

1 AN ACT relating to school district buildings.

2 *Be it enacted by the General Assembly of the Commonwealth of Kentucky:*

3 ➔SECTION 1. A NEW SECTION OF KRS CHAPTER 162 IS CREATED TO  
4 READ AS FOLLOWS:

5 *For the purpose of defraying the cost of constructing or acquiring any school buildings*  
6 *and appurtenances for common school purposes, any school district may issue a*  
7 *general obligation bond, including bonds sold directly to banks, private investors, and*  
8 *financial institutions pursuant to KRS Chapter 66.*

9 ➔Section 2. KRS 157.611 is amended to read as follows:

10 (1) By establishing the School Facilities Construction Commission, the General  
11 Assembly expresses its commitment to help local districts meet the school  
12 construction needs and the education technology needs of the state in a manner  
13 which will insure an equitable distribution of funds based on unmet facilities need  
14 and the total implementation of the Kentucky Education Technology System.

15 (2) The commission is empowered to act on behalf of school districts to issue bonds in  
16 the name of the commission and to enter into lease agreements with local boards of  
17 education to finance construction of new facilities, major renovation of existing  
18 school facilities. The commission is also empowered to enter into agreements which  
19 may provide for a percentage discount, on a biennially renewable basis, of annual  
20 lease agreements due the commission for those districts which participate. The  
21 commission is also empowered to enter into lease agreements with the Department  
22 of Education to build state-owned facilities operated by the Department of  
23 Education or to purchase or lease education technology equipment and related  
24 software identified in the technology master plan for those facilities or the  
25 Department of Education.

26 (3) The commission shall assist local school boards meet their education technology  
27 needs by distributing state funds appropriated for this purpose and by assisting

1 school boards to design efficient finance plans for the bonding, purchase or lease of  
2 education technology equipment and related software identified in the technology  
3 master plan.

4 (4) The commission shall administer two (2) separate programs: the school  
5 construction funding program and the education technology funding program.  
6 Funds appropriated for each program shall be maintained, administered, and audited  
7 separately.

8 (5) Nothing in KRS 157.611 to 157.640 shall prohibit a school district from issuing  
9 bonds, including general obligation bonds, in accordance with KRS Chapter 162.

10 ➔Section 3. KRS 160.160 is amended to read as follows:

11 (1) Each school district shall be under the management and control of a board of  
12 education consisting of five (5) members, except in counties containing a city of the  
13 first class wherein a merger pursuant to KRS 160.041 shall have been accomplished  
14 which shall have seven (7) members elected from the divisions and in the manner  
15 prescribed by KRS 160.210(5), to be known as the "Board of Education of ...,  
16 Kentucky." Each board of education shall be a body politic and corporate with  
17 perpetual succession. It may sue and be sued; make contracts; expend funds  
18 necessary for liability insurance premiums and for the defense of any civil action  
19 brought against an individual board member in his official or individual capacity, or  
20 both, on account of an act made in the scope and course of his performance of legal  
21 duties as a board member; purchase, receive, hold, and sell property; issue its bonds  
22 to build and construct improvements; and do all things necessary to accomplish the  
23 purposes for which it is created. Each board of education shall elect a chairman and  
24 vice chairman from its membership in a manner and for a term prescribed by the  
25 board not to exceed two (2) years.

26 (2) No board of education shall participate in any financing of school buildings, school  
27 improvements, appurtenances thereto, or furnishing and equipment, including

1 education technology equipment without:

2 (a) First establishing the cost of the project in advance of financing, based on the  
3 receipt of advertised, public, and competitive bids for such project, in  
4 accordance with KRS Chapter 424; and

5 (b) Establishing the cost of financing in advance of the sale of any bonds,  
6 certificates of participation in any leases, or other evidences of financial  
7 commitments issued by or on behalf of such board. Any bonds, leases,  
8 participations, or other financial arrangements shall not involve a final  
9 commitment of the board until the purchaser or lender involved shall have  
10 been determined by public advertising in accordance with KRS Chapter 424.

11 (3) No board of education shall make a mortgage, lien, or other encumbrance upon any  
12 school building owned by the board, or transfer title to any such school building as  
13 part of any financing arrangement, without the specific approval of the Department  
14 of Education, and without the transaction being entered into pursuant to a detailed  
15 plan or procedure specifically authorized by Kentucky statute.

16 (4) Without the approval of the Department of Education, no board may lease, as  
17 lessee, a building or public facility that has been or is to be financed at the request  
18 of the board or on its behalf through the issuance of bonds by another public body  
19 or by a nonprofit corporation serving as an agency and instrumentality of the board,  
20 or by a leasing corporation. Any lease, participation, or other financial arrangement  
21 shall not involve a final commitment of the board unless and until the purchaser or  
22 lender involved in same shall have been determined by public advertising in  
23 accordance with KRS Chapter 424. No transaction shall be entered into by the  
24 board except upon the basis of public advertising and competitive bidding in  
25 accordance with KRS Chapter 424.

26 (5) **Without the approval of the Department of Education, no school district may**  
27 **issue general obligation bonds. General obligation bonds shall be entered into**

1        *upon the basis of public advertising and competitive bidding in accordance with*  
2        *KRS Chapter 424.*

3        **(6)** Rental payments due by a board under a lease approved by the Department of  
4        Education in accordance with subsection (4) of this section, *and debt service*  
5        *payments under a general obligation bond issue approved by the Department of*  
6        *Education in accordance with this section,* shall be due and payable not less than  
7        ten (10) days prior to the interest due date for the bonds, notes, or other debt  
8        obligations issued to finance the building or public facility. If a board fails to make  
9        a rental payment when due under a lease *or a debt service payment when due for a*  
10       *general obligation bond issue,* upon notification to the Department of Education by  
11       the paying agent, bond registrar, or trustee for the bonds not less than three (3) days  
12       prior to the interest due date, the Department of Education shall withhold or  
13       intercept any funds then due the board to the extent of the amount of the required  
14       payment on the bonds and remit the amount to the paying agent, bond registrar, or  
15       trustee as appropriate. Thereafter, the Department of Education shall resolve the  
16       matter with the board and adjust remittances to the board to the extent of the  
17       amount paid by the Department of Education on the board's behalf.

18       ~~**(7)**~~ Bonds, notes or leases negotiated to provide education technology shall not be  
19       sold for longer than seven (7) years or the useful life of the equipment as  
20       established by the state technology master plan, whichever is less.

21       ~~**(8)**~~ Notwithstanding any requirements of public advertising, competitive bidding,  
22       or approval by the Department of Education, or any administrative regulation  
23       promulgated pursuant to KRS 156.160(1)(o), a local board may authorize the  
24       transfer or sale of the district's real or personal property to another governmental or  
25       quasi-governmental agency in exchange for money or a similar type of property that  
26       equals or exceeds the fair market value of the district property as determined by an  
27       independent appraisal conducted by:

- 1 (a) An individual or organization not affiliated with the district or its officers or  
2 employees, using a generally accepted national or professional standard; or  
3 (b) A district's officers or employees using a nationally published valuation of  
4 property based on the most recent edition of the publication.

5 ➔Section 4. KRS 157.627 is amended to read as follows:

6 In connection with each bond issue of the commission as defined in KRS 157.615(3), it  
7 shall be the duty of the commission:

- 8 (1) To require the district board of education to insure the project to its full insurable  
9 value, or to the amount of the bonds outstanding from time to time, whichever is the  
10 less, against the hazards covered by the standard fire insurance policy with standard  
11 endorsement of "extended coverage," and to require that a copy of each policy be  
12 delivered to the commission for inspection and for its records;
- 13 (2) To require periodic accounting from all depositories of funds, the same to be  
14 submitted on forms prepared and supplied by the commission;
- 15 (3) To furnish to the certified public accountant auditing the district, summary  
16 identification and description of each issue, and to request that the financial records  
17 of the board of education relating thereto be audited as a part of the annual audit of  
18 the board of education, and that a separate statement or report thereof be filed with  
19 the commission;
- 20 (4) To send to each board of education at least thirty (30) days before the due date of  
21 any debt service or rental payment a notice of the amount of debt service or rental  
22 to become due and the date thereof, and to require acknowledgment thereof; and
- 23 (5) To receive from the board of education, satisfactory evidence that sufficient funds  
24 have been transmitted to the commission or its agent, or will be so transmitted, in  
25 the event of the board's failure to pay debt service and administrative costs when  
26 due, as provided in the indenture or lease, to notify and request that the department  
27 withhold from the board of education a sufficient portion of any undisbursed funds

1 then held or set aside or allocated to it, and to request that the department transfer  
2 the required amount thereof to the commission for the account of the board of  
3 education.

4 ➔Section 5. KRS 304.48-250 is amended to read as follows:

- 5 (1) If the assets of a liability self-insurance group are at any time insufficient to enable  
6 the group to discharge its legal liabilities, other obligations, and to maintain the  
7 required reserves under this subtitle, the group shall immediately levy an  
8 assessment upon its members for the amount necessary to make up the deficiency.
- 9 (2) If there is a deficiency in any fund year, the deficiency shall be made up  
10 immediately, from the following:
- 11 (a) Surplus from a fund year other than the current fund year after prior notice of  
12 the transfer has been given to the commissioner;
- 13 (b) Administrative funds;
- 14 (c) Assessment of membership; or
- 15 (d) Alternate methods as the commissioner may direct or approve.
- 16 (3) If a liability self-insurance group fails to assess its members within thirty (30) days  
17 to make up a deficit, the commissioner shall order it to do so. This subsection shall  
18 not apply to liability self-insurance groups formed by governmental entities which  
19 do not have joint and several liability.
- 20 (4) If a liability self-insurance group fails to make the required assessment of its  
21 members within thirty (30) days after the commissioner orders it to do so, or if the  
22 deficiency is not fully made up within sixty (60) days after the date on which the  
23 assessment is made, or within a longer period of time as may be permitted by the  
24 commissioner, the group shall be determined to be insolvent and may be placed in  
25 delinquency proceedings as an insurer pursuant to Subtitle 33 of this chapter.
- 26 (5) (a) Governmental entities that:
- 27 1. Participate or have participated in a liability self-insurance group

- 1 authorized by this subtitle; and
- 2 2. Are assessed by the liability self-insurance group to cover an accrued
- 3 deficit;
- 4 may finance the payment of the assessment over a period not to exceed twenty
- 5 (20) years.
- 6 (b) Financing obtained pursuant to paragraph (a) of this subsection may be
- 7 accomplished by:
- 8 1. The issuance of bonds, notes, or other obligations; or
- 9 2. A lease, installment payment agreement, or other similar agreement.
- 10 (c) If the governmental entity fails to make a scheduled payment on the financing
- 11 obtained pursuant to paragraph (a) of this subsection, any payments due to
- 12 that governmental entity shall be withheld or intercepted using the process
- 13 established in KRS 160.160~~(6)~~~~(5)~~.
- 14 (6) Except as provided in subsection (5) of this section, all other provisions of the
- 15 Kentucky Revised Statutes applying to any financing obtained by a governmental
- 16 entity shall apply.
- 17 ➔Section 6. KRS 304.50-055 is amended to read as follows:
- 18 (1) As used in this section, "nationally recognized statistical rating organization" or
- 19 "NRSRO" means a credit rating agency approved by the United States Securities
- 20 and Exchange Commission to provide assessments of the creditworthiness of
- 21 financial instruments.
- 22 (2) A workers' compensation self-insured group shall establish plans for premium
- 23 payment, determination and collection of assessments, and for declaration and
- 24 payment of dividends or other disbursements, which shall be filed for prior
- 25 approval with the commissioner. Any change in the plans for premium payment,
- 26 assessments, or dividends shall be filed for prior approval with the commissioner.
- 27 Approval of plans for assessments and dividends does not constitute approval of

- 1 any particular assessment or dividend by the commissioner.
- 2 (3) Prior to the inception of each group member's self-insurance year, the trustees shall  
3 collect from that member at least twenty-five percent (25%) of the estimated  
4 premium for the ensuing year, except that in the case of a self-insured group formed  
5 by governmental entities twenty-five percent (25%) of the estimated premium for  
6 the ensuing year shall be collected no later than thirty (30) days after the beginning  
7 of the self-insured group's self-insurance year. The balance of the estimated  
8 premium shall be collected in either quarterly or monthly installments as set forth in  
9 the enabling documents described in KRS 304.50-030(2)(b) or 304.50-060(2)(b).  
10 Each group member's payroll shall be audited annually and an adjustment to  
11 premium shall be made accordingly.
- 12 (4) A disbursement from a workers' compensation self-insured group fund shall be for  
13 a purpose related to the self-insured group. A dividend shall not be approved or  
14 paid until at least thirty-six (36) months after the expiration of the self-insurance  
15 year and shall be paid from surplus funds not required for payment of claims or  
16 other liabilities. The dividends shall be paid or credited to members according to the  
17 reasonable classifications the trustees may establish. A dividend shall not be paid  
18 which unfairly discriminates between members of the same classifications. A  
19 dividend plan shall specify whether past group members are eligible for the  
20 dividend. Payment of a dividend under a dividend plan shall not be made unless the  
21 self-insured group has notified the commissioner of its intent to make a dividend  
22 payment at least thirty (30) days prior to the payment, and the commissioner has not  
23 disapproved the payment within that time.
- 24 (5) The formula to be used for collection of assessments shall be determined by the  
25 trustees and approved by the commissioner. Assessments shall be fair and equitable  
26 and shall not unfairly discriminate between members of the same classification.
- 27 (6) A trustee, fiscal agent, or service organization shall not utilize an asset of the self-



1 insured group for a purpose unrelated to workers' compensation. The trustees shall  
2 maintain cash or cash equivalent accounts as may be prudently necessary to pay  
3 expenses without having to liquidate long-term investments.

4 (7) The trustees may invest funds in:

5 (a) United States Government bonds, United States Treasury notes, Treasury  
6 bills, or other direct obligations guaranteed by the full faith and credit of the  
7 United States Government or its agencies;

8 (b) Tax exempt and taxable obligations issued by any state or any of its agencies,  
9 counties, cities, municipalities, districts, political subdivisions, or other legal  
10 authorities within the United States of America with a minimum rating of  
11 "BBB" by any NRSRO, except that no less than fifty percent (50%) of the  
12 investments made under this paragraph shall be in obligations issued by the  
13 Commonwealth, its agencies, or a county, city district, municipality, political  
14 subdivision, or other legal authority within the Commonwealth;

15 (c) Investment share accounts in a savings and loan association in the  
16 Commonwealth whose deposits are insured by a federal agency;

17 (d) Certificates of deposit if issued by a duly chartered commercial bank;

18 (e) 1. At the time of purchase, equity securities actively traded on the New  
19 York or NASDAQ Stock Exchanges or other registered national  
20 securities exchanges with no individual equity holding comprising  
21 greater than ten percent (10%) of the equity portion of the portfolio  
22 reflected on the most recent quarterly or annual statement of financial  
23 condition on file with the commissioner.

24 2. An investment in an individual equity holding shall not represent at the  
25 time of purchase more than five percent (5%) of the total market value  
26 of the security.

27 3. At the time of purchase, investments in equity securities shall not exceed

1                   twenty percent (20%) of the total market value of the investment  
2                   portfolio of the self-insured group reflected on the most recent quarterly  
3                   or annual statement of financial condition on file with the commissioner;

4           (f) Corporate bonds if:

5                   1. The bond is issued, assumed, or guaranteed by a solvent institution  
6                   created or existing under the laws of the United States, or a state,  
7                   province, district, or territory;

8                   2. At the time of purchase, the corporate bond investments do not exceed  
9                   twenty-five percent (25%) of the total market value of the investment  
10                  portfolio reflected on the most recent quarterly or annual statement of  
11                  financial condition on file with the commissioner; and

12                  3. The bond has a minimum rating of "BBB" by any NRSRO;

13           (g) At the time of purchase, mutual funds and exchange traded funds if the  
14                  investments do not exceed twenty percent (20%) of the total market value of  
15                  the investment portfolio reflected on the most recent quarterly or annual  
16                  statement of financial condition on file with the commissioner; and

17           (h) Asset-backed securities if:

18                  1. The bond is issued, assumed, or guaranteed by a solvent institution  
19                  created or existing under the laws of the United States, or a state,  
20                  province, district, or territory;

21                  2. The asset-backed security investments do not exceed ten percent (10%)  
22                  of the total market value of the investment portfolio reflected on the  
23                  most recent quarterly or annual statement of financial condition on file  
24                  with the commissioner; and

25                  3. The bond has a minimum rating of "BBB" by any NRSRO.

26           (8) Of the aggregate investments made by the trustees of the self-insured group under  
27                  this section:

- 1 (a) Not less than fifty percent (50%) of the total market value of the entire  
2 investment portfolio shall be held in cash, cash equivalents, or securities as  
3 described in subsection (7)(a) to (d) of this section; and
- 4 (b) A minimum of five percent (5%) of the total investment portfolio value shall  
5 be maintained in cash or cash equivalent accounts or United States Treasury  
6 and Federal Agency Securities with a remaining maturity of one (1) year or  
7 less.
- 8 (9) In the event that any security investment authorized by subsection (7) of this section  
9 is downgraded below "BBB," the workers' compensation self-insurance group shall  
10 divest itself of that investment as prudently as possible without incurring  
11 unnecessary losses.
- 12 (10) The commissioner may permit variation from the requirements of this section for  
13 good cause.
- 14 (11) (a) Governmental entities that:
- 15 1. Participate or have participated in a workers' compensation self-insured  
16 group authorized by this subtitle; and
- 17 2. Are assessed by the workers' compensation self-insured group to cover  
18 an accrued deficit;
- 19 may finance the payment of the assessment over a period not to exceed twenty  
20 (20) years.
- 21 (b) Financing obtained pursuant to paragraph (a) of this subsection may be  
22 accomplished by:
- 23 1. The issuance of bonds, notes, or other obligations; or  
24 2. A lease, installment payment agreement, or other similar agreement.
- 25 (c) If the governmental entity fails to make a scheduled payment on the financing  
26 obtained pursuant to paragraph (a) of this subsection, any payments due to  
27 that governmental entity shall be withheld or intercepted using the process

1 established in KRS 160.160~~(6)~~~~(5)~~.

2 (12) Except as provided in subsection (11) of this section, all other provisions of the  
3 Kentucky Revised Statutes applying to any financing obtained by a governmental  
4 entity shall apply.

5 ➔Section 7. KRS 66.011 is amended to read as follows:

6 As used in this chapter, unless otherwise expressly provided:

7 (1) "Bonds" means bonds, notes, commercial paper, and other instruments in writing,  
8 authorized by or issued pursuant to or in accordance with this chapter, to evidence  
9 an obligation to repay or guarantee the repayment of money borrowed, or to pay  
10 interest by, or to pay at any future time other money obligations.

11 (2) "Capitalized interest" means all or a portion of the interest payable on bonds from  
12 their date to a date stated or provided for in the proceedings, which interest is to be  
13 paid from the proceeds of the bonds.

14 (3) "Credit enhancement facilities" means letters of credit; lines of credit; stand-by,  
15 contingent, or firm bond purchase agreements; insurance, or surety arrangements;  
16 guarantees, and other arrangements that provide for direct or contingent payment of  
17 bonds; interest or redemption premium on bonds, for security or additional security  
18 in the event of nonpayment or default in respect of bonds, or for making payment of  
19 bonds; interest or redemption premium on bonds to and at the option and on  
20 demand of the holders of bonds or at the option of the issuer or upon certain  
21 conditions occurring under put or similar arrangements, or for otherwise supporting  
22 the credit or liquidity of bonds; and includes credit, reimbursement, marketing,  
23 remarketing, indexing, carrying, interest rate hedge, and subrogation agreements,  
24 and other agreements and arrangements for payment and reimbursement of the  
25 person providing the credit enhancement facilities and the security for that payment  
26 and reimbursement.

27 (4) "Debt charges" means the principal, including any mandatory sinking fund deposits,

1 interest, and any redemption premium, payable on bonds as the payments come due  
2 and are payable and any charges related to credit enhancement facilities. The use of  
3 "debt charges" for this purpose does not imply that any particular obligations  
4 constitute debt within the meaning of the Kentucky Constitution or other laws.

5 (5) "Financing costs" means all costs and expenses relating to the issuance and carrying  
6 costs of bonds including charges related to credit enhancement facilities which are  
7 not debt charges.

8 (6) "Floating indebtedness" means the amount by which the total of all expenditures by  
9 an issuer in any fiscal year exceeds the total of all funds and receipts of the issuer  
10 for that fiscal year which are available to the issuer for the purpose of funding those  
11 expenditures, but only to the extent that the governing body of the issuer made  
12 good-faith estimates of expenditures and funds and receipts available to fund those  
13 expenditures and the short-fall in available funds and receipts was due to  
14 unforeseeable circumstances or events.

15 (7) "Fully-registered bonds" means bonds in certificated or uncertificated form,  
16 registered as to both principal and interest in the name of the owner.

17 (8) "Interest" or "interest equivalent" means those payments or portions of payments,  
18 however denominated, that constitute or represent consideration for forbearing the  
19 collection of money, or for deferring the receipt or payment of money to a future  
20 time.

21 (9) "Issuer" means a county, city, urban-county, charter county, or other taxing district,  
22 and for purposes of making any determinations required under this chapter, may  
23 include an authorized representative of the issuer.

24 (10) "Governing body" means the legislative authority of the issuer.

25 (11) "Legislation" means an ordinance or resolution passed by a governing body.

26 (12) "Mandatory sinking fund redemption requirements" means amounts required by  
27 proceedings to be deposited in a sinking fund for the purpose of paying, by

1 mandatory redemption prior to stated maturity, the principal of bonds that is due  
2 and payable in a subsequent year or fiscal year.

3 (13) "Net indebtedness" means the principal amount of outstanding bonds of an issuer as  
4 determined in accordance with KRS 66.031.

5 (14) "Notes" means bonds that mature no later than five (5) years from the date they are  
6 issued.

7 (15) "Obligation" means instruments in writing, which are not bonds within the meaning  
8 of this chapter, that evidence an obligation to repay money borrowed, or to pay  
9 interest by, or to pay at any future time other money obligations, including, without  
10 limitation, installment sale, lease, lease purchase, or similar agreements, which  
11 obligations bear interest or an interest equivalent.

12 (16) "Outstanding," referring to bonds, means bonds that have been issued, delivered,  
13 and paid for, except any of the following:

14 (a) Bonds canceled upon surrender, exchange, or transfer, or upon payment or  
15 redemption;

16 (b) Bonds in replacement of which or in exchange for which other bonds have  
17 been issued; or

18 (c) Bonds for the payment, or redemption or purchase for cancellation prior to  
19 maturity, of which sufficient moneys or investments, in accordance with the  
20 applicable legislation or other proceedings or any applicable law, by  
21 mandatory sinking fund redemption requirements, or otherwise, have been  
22 deposited, and credited in a sinking fund or with a trustee or paying or escrow  
23 agent, whether at or prior to their maturity or redemption, and, in the case of  
24 bonds to be redeemed prior to their stated maturity, notice of redemption has  
25 been given or satisfactory arrangements have been made for giving notice of  
26 that redemption, or waiver of that notice by or on behalf of the affected bond  
27 holders has been filed with the issuer or its agent.

- 1 (17) "Public project" means any property, asset, or improvement certified by the  
2 governing body, which certification is conclusive, as being for a public purpose and  
3 having an estimated life or period of usefulness of one (1) year or more, and  
4 includes, but is not limited to, real estate, buildings, and personal property,  
5 equipment, furnishings, and site improvements, and reconstruction, rehabilitation,  
6 renovation, installation, improvement, enlargement, and extension of property,  
7 assets, or improvements so certified as having an estimated life or period of  
8 usefulness of one (1) year or more and is to be used for a public purpose.
- 9 (18) "Person" or "persons" means political and corporate entities, societies,  
10 communities, the public generally, individuals, partnerships, and joint stock  
11 companies.
- 12 (19) "Proceedings" means the legislation, certifications, notices, orders, sale  
13 proceedings, trust agreements or indentures, mortgages, leases, lease-purchase  
14 agreements, assignments, credit enhancement facility agreements, and other  
15 agreements, instruments, and documents, as amended and supplemented, providing  
16 for the terms and conditions applicable to, or providing for the security or sale or  
17 award of, bonds, and includes the provisions set forth or incorporated in those  
18 bonds and proceedings.
- 19 (20) "Refund" means to provide for the payment of debt charges and expenses related to  
20 that payment at or prior to retirement by purchase, call for redemption, payment at  
21 maturity, or otherwise, outstanding obligations of an issuer or its instrumentality,  
22 including, without limitation, bonds.
- 23 (21) "Register" means the books kept and maintained for registration, exchange, and  
24 transfer of registered bonds.
- 25 (22) "Self-supporting obligations" means obligations issued for the purpose of paying  
26 costs of public projects to the extent that receipts of the issuer, other than the  
27 proceeds of taxes levied by that issuer, derived from or with respect to that public

1 project or the operation of the public project being financed, or the enterprise,  
2 system, or category of public project of which the public project being financed is  
3 part, are estimated by the governing body or a representative of the governing body  
4 to be sufficient to pay the current expenses of that operation or of that public  
5 project, enterprise, or system and the debt charges payable from those receipts on  
6 obligations issued for that public project.

7 (23) "Sinking fund" means a fund established for the management of moneys to be used  
8 for the retirement of outstanding bonds.

9 (24) "State local debt officer" as used in this chapter and other provisions of law, means  
10 the commissioner, Department for Local Government or the commissioner's agent  
11 designated in writing.

12 (25) "Taxing district" means an issuer, other than a county, city, urban-county, or charter  
13 county authorized to levy ad valorem taxes within the meaning of Section 157 of  
14 the Constitution of Kentucky~~[which is not a school district]~~.

15 (26) "Tax-supported lease" means a lease entered into under KRS 65.942 to 65.956 in  
16 which the lessee has agreed to levy and collect taxes to make lease payments.