

53B-12-106 Guarantee agreements and expenses limited to funds of the authority.

- (1) The guarantee of a loan under this chapter shall not be considered the loaning of credit of the state or any of its political subdivisions nor shall it be payable from funds other than those of the authority.
- (2) A guarantee agreement shall contain on its face a statement to the effect that:
 - (a) the authority is obligated to pay the agreement solely from the revenues or other funds of the authority;
 - (b) neither the state nor its political subdivisions are obligated to pay the agreement; and
 - (c) neither the faith and credit nor the taxing power of the state or its political subdivisions is pledged to the payment of the guarantee agreement.
- (3) An expense incurred in carrying out this chapter is payable solely from funds provided under this chapter.
- (4) Nothing in this chapter authorizes the authority to incur indebtedness or liability on behalf of, or payable by, the state or its political subdivisions.

Enacted by Chapter 167, 1987 General Session