

67.550 General obligation bonds, deed of trust authorized -- Effect -- Intent.

- (1) Notwithstanding any of the other provisions of KRS 67.450 to 67.550, the county buildings commission may, by declaring its desire to do so, provide, in addition to all of the other provisions authorized in KRS 67.450 to 67.550 in connection with the issuance of its bonds, that such bonds shall be its general obligations and may, in connection with the issuance of its bonds, execute a mortgage deed of trust in favor of a trustee, providing that in the event of default by the commission in the payment of interest or principal of its bonds or in the event of default of any other covenant contained in such mortgage deed of trust the trustee, upon behalf of the bondholders, may institute and carry through foreclosure proceedings, with the property secured by the mortgage deed of trust put up for sale on foreclosure proceedings, the proceeds of such sale to be used for the benefit of the bondholders. In connection with such plan of financing, such provisions may be inserted in the bonds themselves and in the mortgage deed of trust as may be necessary to protect the bondholders and in order to make such bonds salable with the lowest net interest cost to the commission. If the county buildings commission declares its intent by resolution to follow the provisions of this section, and in order to do so it is necessarily inconsistent that the provisions of any other section of KRS 67.450 to 67.550 be complied with, such other provisions of KRS 67.450 to 67.550 which are necessarily inconsistent with the provisions of this section shall not be complied with to the extent but only to the extent of such necessary inconsistency. If general obligations of the county buildings commission are issued pursuant to the provisions of this section, such obligations shall be general obligations only of the county buildings commission as a public corporation and shall not be general obligations of the individual members of such county buildings commission to any extent.
- (2) It is the intent of this section to permit the county buildings commission, if it desires to do so, to issue obligations under this section which may also be secured in the same way that obligations issued under the provisions of other sections of KRS 67.450 to 67.550 are secured, to the full extent that this may be done consistent with the provisions of this section.

History: Created 1962 Ky. Acts ch. 224, sec. 21.