the provisions of KRS 177.390 to 177.570 without obtaining the consent of any department, division, commission, board, department, or agency of the Commonwealth, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions, or things which are specifically required by KRS 177.390 to 177.570.

Effective: July 15, 1996

History: Amended 1996 Ky. Acts ch. 274, sec. 38, effective July 15, 1996. -- Amended 1960 Ky. Acts ch. 174, sec. 5, effective March 25, 1960. -- Created 1950 Ky. Acts ch. 157, sec. 8.