

65-163m. Same; bond resolutions, contents; authorities of secretary relating to issuance of bonds. (a) Prior to the issuance of the revenue bonds under this act, a resolution or resolutions shall be adopted which, unless otherwise provided therein, shall take effect immediately and:

(1) Determine an interest rate or rates to be paid on the principal of the revenue bonds not in excess of the maximum rate of interest prescribed by K.S.A. 10-1009 and amendments thereto;

(2) determine that the revenue bonds will be term or serial bonds or any combination thereof maturing not later than 40 years from the date of issuance;

(3) make provision for prompt payment of the principal of and interest on the revenue bonds as they become due, to maintain any required reserves and to provide for any deficits resulting from failure to receive sums payable for the principle of or interest on loans made under this act or resulting from any other cause;

(4) sell the revenue bonds in the manner provided by K.S.A. 10-106 and amendments thereto, at a price of not less than 90% of the par value thereof; and

(5) register the revenue bonds with the state treasurer.

(b) Prior to the issuance of the revenue bonds, the secretary may:

(1) Pledge to the payment of the principal of and interest on the revenue bonds amounts received for payment of the principal of and interest on loans made under this act and any other amounts received for the purpose of payment of the principal of and interest on the revenue bonds;

(2) create and maintain (A) revenue bond funds adequate to promptly pay both the principal of and interest on the revenue bonds when they become due and (B) a reasonable reserve fund; and

(3) covenant or contract with respect to any and all matters consistent with the authority granted herein necessary and convenient in the determination of the secretary to sell the revenue bonds and obtain the most favorable interest rate thereon, including, but not limited to, maturities, priority of liens, number of issuances, special funds for security, redemption privileges, investments of the proceeds of the revenue bonds and any other funds pledged to the payment thereof or held as security therefor, security agreements, trust indentures, paying agencies, registration provisions and conversion privileges.

History: L. 1994, ch. 349, § 10; July 1.