

**65.209 Issuance of bonds or notes to finance energy projects -- Security -- Lien.**

- (1) A local government may issue bonds or notes to finance energy projects through assessments imposed pursuant to KRS 65.205 to 65.209.
- (2) Bonds or notes issued under this section shall not be general obligations of the local government. The bonds or notes shall be secured solely by one (1) or more of the following, as provided by the governing body of the local government in the resolution or ordinance approving the issuance of the bonds or notes:
  - (a) Payments of assessments on relevant real properties in one (1) or more specified energy project assessment districts;
  - (b) Reserves established by the local government from grants, bonds, or other available funds;
  - (c) Municipal bond insurance, lines of credit, public or private guaranties, standby bond purchase agreements, collateral assignments, mortgages, or other available means of providing credit support or liquidity; and
  - (d) Any other funds available for the purposes of KRS 65.205 to 65.209.
- (3) A local government pledge of assessments, funds, or contractual rights in connection with the issuance of bonds or notes by the local government under this section constitutes a first lien on the assessments, funds, or contractual rights pledged in favor of the person to whom the pledge is given, without further action by the local government. The lien is valid and binding against any other person, with or without notice.

**Effective:** June 24, 2015

**History:** Created 2015 Ky. Acts ch. 54, sec. 4, effective June 24, 2015.