

§3512. Notes; securities

1. Securities defined. As used in this section, "securities" means negotiable bonds or notes issued by the district, including temporary notes.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

2. Notes and securities authorized. For accomplishing the purposes of this chapter and for paying any indebtedness and any necessary expenses and liabilities incurred for that purpose, including organizational and other necessary expenses, a district, except for a transportation corridor district, by vote of its board of directors, or a transportation corridor district, if approved by voter referendum in each municipality participating in the transportation corridor district, may:

A. Borrow money temporarily and issue its negotiable notes for that money; and [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

B. From time to time, issue securities of the district in one series or in separate series in such amount or amounts, bearing interest at such rate or rates and having such terms and provisions as the board of directors determines. These securities may be issued with or without provision for calling the securities before maturity and, if callable, may be made callable at par or at any premium determined by the board of directors. The board of directors may from time to time issue its securities in one series or in separate series for the purpose of paying, redeeming or refunding outstanding securities. [PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

[PL 2019, c. 242, §8 (AMD).]

3. Form of notes and securities. All negotiable notes authorized for temporary borrowing shall be signed on behalf of the district by its treasurer and countersigned by its president. All securities shall have the corporate name of the district inscribed on their face, shall be signed by the treasurer and countersigned by the president and, if coupon bonds are issued, the interest coupons attached to the securities shall bear the facsimile of the treasurer's signature.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

4. Legal obligations; investment by banks; tax exempt. All securities issued by the district are legal obligations of the district. The district is deemed to be a quasi-municipal corporation within the meaning of section 2604, subsection 3, and that section applies to the district. All securities issued under this section are legal investments for savings banks in this State and are tax-exempt.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

5. Sinking fund. If the securities are to be payable for a specified term of years, the board of directors shall establish a sinking fund for the purpose of paying or redeeming the securities when they become due. The board of directors shall determine annually the sum, with interest, to be paid into the sinking fund by each municipality comprising the district. This sum shall be based on the same formula used in computing the operating deficit payment.

[PL 1987, c. 737, Pt. A, §2 (NEW); PL 1987, c. 737, Pt. C, §106 (NEW); PL 1989, c. 6 (AMD); PL 1989, c. 9, §2 (AMD); PL 1989, c. 104, Pt. C, §§8, 10 (AMD).]

SECTION HISTORY

PL 1987, c. 737, §§A2,C106 (NEW). PL 1989, c. 6 (AMD). PL 1989, c. 9, §2 (AMD). PL 1989, c. 104, §§C8,10 (AMD). PL 2019, c. 242, §8 (AMD).

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