

of this subtitle and in the resolution authorizing the issuance of such bonds or notes or the trust agreement securing such bonds.

152B. Debt Service Reserve Funds.

(a) The Authority may create and establish one or more reserve funds to be known as debt service reserve funds and may pay into such debt service reserve funds (1) any proceeds of sale of notes or bonds, to the extent provided in the resolution authorizing the issuance thereof, and (2) any other monies which may be made available to the Authority for the purpose of such funds from any other source or sources. The monies held in or credited to any debt service reserve fund established under this section, except as hereinafter provided, shall be used solely for the payment of the principal of bonds of the Authority secured by such debt service reserve fund as the same become due, the purchase of such bonds of the Authority, the payment of interest on such bonds of the Authority or the payment of any redemption premium required to be paid when such bonds are redeemed prior to maturity; provided however, that the Authority shall have power to provide that monies in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such funds to less than the maximum amount of principal and interest becoming due in any succeeding calendar year on the bonds of the Authority then outstanding and secured by such debt service reserve fund, except for the purpose of paying principal of and interest on such bonds of the Authority secured by such debt service reserve becoming due and for the payment of which other monies of the Authority are not available. Any income or interest earned by, or increment to, any such debt service reserve fund due to the investment thereof may be transferred by the Authority to any other fund or account of the Authority and the Authority shall have power to provide that any such transfer shall not reduce the amount of such debt service reserve fund below the maximum amount of principal and interest becoming due in any succeeding calendar year on all bonds of the Authority then outstanding and secured by such debt service reserve fund.

(b) The Authority shall not issue bonds at any time if the maximum amount of principal and interest becoming due in any succeeding calendar year on the bonds outstanding and then to be issued and secured by a debt service reserve fund will exceed the amount of such debt service reserve fund at the time of issuance, unless the Authority, at the time of the issuance of such bonds, shall deposit in such debt service reserve fund from the proceeds of the bonds so to be issued, or otherwise, an amount which, together with the amount then in such debt service reserve fund, will be not less than the maximum amount of principal and interest becoming due in any succeeding calendar year on the bonds then to be issued and on all other bonds of the Authority then outstanding and secured by such debt service reserve fund.

(c) In computing the amount of any debt service reserve fund for the purposes of this section, securities in which all or a portion of such fund shall be invested shall be valued at par, or if purchased at less than par, at their cost to the Authority.

(d) For the purposes of this section, the principal of bonds shall become due at the stated date of maturity or such earlier date as