

65.270 Revenue bonds.

- (1) Whenever any two (2) or more public agencies, as defined in KRS 65.230, enter into an agreement for joint or cooperative action pursuant to the provisions of KRS 65.210 to 65.300, any public agency acting separately or jointly with one (1) or more of any other public agencies, may acquire, construct, maintain, add to, and improve the necessary property, real and personal, which is required in order to perform the functions under the agreement, and for the purpose of defraying the costs incident to the performance of the agreement, may borrow money and issue negotiable revenue bonds.
- (2) Any public agency or agencies may borrow money and issue bonds under this section pursuant to an order, resolution, or ordinance of its or their legislative or administrative body or bodies, which order, resolution, or ordinance shall set forth the terms of the agreement in full, the amount of the revenue bonds to be issued, and the maximum rate of interest. In every instance the order, resolution, or ordinance shall provide that the joint or cooperative action is being undertaken pursuant to the provisions of KRS 65.210 to 65.300.
- (3) The bonds may be issued to bear interest at a rate or rates or method of determining rates as the public agency or agencies determines, payable at the times and at a place or places as the public agency or agencies determines.
- (4) The bonds may provide that they or any of them may be called for redemption prior to maturity.
- (5) Any public agency is empowered to accept donations or gifts to the joint or cooperative action from any source and to accept appropriations and grants to the joint or cooperative action from the federal government or its agencies and appropriations from the state or any county, city, or other political subdivision and, at the option of the public agency or agencies, to pledge any donations, gifts, or appropriations to the payment of revenue bonds issued to finance the cost of a joint or cooperative action.
- (6) Bonds issued pursuant to this section shall be negotiable and shall not be subject to taxation. If any officer whose signature or countersignature appears on the bonds or coupons ceases to be an officer before delivery of the bonds, his signature or countersignature shall be valid and sufficient for all purposes the same as if he had remained in office until delivery. The bonds shall be sold in a manner and upon terms as the public agency or agencies deem best. The bonds shall be payable solely from the revenue derived from the joint or cooperative action and shall not constitute an indebtedness of the state, county, city, or political subdivision. It shall be plainly stated on the face of each bond that it has been issued under the provisions of KRS 65.210 to 65.300.
- (7) All money received from the bonds shall be applied solely for the acquisition, construction, maintenance, improvement, or operation of the joint or cooperative action, and the necessary expense of preparing, printing, and selling the bonds, or to advance the payment of interest on the bonds during the first three (3) years following the date of the issuance of the bonds.

- (8) The rents, royalties, fees, rates, and charges for the service or sale of the joint or cooperative action shall be fixed and revised from time to time so as to be sufficient to provide for the payment of interest upon all bonds and to create a sinking fund to pay the principal of the bonds when due, and to provide for the operation and maintenance of the joint or cooperative action and an adequate depreciation account.

Effective: July 15, 2020

History: Amended 2020 Ky. Acts ch. 98, sec. 10, effective July 15, 2020. -- Amended 1996 Ky. Acts ch. 274, sec. 4, effective July 15, 1996. -- Created 1962 Ky. Acts ch. 216, sec. 5.