

IN THE HOUSE OF REPRESENTATIVES

HOUSE BILL NO. 562

BY HEALTH AND WELFARE COMMITTEE

AN ACT

RELATING TO BONDS; REPEALING SECTION 31-4219, IDAHO CODE, RELATING TO THE SUBMISSION OF BOND ISSUE TO THE ATTORNEY GENERAL AND CERTIFICATION OF VALIDITY; REPEALING SECTION 33-3811, IDAHO CODE, RELATING TO THE ATTORNEY GENERAL TO PASS ON THE VALIDITY OF CERTAIN BONDS AND INCONTESTABLE IF APPROVED; REPEALING SECTION 50-1919, IDAHO CODE, RELATING TO A CERTIFICATE OF THE ATTORNEY GENERAL; AMENDING CHAPTER 2, TITLE 57, IDAHO CODE, BY THE ADDITION OF A NEW SECTION 57-235, IDAHO CODE, TO ESTABLISH PROVISIONS RELATING TO THE DELEGATION BY A GOVERNING BODY CONCERNING THE ISSUANCE OF BONDS, TO ESTABLISH PROVISIONS RELATING TO TERMS, TO PROVIDE FOR THE APPLICATION OF LAW, TO PROVIDE DEFINITIONS AND TO ESTABLISH PROVISIONS RELATING TO ORDINANCES OR RESOLUTIONS.

Be It Enacted by the Legislature of the State of Idaho:

SECTION 1. That Section [31-4219](#), Idaho Code, be, and the same is hereby repealed.

SECTION 2. That Section [33-3811](#), Idaho Code, be, and the same is hereby repealed.

SECTION 3. That Section [50-1919](#), Idaho Code, be, and the same is hereby repealed.

SECTION 4. That Chapter 2, Title 57, Idaho Code, be, and the same is hereby amended by the addition thereto of a NEW SECTION, to be known and designated as Section 57-235, Idaho Code, and to read as follows:

57-235. BONDS -- DELEGATION AUTHORITY. (1) Whenever the governing body of any public body shall deem it advisable to issue bonds under its lawful authority, then, subject to the limits of such authority, the governing body may delegate to a member of the governing body or to the chief executive officer or chief financial officer of the public body, in accordance with specific instructions and procedures adopted by the governing body in a resolution or ordinance authorizing the issuance of bonds, the determination of any or all of the following:

- (a) The rate of interest on the bonds;
- (b) The conditions on which and the prices at which the bonds may be redeemed prior to maturity;
- (c) The existence and amount of any capitalized interest or reserve funds;
- (d) The price at which the bonds shall be sold;
- (e) The principal amount and denominations of the bonds;
- (f) The amount of principal maturing in each year;
- (g) The dates upon which principal and interest shall be paid;
- (h) The maturities and amounts of the bonds to be refunded, if any; and

1 (i) The terms of any contract to provide credit enhancement of the
2 bonds.

3 (2) The designated member or officer or officers shall obtain terms for
4 the items provided in paragraphs (a) through (i) of subsection (1) of this
5 section that shall be consistent with, not in excess of and no less favorable
6 than the terms as have been approved by the governing body and, if applicable
7 in the case of bonds requiring voter approval, approved by the voters.

8 (3) Nothing herein shall confer upon any public body or the governing
9 body, employees or agents thereof any additional powers not currently con-
10 ferred under the laws and constitution of the state of Idaho with respect to
11 issuance of bonds or any other matter, nor shall any limitation in the laws
12 and constitution of the state of Idaho on the delegation of such powers be
13 otherwise affected.

14 (4) For purposes of this section, the following terms shall have the
15 following definitions:

16 (a) "Bond" or "bonds" means any revenue bond or general obligation
17 bond, as those terms are defined in section 57-504, Idaho Code.

18 (b) "Governing body" means the council, commission, board of commis-
19 sioners, board of directors, board of trustees, board of regents, mem-
20 bers of an authority or other legislative body of a public body in which
21 body the legislative powers of the public body are vested.

22 (c) "Public body" means the state of Idaho, its agencies, institutions,
23 political subdivisions, school districts, authorities, instrumentalities,
24 and municipal and quasi-municipal corporations now or hereafter
25 existing under the laws of the state of Idaho.

26 (5) Any provision in this section providing that any action or thing
27 shall be authorized, taken or done by ordinance or resolution shall be taken
28 to mean that any such governing body shall proceed by ordinance or resolution
29 as required or permitted by law or by the customary mode of proceeding by each
30 such governing body, respectively, not forbidden by law.