

§ 159D-19. Revenue refunding bonds.

(a) The agency is authorized to provide by resolution for the issuance of refunding bonds of the agency for the purpose of refunding any bonds then outstanding that have been issued under the provisions of this Article, or under the provisions of Chapter 159C of the General Statutes, including the payment of any redemption premium and any interest accrued or to accrue to the date of redemption of such bonds, and, if considered advisable by the agency, for either or both of the following additional purposes:

- (1) Constructing improvements, additions, extensions or enlargements of the project or projects in connection with which the bonds to be refunded shall have been issued; and
- (2) Paying all or any part of the cost of any additional project or projects.

(a1) The issuance of bonds, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the agency in respect to the bonds are governed by the provisions of this Article that relate to the issuance of bonds.

The approvals required by G.S. 159D-7 and G.S. 159D-8 shall be obtained prior to the issuance of any refunding bonds, except that in the case where the refunding bonds of all or a portion of an issue are to be issued solely for the purpose of refunding outstanding bonds issued under this Article, the approval required by G.S. 159D-7 is not required as to the project financed with the bonds to be refunded.

(b) Refunding bonds issued under this section may be sold or exchanged for outstanding bonds issued under this Article and, if sold, the proceeds may be applied, in addition to any other authorized purposes, to the purchase, redemption or payment of such outstanding bonds. Refunding bonds may be issued, in the determination of the agency, at any time not more than five years prior to the date of maturity or maturities or the date selected for the redemption of the bonds being refunded thereby. Pending the application of the proceeds of such refunding bonds, with any other available funds, to the payment of the principal of and accrued interest and any redemption premium on the bonds being refunded, and, if so provided or permitted in the security document securing the bonds to the payment of any interest on such refunding bonds, such proceeds may be invested in direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by, the United States of America if these obligations mature or are subject to redemption by the holder, at the holder's option not later than the respective dates when the proceeds, together with the interest accruing on them will be required for the purposes intended. (1977, 2nd Sess., c. 1198, s. 1; 1987, c. 517, s. 8; 2000-179, s. 2.)