

184.373 Trust agreements -- Conditions.

- (1) In the discretion of the board of trustees of a transportation improvement district, any bonds may be secured by a trust agreement between the board and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the state but authorized to exercise trust powers within this state.
- (2) Any trust agreement may pledge or assign the revenues to be received, but shall not convey or mortgage any project or any part thereof. Any trust agreement or other bond proceedings may contain provisions for protecting and enforcing the rights and remedies of the bondholders as are reasonable and proper and not in violation of law, including covenants setting forth the duties of the board in relation to the acquisition of property, the construction, maintenance, and repair of the project or projects in connection with which the bonds are authorized and the custody, safeguarding, application of all moneys, and provisions for the employment or retention of the services of consulting engineers in connection with the construction, maintenance, or repair of the project or projects. Any bank or trust company incorporated under the laws of this state which may act as depository of the proceeds of bonds or of revenues may furnish such indemnifying bonds or may pledge such securities as are required by the board. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, may restrict the individual right of action by bondholders as is customary in revenue bond trust agreements of public bodies, and may contain other provisions as the board considers reasonable and proper for the security of the bondholders. All expenses incurred in entering into or carrying out the provisions of any trust agreement may be treated as a part of the cost of the project or projects.

Effective: July 14, 2022

History: Created 2022 Ky. Acts ch. 180, sec. 10, effective July 14, 2022.