

28J.22 Bonds may be secured by trust agreement.

1. In the discretion of the port authority, a port authority revenue bond issued under this chapter may be secured by a trust agreement between the port authority and a corporate trustee that may be any trust company or bank having the powers of a trust company within this or any other state.

2. The trust agreement may pledge or assign revenues of the port authority to be received for payment of the revenue bonds. The trust agreement or any resolution providing for the issuance of revenue bonds may contain provisions for protecting and enforcing the rights and remedies of the bondholders as are reasonable and proper and not in violation of law, including covenants setting forth the duties of the port authority in relation to the acquisition of property, the construction, improvement, maintenance, repair, operation, and insurance of the port authority facility in connection with which the bonds are authorized, the rentals or other charges to be imposed for the use or services of any port authority facility, the custody, safeguarding, and application of all moneys, and provisions for the employment of consulting engineers in connection with the construction or operation of any port authority facility.

3. A bank or trust company incorporated under the laws of this state, that may act as the depository of the proceeds of bonds or of revenues, shall furnish any indemnifying bonds or may pledge any securities that are required by the port authority. The trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders as is customary in trust agreements or trust indentures securing similar bonds. The trust agreement may contain any other provisions that the port authority determines reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of the trust agreement may be treated as a part of the cost of the operation of the port authority facility.

2005 Acts, ch 150, §110