

FUNDS TO BE HELD AND APPLIED AS PROVIDED BY THE PROVISIONS OF THIS TITLE.

19-107.

(A) THE EXERCISE OF THE POWERS GRANTED BY THE PROVISIONS OF THIS TITLE SHALL BE FOR THE BENEFIT OF THE PEOPLE OF THE STATE, FOR THE INCREASE OF THEIR EDUCATION AND PROSPERITY, AND FOR THE IMPROVEMENT OF THEIR HEALTH, LIVING CONDITIONS, AND GENERAL WELFARE.

(B) THE OPERATION AND MAINTENANCE OF AUXILIARY FACILITIES AND ACCOMMODATIONS BY A SYSTEM CONSTITUTES THE PERFORMANCE OF ESSENTIAL GOVERNMENTAL FUNCTIONS.

(C) THE SYSTEM MAY NOT BE REQUIRED TO PAY ANY TAXES OR ASSESSMENTS UPON ANY BUILDING OR BUILDINGS OR ANY PROPERTY, REAL, PERSONAL, OR MIXED, ACQUIRED OR USED UNDER THE PROVISIONS OF THIS TITLE OR UPON THE INCOME THEREFROM.

(D) BONDS ISSUED UNDER THE PROVISIONS OF THIS TITLE, THEIR TRANSFER AND INCOME, INCLUDING ANY PROFIT MADE ON THEIR SALE, ARE FREE FROM TAXATION BY THE STATE OR BY ANY OF ITS POLITICAL SUBDIVISIONS, OR BY ANY TOWN OR INCORPORATED MUNICIPALITY OR ANY OTHER PUBLIC AGENCY WITHIN THE STATE.

19-108.

(A) A SYSTEM MAY PROVIDE BY RESOLUTION FOR THE ISSUANCE OF BONDS FOR THE PURPOSE OF REFUNDING ANY BONDS OR REFUNDING BONDS THEN OUTSTANDING INCLUDING THE PAYMENT OF ANY REDEMPTION PREMIUM AND ANY INTEREST ACCRUED OR TO ACCRUE TO THE DATE OF REDEMPTION OF THE BONDS.

(B) THE PROVISIONS OF THIS TITLE GOVERN:

(1) THE ISSUANCE OF THE REFUNDING BONDS;

(2) THEIR MATURITIES AND OTHER DETAILS;

(3) THE RIGHTS AND REMEDIES OF THE BONDHOLDER;

(4) THE SECURITY FOR THE REFUNDING BONDS; AND

(5) THE RIGHTS, DUTIES, AND OBLIGATIONS OF THE SYSTEM.

19-109.

(A) BONDS ISSUED UNDER THE PROVISIONS OF THIS TITLE ARE SECURITIES IN WHICH ALL OF THE FOLLOWING MAY LEGALLY AND PROPERLY INVEST FUNDS, INCLUDING CAPITAL IN THEIR CONTROL OR BELONGING TO THEM: