

TITLE 4: ECONOMIC RESOURCES
DIVISION 10: COMMONWEALTH DEVELOPMENT AUTHORITY

§ 10452. Authorization to Issue: Amount.

The Authority may issue from time to time general obligation bonds of the Commonwealth, in an amount not exceeding the total amount of those bonds authorized to be issued by bond authorization acts of the legislature and any amendments thereto in effect at the date of issue of the bonds, and not exceeding the debt limitations prescribed by the Constitution of the Commonwealth. Once bonds are issued pursuant to a bond authorization act, the authorization is exhausted to the extent of principal amount of the issue. To be valid as an authorization, acts of the legislature authorizing bonds must be passed with the affirmative vote of at least two-thirds of the members in each house of the legislature, and must be limited to the subject of authorization of a stated amount of general obligation bonds, use of the proceeds of such bonds, any conditions on the issuance of the bonds, and any provisions for collateral or funding, repayment, or guarantee of the bonds, and the amount of bonds authorized but not issued plus the amount of bonds issued and outstanding may not exceed ten percent of the aggregate assessed valuation of the real property within the Commonwealth. For this purpose, bonds are not deemed outstanding if they are payable solely from funds escrowed for such purpose and by their terms are no longer a charge on the General Fund of the Commonwealth. Bonds may not be authorized for operating expenses (including deficits arising therefrom) of the Commonwealth government or its political subdivisions. The Authority shall act as the instrument of the Commonwealth for purposes of issuing the bonds for and in the name and on behalf of the Commonwealth, which bonds shall be obligations of the Commonwealth (not of the Authority). Except as otherwise specifically provided in the act or acts authorizing the issuance thereof, the bonds shall be issued in the manner and upon the terms provided in this article.

Source: PL 11-3, § 2, modified.