

SUBTITLE 5. BONDS AND OTHER OBLIGATIONS OF AN AUTHORITY

1-501.

(A) AN AUTHORITY SHALL HAVE POWER TO ISSUE BONDS FROM TIME TO TIME IN ITS DISCRETION, FOR ANY OF ITS CORPORATE PURPOSES. AN AUTHORITY SHALL ALSO HAVE POWER TO ISSUE REFUNDING BONDS FOR THE PURPOSE OF PAYING OR RETIRING BONDS PREVIOUSLY ISSUED BY IT. AN AUTHORITY MAY ISSUE SUCH TYPES OF BONDS AS IT MAY DETERMINE, INCLUDING BONDS ON WHICH THE PRINCIPAL AND INTEREST ARE PAYABLE:

(1) EXCLUSIVELY FROM THE INCOME AND REVENUES OF THE HOUSING PROJECT FINANCED WITH THE PROCEEDS OF SUCH BONDS, OR WITH SUCH PROCEEDS TOGETHER WITH A GRANT FROM THE STATE OR FEDERAL GOVERNMENT IN AID OF SUCH PROJECT;

(2) EXCLUSIVELY FROM THE INCOME AND REVENUES OF CERTAIN DESIGNATED HOUSING PROJECTS WHETHER OR NOT THEY WERE FINANCED IN WHOLE OR IN PART WITH THE PROCEEDS OF SUCH BONDS; OR

(3) FROM ITS REVENUES GENERALLY. ANY OF SUCH BONDS MAY BE ADDITIONALLY SECURED BY PLEDGE OF ANY REVENUES OR A MORTGAGE OF ANY HOUSING PROJECT, PROJECTS, OR OTHER PROPERTY OF THE AUTHORITY.

(B) NEITHER THE COMMISSIONERS OF AN AUTHORITY NOR ANY PERSON EXECUTING THE BONDS SHALL BE LIABLE PERSONALLY ON THE BONDS BY REASON OF THE ISSUANCE THEREOF. THE BONDS AND OTHER OBLIGATIONS OF AN AUTHORITY (AND SUCH BONDS AND OBLIGATIONS SHALL SO STATE ON THEIR FACE) MAY NOT BE A DEBT OF THE CITY, THE COUNTY, THE STATE, OR ANY POLITICAL SUBDIVISION THEREOF AND NEITHER THE CITY, THE COUNTY, NOR THE STATE OR POLITICAL SUBDIVISION THEREOF SHALL BE LIABLE THEREON, NOR IN ANY EVENT SHALL SUCH BONDS OR OBLIGATIONS BE PAYABLE OUT OF ANY FUNDS OR PROPERTIES OTHER THAN THOSE OF SAID AUTHORITY. THE BONDS MAY NOT CONSTITUTE AN INDEBTEDNESS WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY DEBT LIMITATION OR RESTRICTION. BONDS OF AN AUTHORITY ARE DECLARED TO BE ISSUED FOR AN ESSENTIAL PUBLIC AND GOVERNMENTAL PURPOSE AND ANY BONDS ISSUED UNDER THE PROVISIONS OF THIS ARTICLE, THEIR TRANSFER AND THE INCOME THEREFROM, INCLUDING ANY PROFIT MADE ON THE SALE THEREOF, SHALL AT ALL TIMES BE FREE FROM TAXATION OF EVERY KIND BY THE STATE AND BY THE MUNICIPALITIES AND ALL OTHER POLITICAL SUBDIVISIONS OF THE STATE.

(C) BONDS ISSUED BY AN AUTHORITY SHALL BE DEEMED TO BE NEGOTIABLE FOR THE PURPOSES OF THE UNIFORM COMMERCIAL CODE OF THIS STATE, SUBJECT TO PROVISIONS FOR REGISTRATION THEREOF.