

TITLE 67
STATE GOVERNMENT AND STATE AFFAIRS

CHAPTER 62
IDAHO HOUSING AND FINANCE ASSOCIATION

67-6201. PURPOSE. It is hereby declared:

(a) That within the state there is a shortage of safe or sanitary dwelling accommodations available which persons of low incomes can afford and that such persons are forced to occupy overcrowded and congested dwelling accommodations; that the aforesaid conditions cause an increase in and spread of disease and crime, and constitute a menace to the health, safety, morals and welfare of the residents of the state and impair economic values; that these conditions necessitate excessive and disproportionate expenditures of public funds for crime prevention and punishment, public health and safety, fire and accident protection, and other public services and facilities.

(b) That private enterprise has not been able to provide, without assistance, an adequate supply of safe and sanitary dwellings at prices or rents which persons and families of low income can afford, or to achieve rehabilitation of much of the present low-income housing. It is imperative that the supply of housing for persons and families of low income be increased and that coordination and cooperation among private enterprise, state and local government be encouraged to sponsor, build and rehabilitate residential housing for such persons and families.

(c) That the clearance, replanning and reconstruction of the areas in which unsanitary or unsafe housing conditions exist, and the providing of safe and sanitary dwelling accommodations for persons of low incomes (which dwelling accommodations need not be solely for persons of low incomes in order to avoid concentrations of such persons in specific localities), are public uses, and uses and purposes for which public money may be spent and private property acquired, and are governmental functions.

(d) It is also declared and the legislature hereby finds that charitable, educational, human service, cultural and other purposes pursued by nonprofit corporations are important public functions and public purposes that should be encouraged and that financing of nonprofit facilities for these purposes should be encouraged, without using state funds or lending the credit of the state, through the issuance of nonrecourse revenue bonds and the lending of the proceeds thereof to nonprofit corporations to promote their purposes.

(e) It is further declared that in this state:

(1) There exists an inadequate supply of funds at interest rates sufficiently low to enable persons engaged in agriculture in this state, particularly beginning farmers and ranchers, to pursue agricultural operations at present levels;

(2) That such inability to pursue agricultural operations reduces the supply of agricultural commodities available to fulfill the needs of the citizens of this state;

(3) That such inability to continue operations decreases available employment in the agricultural sector of the state and results in unemployment and its attendant problems;

(4) That such conditions prevent the acquisition of an adequate capital stock of farm and ranch equipment and machinery, therefore impairing the productivity of agricultural land;

(5) That such conditions are conducive to consolidation of acreage of agricultural land with fewer individuals living and farming and ranching on the traditional family farm and ranch;

(6) That these conditions result in a loss in population, unemployment and movement of persons from rural to urban areas accompanied by added costs to communities for creation of new public facilities and services;

(7) That there have been recurrent shortages of funds from private market sources at reasonable rates of interest;

(8) That these shortages have made the sale and purchase of agricultural land to beginning farmers and ranchers a virtual impossibility in many parts of the state;

(9) That the ordinary operations of private enterprise have not in the past corrected these conditions; and

(10) That a stable supply of adequate funds for agricultural financing is required to encourage beginning farmers and ranchers in an orderly and sustained manner and to reduce the problems described herein.

(f) It is further declared that in this state there is an urgent need to promote higher employment; encourage the development of new jobs; maintain and supplement the capital investments in industry and commerce that currently exist in this state; encourage future employment by ensuring future capital investment; attract environmentally sound industry and commerce to the state; protect and enhance the quality of natural resources and the environment; and promote the production and conservation of energy; and that financing of economic development projects in partnership with private financial institutions and state or local economic development entities for these purposes should be encouraged, without using state funds or lending the credit of the state through the issuance of nonrecourse revenue bonds and the lending of the proceeds thereof for such purposes.

(g) It is hereby further declared that:

(1) The growth of the economy of this state has prompted new and ever-increasing uses of public highways, roads, and other transportation infrastructure, and the existing transportation infrastructure of this state cannot adequately accommodate such greatly increased uses;

(2) One of the major concerns of the citizens of this state is the ability of the state to address the long-term transportation infrastructure needs of this state that are critical to the continued growth of the state's economy and the maintenance of citizens' quality of life;

(3) Utilizing bonds or notes to finance projects for transportation infrastructure results in significant cost savings to the state, since such transportation projects can be completed at present day costs and at an accelerated pace, but such bonds and notes need to be issued promptly in order to realize these cost savings; and

(4) It is reasonable and necessary to utilize such bonds or notes for the financing of transportation projects.

(h) It is hereby further declared that all of the foregoing are public purposes and uses for which public moneys may be borrowed, expended or granted and that such activities are governmental functions and serve a public purpose in improving or otherwise benefiting the people of this state; that the necessity of enacting the provisions hereinafter set forth is in the

public interest and is hereby so declared as a matter of express legislative determination.

[67-6201, added 1972, ch. 324, sec. 1, p. 789; am. 1974, ch. 104, sec. 1, p. 1210; am. 1976, ch. 283, sec. 1, p. 968; am. 1997, ch. 191, sec. 1, p. 531; am. 2000, ch. 364, sec. 1, p. 1203; am. 2005, ch. 378, sec. 7, p. 1222; am. 2007, ch. 152, sec. 1, p. 463.]

67-6202. IDAHO HOUSING AND FINANCE ASSOCIATION CREATED. There is hereby created an independent public body corporate and politic to be known as the Idaho housing and finance association.

[67-6202, added 1972, ch. 324, sec. 2, p. 789; am. 1974, ch. 104, sec. 2, p. 1210; am. 1996, ch. 253, sec. 1, p. 803.]

67-6203. COMMISSIONERS -- CHAIRMAN -- APPOINTMENTS. The governor shall appoint seven (7) persons to be commissioners of the Idaho housing and finance association. Preference shall be given to persons representing persons of low income and to persons with experience in the fields of mortgage lending, finance, banking, real estate, or home building. The governor shall appoint a chairman from among the seven (7) commissioners. The commissioners shall be appointed for terms of four (4) years, except that all vacancies shall be filled for the unexpired term, and provided that the terms of the first seven (7) commissioners appointed shall end on July 1, 1976, and that the terms of three (3) commissioners next appointed shall end on July 1, 1978, and that the terms of the remaining four (4) commissioners so next appointed shall end on July 1, 1980. A commissioner shall hold office until his successor has been appointed and qualifies. A certificate of the appointment or reappointment of any commissioner shall be filed in the office of the secretary of state and in the office of the association, and such certificate shall be conclusive evidence of the due and proper appointment of such commissioner. The governor, the state treasurer, the state controller and the administrator of the division of financial management shall serve as advisors to the commissioners of the association.

In addition, two (2) members of the Idaho senate, one (1) from the majority party and one (1) from the minority party, and two (2) members of the Idaho house of representatives, one (1) from the majority party and one (1) from the minority party, shall be appointed by the legislative council to serve as advisors to the commissioners of the association. Such appointments shall be for a term of two (2) years beginning on January 1 of each odd-numbered year, and no appointee shall serve more than two (2) terms. Actual and necessary expenses and per diem shall be allowed as provided for members of the legislative council, and shall be paid from legislative funds. The legislative council shall appoint advisory members as provided herein for terms beginning on July 1, 1980, and expiring January 1, 1981, which terms shall not be included in the prohibition against more than two (2) terms.

[67-6203, added 1972, ch. 324, sec. 3, p. 789; am. 1974, ch. 22, sec. 43, p. 592; am. 1974, ch. 104, sec. 3, p. 1210; am. 1980, ch. 377, sec. 1, p. 960; am. 1983, ch. 48, sec. 1, p. 119; am. 1989, ch. 423, sec. 1, p. 1034; am. 1994, ch. 180, sec. 227, p. 561; am. 1996, ch. 253, sec. 2, p. 803.]

67-6204. VICE-CHAIRMAN, EXECUTIVE DIRECTOR AND OTHER PERSONNEL -- APPOINTMENTS -- QUORUM. As soon as possible after their appointment, the commissioners shall organize for the transaction of business by choosing a vice-chairman and by adopting bylaws and rules suitable to the purpose of organizing the association and conducting the business thereof. The powers of the association shall be vested in the commissioners thereof. A majority of the commissioners of the association then in office shall constitute a quorum for the transaction of any business or the exercise of any power or function of the association, and the affirmative vote of a majority of the commissioners present at any meeting, at which there is a quorum present, shall be necessary for any action taken by the association. The commissioners may hold any of their meetings by telephone or video facilities. No vacancy in the membership of the association shall impair the right of a quorum to exercise all the rights and perform all the duties of the association. The commissioners shall appoint an executive director, who shall serve at the pleasure of the association, and such other officers and employees as they may require for the performance of their duties and shall prescribe the duties and compensation of each officer and employee.

[67-6204, added 1972, ch. 324, sec. 4, p. 789; am. 1974, ch. 104, sec. 4, p. 1210; am. 1989, ch. 423, sec. 2, p. 1035; am. 1996, ch. 253, sec. 3, p. 804.]

67-6205. DEFINITIONS. The following terms, wherever used or referred to in this chapter, shall have the following respective meanings, unless a different meaning clearly appears from the context:

- (a) "Association" or "housing association" shall mean the Idaho housing and finance association created by section [67-6202](#), Idaho Code.
- (b) "Housing project" shall mean any work or undertaking:
 - (1) To demolish, clear or remove buildings from any slum area; such work or undertaking may embrace the adoption of such area to public purposes, including parks or other recreational or community purposes; or
 - (2) To construct, sell, lease, finance, improve, operate or otherwise provide decent, safe and sanitary urban or rural dwellings, apartments or other living accommodations for persons of low income; such work or undertaking may include buildings, land, equipment, facilities and other real or personal property which are necessary, convenient or desirable appurtenances, such as, but not limited to, streets, sewers, water service, parks, site preparation, gardening, administrative, community, health, recreational, and welfare or other purposes; or
 - (3) To accomplish a combination of the foregoing. The term "housing project" also may be applied to the planning of the buildings and improvements, for either single or multi-family housing, the acquisition of property, the demolition of existing structures, the construction, reconstruction, rehabilitation, alteration and repair of the buildings and improvements and all other work in connection therewith.
- (c) "Governing body" shall mean the city council, board of commissioners, board of trustees or other body having charge of the locality in which the association desires to undertake a housing project.
- (d) "Federal government" shall include the United States of America, or any other agency or instrumentality, corporate or otherwise, of the United States of America.
- (e) "City" shall mean any city in the state of Idaho, including each city having a special charter.

(f) "County" or "counties" shall include all counties in the state of Idaho as designated in [chapter 1, title 31](#), Idaho Code.

(g) "Clerk" shall mean the clerk of the city or county as the case may be or the officer charged with the duties customarily imposed on such clerk.

(h) "Area of operation" shall mean the state of Idaho.

(i) "Slum" shall mean any area where dwellings predominate which, by reason of dilapidation, overcrowding, lack of ventilation, light or sanitary facilities or any combination of these factors, are detrimental to safety, health or morals.

(j) "Person of low income" means persons deemed by the association, including those defined as "elderly" in the United States Housing Act of 1937[,] 42 U.S.C., section 1437 et seq., as amended, to require assistance available under this act on account of insufficient personal or family income, to pay the rents or carrying charges required by the unaided operation of private enterprise in providing an adequate supply of decent, safe and sanitary housing and in making such determination the association shall take into consideration, without limitation, such factors as:

(1) The amount of the total income of such persons available for housing needs;

(2) The size of the family;

(3) The cost and condition of housing facilities available;

(4) Standards established for various federal programs determining eligibility based on income of such persons; and

(5) The ability of such persons to compete successfully in the normal housing market and to pay the amounts at which private enterprise is providing decent, safe and sanitary housing.

(k) "Bonds," "notes" or "bond anticipation notes," and "obligations" shall mean any bonds, notes, interim certificates, debentures or other evidences of financial indebtedness issued by the association pursuant to this chapter.

(l) "Real property" shall include all lands, including improvements and fixtures thereon, and property of any nature, appurtenant thereto, or used in connection therewith, and every estate, interest and right, legal or equitable, therein, including terms for years and liens by way of judgment, mortgage or otherwise and the indebtedness secured by such liens.

(m) "Housing authority" or "authority" means a housing authority established pursuant to the "housing authorities and cooperation law" constituting [chapter 19, title 50](#), Idaho Code.

(n) "Rent" shall mean the periodic payment made by a person of low income in a housing project whether such money is being used as rent, or for the development of equity by such person.

(o) "Interim financing" means a short-term construction loan for planning and/or development of residential housing for persons of low income and other persons which loan shall run until financing can be assumed through other federal, state or private financing.

(p) "Housing sponsor" means individuals, joint ventures, partnerships, limited partnerships, public bodies, trusts, firms, associations, or other legal entities or any combination thereof, and corporations, cooperatives, and condominiums, approved by the association as qualified either to own, construct, acquire, rehabilitate, operate, manage or maintain a housing project, subject to the regulatory powers of the association and other terms and conditions set forth in this chapter. A "housing sponsor" shall be either a "limited profit" sponsor or a "nonprofit" sponsor.

(q) "Mortgage lender" means any bank or trust company, savings bank, mortgage company, mortgage banker, credit union, national banking association, savings and loan association, building and loan association, life insurance company, and any other financial institution authorized to transact business in the state.

(r) "Mortgage loan" means an interest-bearing obligation secured by a deed of trust, a mortgage, bond, note, or other instrument which is a lien on property in the state except in the case of loans insured by the federal housing administration or the association and which are made for the rehabilitation or improvement of existing dwellings; in such case the loans need not be secured by an instrument constituting a lien on property in the state.

(s) "Mixed income housing project" means a housing project which contains dwellings occupied or to be occupied by persons of low income constituting at least twenty percent (20%) of such occupancy.

(t) "Facilities" means land, rights in land, buildings, structures, equipment, landscaping, utilities, approaches, roadways and parking, handling and storage areas, and portions of any of the foregoing and similar ancillary facilities.

(u) "Nonprofit corporation" means a nonprofit corporation organized and operating in accordance with Idaho law or a nonprofit corporation organized and operating in accordance with comparable laws within another state or territory of the United States.

(v) "Nonprofit facilities" means facilities owned or used by a nonprofit corporation for a nonprofit purpose of the corporation; provided that facilities for health facilities which may be funded pursuant to [chapter 14, title 39](#), Idaho Code, shall not be included in this definition, except for such health facilities as may be specifically approved by the Idaho health facilities authority. Facilities owned or used, consistent with its nonprofit purpose, by a nonprofit corporation recognized by a state institution of higher education as its college or university foundation shall be considered nonprofit facilities under this chapter.

(w) "Project costs of a nonprofit facility" means costs of:

- (1) Acquisition, construction and improvement of any facilities included in a nonprofit facility;
- (2) Architectural, engineering, consulting, accounting and legal costs related directly to the development, financing and construction of a nonprofit facility, including costs of studies assessing the feasibility of a nonprofit facility;
- (3) Finance costs, including discounts, if any, the costs of issuing bonds, and costs incurred in carrying out any provisions thereof;
- (4) Interest during construction and during the six (6) months after estimated completion of construction, and capitalized debt service or repair and replacement or other appropriate reserves;
- (5) The refunding of any outstanding obligations incurred for any of the costs outlined in this subsection; and
- (6) Other costs incidental to any of the costs listed in this section.

(x) "Agricultural facility or facilities" means land, any building or other improvement thereon or thereto, to be owned by a beginning farmer or rancher and any personal properties deemed necessary or suitable for use, whether or not now in existence in farming or ranching, the production of agricultural commodities, including, without limitation, the products of aquaculture, hydroponics and silviculture, or the treating, processing or storing of such agricultural commodities when such activities are customar-

ily engaged in by beginning farmers or ranchers as a part of farming or ranching.

(y) "Municipality" means any county, municipal corporation, highway district, taxing district or other political subdivision of this state.

(z) "State" means the state of Idaho.

(aa) "State body" means any department, board, commission or agency of the state of Idaho.

(bb) "Transportation board" means the Idaho transportation board and its successors.

(cc) "Transportation department" means the Idaho transportation department and its successors.

(dd) "Transportation project" means any transportation infrastructure project including, without limitation, a road, street, parkway, right-of-way, bridge, railroad crossing, drainage structure, sign, guardrail, structure, interstate, surface, resurface, shoulder, roadside, or any other work, and any planning development, management and construction related thereto, all as approved or recommended to the association by the transportation board.

(ee) "Economic development project or projects" means any commercial or industrial project including, without limitation, any manufacturing, processing, production, assembly, warehousing, solid waste disposal, recreation, office, research and development, energy or other business project owned by one (1) or more persons or other legal entities, any costs relating thereto including, without limitation, costs for buildings, land, equipment, furnishings, interest, costs of operation, financing, architectural, engineering and other professional costs and other related costs, as well as any working capital costs or expenses for such businesses.

(ff) "Department of labor" means the Idaho department of labor and its successors.

(gg) "Department of labor project" means any project to assist the department of labor in providing or financing unemployment compensation benefits all as approved or recommended to the association by the director of the department of labor pursuant to section [72-1346B](#), Idaho Code.

[67-6205, added 1972, ch. 324, sec. 5, p. 789; am. 1974, ch. 324, sec. 5, p. 1840; am. 1976, ch. 283, sec. 2, p. 969; am. 1977, ch. 326, sec. 1, p. 914; am. 1996, ch. 253, sec. 4, p. 805; am. 1997, ch. 191, sec. 2, p. 532; am. 2000, ch. 364, sec. 2, p. 1204; am. 2000, ch. 365, sec. 1, p. 1212; am. 2005, ch. 378, sec. 8, p. 1223; am. 2007, ch. 152, sec. 2, p. 465; am. 2011, ch. 111, sec. 1, p. 292.]

67-6206. POWERS OF ASSOCIATION. The housing and finance association is an independent public body corporate and politic, exercising public and essential governmental functions, and having all the powers which are hereby declared to be public purposes necessary or convenient to carry out and effectuate the purposes and provisions of this chapter, including the following powers in addition to others herein granted:

(a) To sue and to be sued; to have a seal and to alter the same at pleasure; to have perpetual succession; to make and execute contracts and other instruments necessary or convenient to the exercise of the powers of the association; and to make and from time to time amend and repeal bylaws, rules, not inconsistent with this chapter, to carry into effect the powers and purposes of the association.

(b) To conduct its operations within any or all of the counties of the state.

(c) To cooperate with housing authorities throughout Idaho in the development of housing projects.

(d) To assign priorities for action and revise or modify said priorities from time to time.

(e) To make and execute agreements, contracts and other instruments necessary or convenient in the exercise of the powers and functions of the association under this chapter, including contracts with any housing sponsor, mortgage lender, person, firm, corporation, governmental agency, or other entity; and to include in any contract let in connection with a project, stipulations requiring that the contractor and any subcontractors comply with requirements as to minimum wages and maximum hours of labor, and comply with any conditions which the federal government may have attached to its financial aid of the project and to designate mortgage lenders to act for and in behalf of the association, with respect to originating or servicing and processing mortgage loans of the association, and to pay the reasonable value of service rendered to the association by such mortgage lenders pursuant to contracts with mortgage lenders.

(f) To lease, sell, construct, finance, reconstruct, restore, rehabilitate, operate or rent any housing projects, nonprofit facilities or any dwellings, houses, accommodations, lands, buildings, structures or facilities embraced in any housing project or nonprofit facilities and, subject to the limitations contained in this chapter, to establish and revise the rents or charges therefor.

(g) To own, hold and improve real or personal property; to purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, eminent domain or otherwise, any real or personal property or any interest therein.

(h) To acquire any real property; to sell, lease, exchange, transfer, assign, pledge or dispose of any real or personal property or any interest therein.

(i) To insure or provide for the insurance of any real or personal property or operation of the association against any risks or hazards, and to procure or agree to the procurement of insurance or guarantees from the federal government or other source for the payment or purchase of any bonds or parts thereof issued by the association, including the power to pay for any such insurance or guarantees.

(j) To invest any funds held in reserves or sinking funds, or any funds not required for immediate disbursement, in property or securities in which a bank, as defined in the "bank act," [title 26](#), Idaho Code, may legally invest funds including without limitation, to agree to purchase the obligations of any federal, state or local government upon such conditions as the association may determine to be prudent and in its best interest.

(k) Within its area of operation: to investigate into living, dwelling and housing conditions and into the means and methods of improving such conditions; to determine where slum areas exist or where there is a shortage of adequate, safe and sanitary dwelling accommodations for persons of low income; to make studies and recommendations relating to the problem of clearing, replanning and reconstruction of slum areas and the problem of providing dwelling accommodations for persons of low income, and to cooperate with the city, the county, the state or any political subdivision thereof in action taken in connection with such problems; and to engage in research, studies and experimentation on the subject of housing.

(l) To participate in cooperative ventures with any agencies, organizations and individuals in order to undertake the provision of housing for persons of low income, to undertake the provision of nonprofit facilities, economic development projects or agricultural facilities.

(m) To provide research and technical assistance to eligible agencies, organizations and individuals eligible to develop low-cost housing and to research new low-cost housing development and construction methods.

(n) To make and undertake commitments to make or participate in the making of mortgage loans to persons of low income and to housing sponsors, including without limitation federally insured mortgage loans, and to make temporary loans and advances in anticipation of permanent loans to housing sponsors; said mortgage loans to housing sponsors shall be made to finance the construction, improvement, or rehabilitation of housing projects for persons of low income, and/or mixed income housing projects upon the terms and conditions set forth in this chapter; provided however, that such loans shall be made only upon the determination by the association that mortgage loans are not otherwise available, wholly or in part, from private lenders upon reasonably equivalent terms and conditions.

(o) To purchase, or make commitments to purchase or participate in the purchase of mortgage loans from mortgage lenders which loans have been made for the construction, improvement, or rehabilitation of housing projects for persons of low income and/or mixed income housing projects or loans which have been made to persons of low income for residential housing, upon terms set forth in this chapter; provided however, that any such purchase shall be made only upon the determination by the association that the mortgage loans to be made are not otherwise being made by mortgage lenders upon reasonably equivalent terms and conditions. Also, to purchase, or make commitments to purchase or participate in the purchase of mortgage loans from mortgage lenders whether or not said loans were made to persons of low income, upon terms set forth in this chapter; provided, however, that the proceeds from such purchase or the equivalent thereof shall be reinvested in obligations of the association, in mortgage loans to persons of low income or in mortgage loans for housing projects for persons of low income and/or mixed income housing projects, and provided that any such purchase shall be made only upon the determination by the association that the mortgage loans to be made are not otherwise being made by mortgage lenders upon reasonably equivalent terms and conditions.

(p) To provide interim financing for housing projects including mixed income housing projects approved by the association, provided that the association has determined that such financing is not otherwise available from mortgage lenders upon reasonably equivalent terms and conditions.

(q) To prescribe rules and policies in connection with the performance of its functions and duties.

(r) To do all other things deemed necessary and desirable to accomplish the objectives of this chapter.

(s) To borrow money and issue bonds and notes or other obligations, to invest the proceeds thereof in any lawful manner and to fund or refund the same, and to provide for the rights of the holders of its obligations as provided in this chapter and in connection therewith, to waive, by resolution or other document of the association, the exemption from federal income taxation of interest on any of the association's obligations under existing or future federal law and to establish, maintain and preserve the association's

general obligation rating and any rating on its bonds, notes or other obligations.

(t) To receive and accept aid or contributions from any source.

(u) To employ architects, engineers, attorneys, accountants, housing construction and financial experts and such other advisors, consultants and agents as may be necessary in its judgment and to fix their compensation.

(v) To insure mortgage payments of any mortgage loan made for the purpose of constructing, rehabilitating, purchasing, leasing, or refinancing housing projects upon such terms and conditions as the association may prescribe.

(w) To fix and revise from time to time and charge and collect fees and charges in connection with loans made or other services provided by the association pursuant to this chapter, and to make and publish rules respecting the making and purchase of mortgage loans.

(x) To organize a nonprofit corporation to assist the association in providing for housing projects.

(y) To enter upon and inspect any housing project, including housing projects undertaken by housing sponsors, for the purpose of investigating the physical and financial condition thereof, and its construction, rehabilitation, operation, management and maintenance, and to examine all books and records with respect to capitalization, income and other matters relating thereto.

(z) To order such alterations, changes or repairs as may be necessary to protect the security of its investment in a housing project or the health, safety, and welfare of the occupants thereof.

(aa) To make or purchase secured loans for the purpose of providing temporary or permanent financing or refinancing of all or part of the project costs of any nonprofit facility, economic development project or agricultural facility, including the refunding of any outstanding obligations, mortgages or advances issued, made or given by any person for the project costs of a nonprofit facility, economic development project or agricultural facility; provided that private financial institutions shall be involved in providing such financing for economic development projects, and further, that the association will work with private financial institutions as the primary or preferred credit enhancement providers if credit enhancement is needed for such financings, and to charge and collect interest on the loans for the loan payments upon such terms and conditions, including without limitation bond rating and issuance conditions, as the board of commissioners considers advisable which are not in conflict with this chapter.

(bb) As security for the payment of the principal of and interest on any revenue bonds issued and any agreements made in connection therewith, to mortgage, pledge, or otherwise encumber any or all of nonprofit facilities, economic development projects or agricultural facilities or any part or parts thereof, whether then owned or thereafter acquired, and to assign any mortgage and repledge any security conveyed to the association, to secure any loan made by the association and to pledge the revenues and receipts therefrom.

(cc) To issue bonds for the purpose of financing all or part of the project cost on any nonprofit facility, economic development project or agricultural facility and to secure the payment of the bonds as provided in this chapter.

(dd) To purchase or sell by installment contract or otherwise, and convey all or any part of any nonprofit facility, economic development project

or agricultural facility for such purchase price and upon such terms and conditions as this board of commissioners considers advisable which are not in conflict with this chapter.

(ee) To lease all or any part of any nonprofit facility, economic development project or agricultural facility for such rentals and upon such terms and conditions, including options to purchase, as the board of commissioners considers advisable and not in conflict with this chapter.

(ff) To construct and maintain one (1) or more nonprofit facilities, economic development projects or agricultural facilities, provided that the association shall not operate any nonprofit facility, economic development project or agricultural facility as a business other than as lessor, seller or lender. The purchase, holding and enforcing of mortgages, deeds of trust, or other security interests and contracting for any servicing thereof is not considered the operation of a nonprofit facility, economic development project or agricultural facility as a business.

(gg) To act as the designated housing resource clearinghouse in the state for matters relating to affordable housing.

(hh) To coordinate the development and maintenance of a housing policy for the state.

(ii) To enter into agreements or other transactions with and accept grants, reimbursements or other payments and the cooperation of the United States or any agency thereof or of the state of Idaho or any agency thereof or municipality of the state in furtherance of the purposes of this act, including, but not limited to, the development, maintenance, operation and financing of any transportation project or the financing of any department of labor project and to do any and all things necessary in order to avail itself of such aid and cooperation.

(jj) To borrow money and issue bonds and notes or other evidences of indebtedness thereof as hereinafter provided to finance transportation projects approved and recommended by the transportation board.

(kk) To borrow money and issue bonds and notes or other evidences of indebtedness thereof as hereinafter provided to finance department of labor projects approved and recommended by the director of the department of labor pursuant to section [72-1346B](#), Idaho Code.

[67-6206, added 1972, ch. 324, sec. 6, p. 789; am. 1974, ch. 104, sec. 6, p. 1210; am. 1976, ch. 283, sec. 3, p. 968; am. 1977, ch. 326, sec. 2, p. 914; am. 1989, ch. 423, sec. 3, p. 1034; am. 1996, ch. 253, sec. 5, p. 802; am. 1997, ch. 191, sec. 3, p. 531; am. 1998, ch. 374, sec. 1, p. 1160; am. 2000, ch. 364, sec. 3, p. 1203; am. 2005, ch. 378, sec. 9, p. 1217; am. 2007, ch. 152, sec. 3, p. 468; am. 2011, ch. 111, sec. 2, p. 295.]

67-6207. MANAGEMENT AND OPERATION OF HOUSING PROJECTS -- PRIORITY OF APPLICATIONS -- LIMITED PROFIT SPONSORS. (a) It is hereby declared to be the policy of the state that the Idaho housing and finance association shall manage and operate housing projects or cause its housing projects to be managed and operated in an efficient manner so as to enable it to fix the rentals for dwelling accommodations at the lowest possible rates consistent with providing adequate, safe and sanitary accommodations, and shall not construct or operate any such project for profit or as a source of revenue. The association shall fix the rentals for dwellings in its projects at no higher rates than it shall find to be necessary in order to produce revenues which, together with all other available moneys, revenues, income and receipts of the association from whatever sources derived, will be sufficient:

(1) To pay, as the same become due, the principal and interest on the bonds of the association; and

(2) To pay its cost of operation.

(b) In considering any application for a mortgage loan, the association shall give first priority to applications for housing projects which will be well planned and well designed; and shall also give consideration to:

(1) The comparative need for housing for persons of low-income in the area to be served by the proposed project;

(2) The ability of the applicant to carry out, operate, manage and maintain the proposed housing project; and

(3) The existence of zoning or other regulations to protect adequately the proposed housing project against detrimental future uses which could cause undue depreciation in the value of the project.

(c) The association shall have authority to set from time to time the interest rates at which it shall make loans and commitments therefor. Such interest rates shall be established by the association in its sole discretion at the lowest level consistent with the association's cost of operation and its responsibilities to the holders of its bonds, notes or other obligations.

(d) A limited profit housing sponsor shall not make distributions in any one (1) year with respect to a housing project financed by the association in excess of such percentage of a housing sponsor's equity in such housing project as shall be prescribed by rules of the association, nor shall any of the principals or stockholders of such a housing sponsor at any time earn, accept, or receive a return greater than such percentage of its investment in such housing project as shall be prescribed by rules of the association. A housing sponsor's equity in a housing project shall consist of its investment in the housing project as determined by the board of commissioners of the association.

[67-6207, added 1972, ch. 324, sec. 8, p. 789; am. 1974, ch. 104, sec. 7, p. 1210; am. 1989, ch. 423, sec. 4, p. 1039; am. 1991, ch. 239, sec. 1, p. 574; am. 1996, ch. 253, sec. 6, p. 810.]

67-6207A. ADDITIONAL POWERS. In addition to all other powers, the association also shall have the following specific powers:

(a) To make and publish rules respecting making mortgage loans pursuant to this act, the regulations of borrowers, housing sponsors, mortgage lenders, and the construction of ancillary commercial facilities.

(b) To make rules respecting the qualifications for admission to housing projects pursuant to this chapter.

(c) To invest in, purchase, sell, or to make commitments to purchase, and take assignments from lenders, of notes and mortgages or other obligations evidencing loans for housing projects, loans for nonprofit facilities, loans for economic development projects or loans for agricultural facilities, at public or private sale, with or without public bidding.

(d) To make loans to mortgage lenders under terms and conditions requiring the proceeds thereof to be used by such mortgage lenders for the making of new mortgage loans for housing projects.

(e) To enter into mortgage insurance agreements with mortgage lenders in connection with the lending of money by such institutions for housing projects.

(f) Subject to any agreement with bondholders or noteholders, to collect, enforce the collection of, and foreclose on any collateral securing

its loans to mortgage lenders and acquire or take possession of such collateral and sell the same at public or private sale, with or without public bidding, and otherwise deal with such collateral as may be necessary to protect the interest of the association therein.

[67-6207A, as added by 1974, ch. 104, sec. 8, p. 1210; am. 1996, ch. 253, sec. 7, p. 811; am. 1997, ch. 191, sec. 4, p. 538; am. 2000, ch. 364, sec. 4, p. 1211; am. 2007, ch. 152, sec. 4, p. 472.]

67-6207B. MORTGAGE LOANS -- RULES -- PURCHASE. The association shall promulgate rules governing the various programs which it has authorized to be undertaken. In promulgating such rules it shall consider the following:

(a) The association shall from time to time adopt, modify or repeal rules governing the making of loans to housing sponsors and the purchase and sale of mortgage loans from mortgage lenders and the application of the proceeds thereof, including rules as to any or all of the following:

(1) Restrictions as to the interest rates on mortgage loans or the return realized therefrom by mortgage lenders;

(2) Requirements as to disbursements and commitments by mortgage lenders with respect to mortgage loans;

(3) Rules relative to the purchase and sale of mortgage loans shall be designed to effectuate the general purposes of this act and the following specific objectives:

(i) the expansion of the supply of funds in this state available for mortgage loans for persons of low-income;

(ii) the provision of the additional housing for persons of low-income needed to remedy the shortage of adequate housing in this state and eliminate the existence of a large number of substandard dwellings;

(iii) the restriction of the financial return and benefit to that necessary to protect against the realization by mortgage lenders of an excessive financial return or benefit as determined by prevailing market conditions; and

(iv) standards as to the number of dwelling units and housing projects and other characteristics of dwelling units for persons of low-income and housing projects to be financed by mortgage loans.

(b) The ratio of loan to total housing project cost and the amortization period of loans made under this act which are insured by the federal housing administration (FHA) shall be governed by the FHA mortgage insurance commitment for each housing project; but in no event shall such amortization period exceed fifty (50) years. In the case of a mortgage loan not insured by FHA the amount of the loan to:

(1) limited profit housing sponsors shall not exceed ninety-five percent (95%) of the total housing project cost as determined by the association, and

(2) nonprofit housing sponsors shall not exceed one hundred percent (100%) of the total housing project cost as determined by the association.

The amortization period of such loan shall be determined in accordance with rules formulated and published by the association, but in no event shall such amortization period exceed fifty (50) years.

(c) A mortgage loan made hereunder may be prepaid to maturity after such period of years and under such terms and conditions as shall be determined by the association.

(d) No mortgage loan purchased from a mortgage lender shall be eligible for purchase or commitment to purchase by the association hereunder unless at or before the time of transfer thereof to the association such mortgage lender certifies:

(1) That in its judgment the mortgage loan would in all respects be a prudent investment; and

(2) That, except for mortgage loans purchased under a preexisting commitment with the association for the origination and purchase of such loans, the proceeds of sale or its equivalent shall be reinvested in obligations of the association or in mortgage loans to provide housing for persons of low-income within this state, or, if required by the association, invested in short term obligations pending the purchase of such association obligations or the making of such mortgage loans.

(e) The association shall purchase mortgage loans at a purchase price equal to the outstanding principal balance; provided, however, that discount from the principal balance or the payment of a premium may be employed to effect a fair rate of return, as determined by the association, in its discretion, based upon the rate of interest payable by the association on its obligations issued to purchase such mortgages, its administrative expenses, and market conditions and any other relevant factors existing at the time of purchase.

(f) Each mortgage loan to a housing sponsor for a newly constructed rental housing project shall be evidenced by a mortgage or deed of trust, note or bond and by a mortgage or deed of trust which shall be a lien on the housing project and on all of the real property constituting the site of or relating to such housing project and which shall contain such terms and provisions and be in a form approved by the association.

(g) Each mortgage loan shall be subject to an agreement between the association and the housing sponsor which will subject said sponsor and its principals or stockholders to limitations established by the association as to rentals and other charges, builders' and developers' profits and fees, and the disposition of its property and on all of the real property constituting the site of or relating to such housing project.

(h) The association shall require as a condition of each loan to a mortgage lender, and (except for mortgage loans to persons of low-income or for housing projects for persons of low-income and/or for mixed income housing projects which were made by a mortgage lender pursuant to a preexisting commitment with the association to purchase such mortgage loans) as a condition of the purchase or the making of a commitment to purchase mortgage loans from a mortgage lender, that such mortgage lender shall following the receipt of the loan proceeds or sale proceeds have entered into written commitments with the association to make, and shall thereafter proceed as promptly as practicable to make and disburse from such loan proceeds, mortgage loans to persons of low-income or mortgage loans for housing projects or to purchase obligations of the association in an aggregate principal amount equal to the amount of such prior loan; and the association shall not purchase nor make commitment to purchase such mortgage loans or obligations from a mortgage lender from which it has previously purchased such mortgage loans nor make a loan to a mortgage lender to which it has previously made a loan unless said mortgage lender has either restored or made commitments to restore

to its portfolio of mortgage loans in this state, mortgage loans to provide residential housing for persons of low-income from the date thereof or has added to or made commitments to add to its portfolio of association obligations in an aggregate principal amount equal to the proceeds of prior sale to said mortgage lender.

(i) To assure repayment loans from the association to mortgage lenders, the association shall require that loans made to mortgage lenders shall be secured as to payment of both principal and interest by a pledge of and lien upon collateral security, including without limitation direct obligations of, or obligations (including, without limitation, mortgages) guaranteed or insured as to payment of principal and interest by, the federal government or this state.

[67-6207B, added I.C., sec. 67-6207B, as added by 1974, ch. 104, sec. 9, p. 1210; am. 1976, ch. 283, sec. 4, p. 976; am. 1977, ch. 326, sec. 3, p. 921; am. 1989, ch. 423, sec. 5, p. 1040; am. 1996, ch. 253, sec. 8, p. 811.]

67-6207C. HOUSING SPONSORSHIP. The association shall have the power to supervise housing sponsors, including limited profit housing sponsors, and their real and personal property in the following respects:

(a) The reorganization of any housing sponsor shall be subject to the supervision and control of the association, and no such reorganization shall be had without the consent of the association.

(b) In the event of violation by a housing sponsor of any provisions of a loan, the terms of any agreement between the association and the housing sponsor, the provisions of this act, or of any rules duly promulgated pursuant to this act, the association may remove any or all of the existing directors or officers of such housing sponsor and may appoint such person or persons whom the association in its sole discretion deems advisable as new directors or officers to serve in the places of those removed, notwithstanding the provisions of any other law; provided, however, that any such directors or officers so appointed by the association shall serve only for a period coexistent with the duration of such violation or until the association is assured in a manner satisfactory to it against violations of a similar nature. Officers or directors so appointed need not be stockholders or meet other qualifications which may be prescribed by the certificate or articles of incorporation, or bylaws, or by other instruments or laws governing such housing sponsor.

(c) The association shall require the housing sponsor receiving a loan or its contractor to post labor and materials, construction performance, surety bonds or make other assurances of completion in amounts related to the housing project cost as established by the association's rules, and to execute such other assurances and guarantees as the association may deem necessary.

(d) The association shall:

- (1) prescribe uniform systems of accounts and records for housing sponsors,
- (2) require such housing sponsors to make reports,
- (3) make certifications as to expenditures made by such housing sponsors, and
- (4) examine all books and records with reference to capital structure, income, expenditures and other payments of a housing sponsor.

(e) The association shall supervise the operation and maintenance of any housing project.

(f) The association shall fix and may alter from time to time a schedule of rents and charges for any housing project.

(g) The association shall determine standards for, and shall control tenant selection by a housing sponsor.

(h) The association may require the housing project sponsor to demonstrate to the association that the housing project will be occupied to the maximum extent feasible by persons whose incomes fall in the lowest twenty-five percent (25%) of all persons who are eligible to occupy the housing project under the income guidelines established by the association for admission to such housing projects.

(i) The association shall prescribe rules specifying the categories of cost which shall be allowable in the construction, reconstruction, remodeling, improvement or rehabilitation of a housing project. The association shall require any housing sponsor to certify the actual housing project costs upon completion of the housing project, subject to audit and determination by the association. Notwithstanding the provisions of this subsection, the association may accept, in lieu of any certification of housing project costs as provided herein, such other assurances of the said housing project costs, in any form or manner whatsoever, as will enable the association to determine with reasonable accuracy the amount of said housing project costs.

(j) The association shall regulate the retirement of any capital investment or the redemption of stock of a limited profit housing sponsor where any such retirement or redemption when added to any dividend or other distribution will exceed in any one (1) fiscal year such percentage as shall be prescribed by rules of the association of such sponsor's investment or equity in any housing project.

(k) Notwithstanding any other provision of this chapter, the association is not empowered to finance any housing project undertaken by a housing sponsor unless, prior to the financing of any housing project hereunder, the association finds:

(1) That there exists a shortage of decent, safe, and sanitary housing at rentals or prices which persons of low-income can afford within the general housing market area to be served by the proposed housing project.

(2) That private enterprise and investment have been unable, without assistance, to provide the needed decent, safe, and sanitary housing at rentals or prices which persons of low-income can afford or to provide sufficient mortgage financing for residential housing for occupancy by such persons.

[67-6207C, added I.C., sec. 67-6207C, as added by 1974, ch. 104, sec. 10, p. 1210; am. 1989, ch. 423, sec. 6, p. 1042; am. 1991, ch. 239, sec. 2, p. 575; am. 1996, ch. 253, sec. 9, p. 814.]

67-6207D. PERIODIC EXAMINATION OF INCOME OF PERSONS RESIDING IN HOUSING PROJECTS. (a) The association shall, by rules, provide for the periodic examination of the income of any person or family residing in and renting a dwelling unit in any rental housing project, assisted by virtue of the powers granted the association under this act. In the event that the gross aggregate income of such persons or families residing in any such housing project increases and the ratio to the current rental or carrying charges of

the dwelling unit becomes greater than the ratio prescribed for admission by the association for admission to the project, the owner or managing agent of such housing project shall permit such persons to continue to occupy the unit.

(b) The association or the housing sponsor (with the approval of the association) of any such rental housing project, may terminate the tenancy or interest of any such person or family residing in such housing project whose gross aggregate income exceeds amounts prescribed by rule of the association and which continues to exceed the same for a period of six (6) months or more; provided, that no tenancy or interest of any such person in any such housing project shall be terminated except upon reasonable notice and opportunity to obtain suitable alternate housing, in accordance with rules of the association; provided further, that any such person, with the approval of the association, shall be permitted to continue to occupy the unit, subject to payment of rent or carrying charges or a surcharge to the housing sponsor in accordance with a schedule of surcharges fixed by the association.

(c) Any person residing in a housing project who has acquired equity in such housing project, including equity in a housing project which is a cooperative, and is required to be removed from the housing project because of excessive income as herein provided, shall be discharged from liability on any note, bond, or other evidence of indebtedness relating thereto and shall be reimbursed, in accordance with the rules of the association, for all sums paid by such person to the housing sponsor on account of the purchase of stock or debentures as a condition of occupancy or on account of the acquisition of title for such purpose.

[67-6207D, added I.C., sec. 67-6207D, as added by 1974, ch. 104, sec. 11, p. 1210; am. 1976, ch. 283, sec. 5, p. 979; am 1989, ch. 423, sec. 7, p. 1044; am. 1996, ch. 253, sec. 10, p. 815.]

67-6208. TAX EXEMPT STATUS. As set forth in the declaration and statement of intent herein, the association will be performing an essential governmental function in the exercise of the powers conferred upon it by this act, and the notes and bonds of the association issued pursuant to this act, and the income therefrom, including any profit made on the sale thereof, and all its fees, charges, gifts, grants, revenues, receipts and other moneys received, pledged to pay or secure the payment of such notes or bonds shall at all times be free from taxation of every kind by the state and by the municipalities and all other political subdivisions of the state.

The property of the association is declared to be public property used for essential public purposes and such property and the income and operations of the association shall be exempt from all taxes and special assessments of the city, the county, the state or any political subdivision or municipalities thereof; provided, however, that the association's office property shall be subject to property taxes and that in lieu of such taxes on its other property, the association shall negotiate an agreement with the city, the county, the state, as the case may be, to make payments, if any be required, to the city, county, or the state for improvements, services and facilities furnished by the said city, county or state for the benefits of a housing project, or in lieu of such taxes, the association may agree to make payments to a school district or school districts, which district or districts include within its boundaries all or a portion of the real property of the association, for school services and facilities furnished by said

school district or districts, for the benefit of the residents of a housing project.

[67-6208, added I.C., sec. 67-6208, as added by 1974, ch. 104, sec. 13, p. 1210; am. 1996, ch. 253, sec. 11, p. 816.]

67-6209. HOUSING PROJECTS SUBJECTED TO ORDINANCES AND REGULATIONS. All housing projects of the association shall be subject to the planning, zoning, sanitary and building laws, ordinances and regulations applicable to the locality of any housing project and the association shall take into consideration the relationship of the project to any larger plan or long-range program for the development of the area in which the housing association functions.

[67-6209, added 1972, ch. 324, sec. 9, p. 789; am. 1996, ch. 253, sec. 12, p. 817.]

67-6210. POWER TO ISSUE BONDS. The association shall have power and is hereby authorized to issue, from time to time, its negotiable notes and bonds in conformity with the applicable provisions of the uniform commercial code in such principal amount as the association shall determine to be necessary for sufficient funds for achieving any of its corporate purposes, including the payment of interest on notes and bonds of the association, establishment of reserves to secure such notes and bonds, and all other expenditures of the association incidental and necessary or convenient to carry out its corporate purposes and powers; provided, however, that the association shall provide in its resolution authorizing such bonds that all revenues received by the association as a result of the issuance of such bonds shall be pledged first to the payment of principal and interest on such bonds.

(a) The association shall have the power, from time to time, to issue:

(1) notes to renew notes and

(2) bonds to pay notes, including the interest thereon, and

(3) whenever it deems refunding expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly for any of its corporate purposes.

The refunding bonds may be:

(1) exchanged for the bonds to be refunded or

(2) sold and the proceeds applied to the purchase, redemption or payment of such bonds.

(b) Except as may otherwise be expressly provided by the association, every issue of its notes and bonds shall be payable exclusively from the revenues or income of the association, including grants and contributions from the United States of America, subject only to any agreements with the holders of particular notes or bonds pledging any particular revenues.

(c) The notes and bonds shall be authorized by resolution or resolutions of the association, shall bear such date or dates and shall mature at such time or times as such resolution or resolutions may provide. The bonds may be issued as serial bonds payable in annual installments or as term bonds or as a combination thereof. The notes and bonds shall bear interest at such rate or rates, be in such denominations, be in such form, either coupon or registered, carry such registration privileges, be executed in such manner, be payable in such medium of payment, at such place or places, and be subject to such terms of redemption as such resolution or resolutions may provide.

The notes and bonds of the association may be sold by the association, at public or private sale, at such price or prices as the association shall determine.

(d) Any resolution or resolutions authorizing any notes or bonds or any issue thereof may contain provisions, which shall be a part of the contract or contracts with the holders thereof, as to:

(1) pledging all or any part of the revenues to secure the payment of the notes or bonds or of any issue thereof, subject to such agreements with noteholders or bondholders as may then exist;

(2) pledging all or any part of the assets of the association including mortgages and obligations securing the same, to secure the payment of the notes or bonds or of any issue of notes or bonds, subject to such agreements with noteholders or bondholders as may then exist;

(3) the use and disposition of the gross income from mortgages owned by the association and payment of principal of mortgages owned by the association;

(4) the setting aside of reserves or sinking funds and the regulation and disposition thereof;

(5) limitations on the purpose to which the proceeds of sale of notes or bonds may be applied and pledging such proceeds to secure the payment of the notes or bonds or of any issue thereof;

(6) limitations on the issuance of additional notes or bonds; the terms upon which additional notes or bonds may be issued and secured; and the refunding of outstanding or other notes or bonds;

(7) the procedure, if any, by which the terms of any contract with noteholders or bondholders may be amended or abrogated, the amount of notes or bonds the holders of which must consent thereto; and the manner in which such consent may be given;

(8) limitations on the amount of moneys to be expended by the association for operating expenses of the association;

(9) vesting in a trustee or trustees such property, rights, powers and duties in trust as the association may determine, which may include any or all of the rights, powers and duties of the trustee appointed by the bondholders pursuant to this act; and limiting or abrogating the right of the bondholders to appoint a trustee under this act, or limiting the rights, powers and duties of such trustee;

(10) defining the acts or omissions to act which shall constitute a default in the obligations and duties of the association to the holders of the notes or bonds and providing for the rights and remedies of the holders of the notes or bonds in the event of such default, including as a matter of right the appointment of a receiver; provided, however, that such rights and remedies shall not be inconsistent with the general laws of the state and the other provisions of this act;

(11) pledging all or any part of funds allocated to the association under Idaho law or other revenues or the proceeds of notes or bonds to secure the payment of notes or bonds issued to finance transportation projects, subject to such agreements with noteholders or bondholders as may then exist;

(12) setting forth the provisions for any contracts relating to its bonds or notes, including, without limitation, any investment or interest rate contracts, or any contract providing for a credit enhancement, including, but not limited to, letters of credit, bond insurance and surety bonds provided by private financial institutions;

(13) setting forth the provisions for representations or certifications to be made by an officer of the association with respect to funds to be allocated to the association for transportation projects and provisions for the disbursements of the proceeds of the bonds or notes for payment of the costs of a transportation project, costs of issuance and other related costs;

(14) pledging all or any part of funds allocated to the association pursuant to section [72-1346B](#), Idaho Code, or the proceeds of notes or bonds to secure the payment of notes or bonds issued to finance a department of labor project, subject to such agreements with noteholders or bondholders as may then exist;

(15) setting forth the provisions for representations or certifications to be made by an officer of the association with respect to funds to be allocated to the association for a department of labor project and provisions for the disbursements of the proceeds of the bonds or notes for payment of the costs of a department of labor project, costs of issuance and other related costs;

(16) any other matters, of like or different character, which in any way affect the security or protection of the holders of the notes or bonds.

(e) Any pledge made by the association shall be valid and binding from the time when the pledge is made; the revenues, moneys or property so pledged and thereafter received by the association shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of any such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the association, irrespective of whether such parties have notice thereof. Neither the resolution nor any other instrument by which a pledge is created need be recorded.

(f) Neither the commissioners of the association nor any other person executing such notes or bonds shall be subject to any personal liability or accountability by reason of the issuance thereof.

(g) The association, subject to such agreements with noteholders or bondholders as may then exist, shall have power out of any funds available therefor to purchase notes or bonds of the association, which shall thereupon be canceled, at a price not exceeding:

(1) if the notes or bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment thereon, or

(2) if the notes or bonds are not then redeemable, the redemption price applicable on the first date after such purchase upon which the notes or bonds become subject to redemption plus accrued interest to such date.

(h) In the discretion of the association, the bonds may be secured by a trust indenture by and between the association and a corporate trustee, which may be any trust company or bank having the power of a trust company in the state. Such trust indenture may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the association in relation to the exercise of its corporate powers and the custody, safeguarding and application of all moneys. The association may provide by such trust indenture for the payment of the proceeds of the bonds and the revenues to the trustee under such trust indenture or other depository, and for the method of disbursement thereof, with such safeguards and restrictions as it may determine. All expenses incurred in carrying out

such trust indenture may be treated as a part of the operating expenses of the association. If the bonds shall be secured by a trust indenture, the bondholders shall have no authority to appoint a separate trustee to represent them.

(i) Whether or not the notes and bonds are of such form and character as to be negotiable instruments under the terms of the uniform commercial code, the notes and bonds are hereby made negotiable instruments within the meaning of and for all the purposes of the uniform commercial code, subject only to the provisions of the notes and bonds for registration.

(j) In case any of the commissioners or officers of the association whose signatures appear on any notes or bonds or coupons shall cease to be such commissioners or officers before the delivery of such notes or bonds, such signatures shall, nevertheless, be valid and sufficient for all purposes, the same as if such commissioners or officers had remained in office until such delivery.

(k) The association shall not issue any bonds or notes to finance transportation projects unless:

(1) the Idaho transportation board has approved and recommended the transportation projects for financing through the association;

(2) the Idaho transportation board has certified to the association that sufficient funds are available to make the payments required for the bonds or notes to be issued to finance the transportation projects and that the annual, total cumulative debt service and bond-related expenses on federally-funded highway project financing do not exceed the limits specified in section [40-315](#) (3), Idaho Code, or has approved a resolution required under section [40-720](#) (6), Idaho Code; and

(3) the association and the Idaho transportation board have entered into an agreement for the association to provide financing of the transportation projects.

(l) The association shall not issue any bonds or notes to finance a department of labor project unless:

(1) the director of the department of labor has approved and recommended the department of labor project for financing through the association pursuant to section [72-1346B](#), Idaho Code;

(2) the director of the department of labor has certified to the association that sufficient funds are available to make the payments required for the bonds or notes to be issued to finance the department of labor project; and

(3) the association and the director of the department of labor have entered into an agreement for the association to provide financing of the department of labor project.

[67-6210, added 1972, ch. 324, sec. 10, p. 789; am. 1974, ch. 104, sec. 14, p. 1210; am. 1978, ch. 288, sec. 1, p. 700; am. 1996, ch. 253, sec. 13, p. 817; am. 2005, ch. 378, sec. 10, p. 1230; am. 2011, ch. 111, sec. 3, p. 298; am. 2019, ch. 307, sec. 4, p. 925.]

67-6211. ADDITIONAL DEFINITIONS AND CAPITAL RESERVE FUND PROCEDURES. As used in this section, the following words and phrases shall have the following meanings unless the context shall indicate another or different meaning or intent:

(a) "Maximum capital reserve fund requirement" shall mean the amount set forth in the association's resolution or indenture authorizing the bonds or other obligations secured by a capital reserve fund, or, if no amount

is stated in such resolution or indenture, then, as of any particular date of computation, an amount of money equal to the greatest of the respective amounts, for the then current or any future fiscal year of the association, of annual debt service of the association, such annual debt service for any fiscal year being the amount of money equal to the aggregate of:

(1) All interest payable during such fiscal year on all bonds secured by such capital reserve fund of the association outstanding on said date of computation, plus

(2) The principal amount of all bonds of the association secured by such capital reserve fund, outstanding on said date of computation which matures during such fiscal year, plus

(3) The amount of all annual sinking fund payments payable during such fiscal year with respect to any bonds of the association secured by such capital reserve fund, outstanding on said date of computation.

(b) "Annual sinking fund payment" shall mean the amount of money specified in the resolution authorizing term bonds as payable into a sinking fund during a particular fiscal year for the retirement of term bonds which mature after such fiscal year, but shall not include any amount payable by reason only of the maturity of a bond.

(c) "Available operating revenues" shall mean all amounts received on account of rentals and fees and other charges imposed by the association, if any, and income or interest earned or added to funds of the association due to the investment thereof and not required under the terms or provisions of any covenant or agreement with holders of any bonds or notes of the association to be applied to any purposes other than payment of expenses of the association.

(d) "Amortized value," when used with respect to securities purchased at a premium above or a discount below par, shall mean the value as of any given date obtained by dividing the total premiums or discount at which such securities were purchased by the number of interest payments remaining to maturity on such securities after such purchase, and by multiplying the amount so calculated by the number of interest payment dates having passed since the date of such purchase; and

(1) In the case of securities purchased at a premium, by deducting the product thus obtained from the purchase price, and

(2) In the case of securities purchased at a discount, by adding the product thus obtained to the purchase price.

(e) The association shall create and establish one (1) or more special funds (herein referred to as "capital reserve funds"), and shall credit each such capital reserve fund:

(1) Any proceeds of sale of notes or bonds, to the extent provided in the resolution or resolutions of the association authorizing the issuance thereof,

(2) Any funds directed to be transferred by the association to such fund, and

(3) Any other moneys which may be made available to the association for the purpose of such fund from any other source or sources.

(f) All moneys held in or credited to each such capital reserve fund, except as hereinafter provided, shall be used, as required, solely for the payment of the principal of bonds or of the sinking fund payments hereinafter mentioned with respect to such bonds, the purchase or redemption of bonds, the payment of interest on bonds or the payment of any redemption premium re-

quired to be paid when such bonds are redeemed prior to maturity; provided, however:

(1) That moneys in any such fund shall not be withdrawn therefrom at any time in such amount as would reduce the amount of such fund to less than the maximum capital reserve fund requirement, except for the purposes of making payment, when due, with respect to such bonds, of principal or redemption price of, interest and the sinking fund payments, as the same become due, and for the payment of which other moneys of the association are not available.

(2) Any income or interest earned by, or increment to, any capital reserve fund due to the investment thereof may be transferred by the association to other funds or accounts of the association to the extent it does not reduce the amount of such capital reserve fund below the maximum capital reserve fund requirement.

(g) Within sixty (60) days after the close of the association's fiscal year, the chairman of the association shall certify to the state tax commission the amount, if any, required to maintain the capital reserve funds established pursuant to this section at the maximum capital reserve fund requirement, but only for any capital reserve fund of the association which is required by a resolution of the association to be maintained by a continuing appropriation from the sales tax account. The chairman of the association shall not be entitled to so certify to the state tax commission for any capital reserve fund of the association for bonds issued by the association after January 1, 1996.

(h) The association shall not issue bonds at any time if upon issuance there will be created a capital reserve fund and the amount in the capital reserve fund securing such bonds will be less than the maximum capital reserve fund requirement, unless the association, at the time of issuance of such bonds, shall deposit in such fund, from the proceeds of the bonds so to be issued, or sources other than the state sales tax fund, an amount which, together with the amount then in such fund, will not be less than the maximum capital reserve fund requirement.

(i) Moneys in a capital reserve fund not required for immediate use or disbursement may be invested in obligations of the state or the United States of America or obligations the principal of and interest on which are guaranteed by the state or the United States of America or obligations of agencies of the United States of America or any obligations which may from time to time be legally purchased by banks under [title 26](#), Idaho Code, as investment of funds belonging to them or in their control. In computing the amount of a capital reserve fund for the purposes of this section, securities in which all or a portion of such fund are invested shall be valued at par if purchased at par or, if purchased at other than par, at amortized value.

(j) The association shall create and establish such other fund or funds as may be necessary or desirable for its corporate purposes.

(k) In the event of the dissolution of the association, any funds or assets of the association remaining after paying its bonds, notes or other obligations shall revert to the state.

(l) The total principal amount of the association's outstanding bonds secured by a capital reserve fund entitled to appropriation from the state sales tax account pursuant to section [67-6211](#)(g), Idaho Code, and section [63-3638](#)(4), Idaho Code, shall not exceed the sum of eighty-nine million dollars (\$89,000,000).

[67-6211, added I.C., sec. 67-6211, as added by 1974, ch. 104, sec. 16, p. 1210; am. 1976, ch. 283, sec. 6, p. 980; am. 1977, ch. 326, sec. 5, p. 924; am. 1978, ch. 288, sec. 2, p. 703; am. 1980, ch. 95, sec. 1, p. 204; am. 1984, ch. 194, sec. 1, p. 443; am. 1989, ch. 423, sec. 8, p. 1045; am. 1991, ch. 239, sec. 3, p. 577; am. 1996, ch. 253, sec. 14, p. 820; am. 1998, ch. 374, sec. 2, p. 1164; am. 2000, ch. 207, sec. 3, p. 526.]

67-6212. REFUNDING OF OBLIGATIONS. The association may provide for the issuance of refunding obligations for the purpose of refunding any obligations then outstanding which have been issued under the provisions of this act, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption of such obligations and for any corporate purpose of the association. The issuance of such obligations, the maturities and other details thereof, the rights of the holders thereof, and the rights, duties and obligations of the association in respect of the same shall be governed by the provisions of this act which relate to the issuance of obligations, insofar as such provisions may be appropriate therefor.

Refunding obligations may be sold or exchanged for outstanding obligations issued under this act and, if sold, the proceeds thereof may be applied, in addition to any other authorized purposes, to the purchase, redemption or payment of such outstanding obligations. Pending the application of the proceeds of any such refunding obligations, with any other available funds, to the payment of the principal, accrued interest and any redemption premium on the obligations being refunded, and, if so provided or permitted in the resolution authorizing the issuance of such refunding obligations or in the trust agreement securing the same, to the payment of any interest on such refunding obligations and any expenses in connection with such refunding, such proceeds may be invested in direct obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by the United States of America which shall mature or which shall be subject to redemption by the holders thereof, at the option of such holders, not later than the respective dates when the proceeds, together with the interest accruing thereon, will be required for the purposes intended.

[67-6212, added I.C., sec. 67-6212, as added by 1974, ch. 104, sec. 18, p. 1210; am. 1996, ch. 253, sec. 15, p. 822.]

67-6213. DEPOSIT OF FUNDS. All moneys of the association except as otherwise authorized or provided in this act shall be deposited as soon as practicable in a separate account or accounts in banks organized under the laws of the state or national banking associations. All deposits of such moneys shall, if required by the association, be secured by obligations of the United States, of the state or of any municipalities or political subdivisions or agencies of the state at a market value equal at all times to the amount of the deposit, and all banks are authorized to give such security for such deposits.

Notwithstanding the provisions of this section, the association shall have power to contract with the holders of any of its notes or bonds as to the custody, collection, securing, investment and payment of any moneys of the association and of any moneys held in trust or otherwise for the payment of notes or bonds, and to carry out such contract. Moneys held in trust or otherwise for the payment of notes or bonds or in any way to secure notes or bonds and deposits of such moneys may be secured in the same manner as moneys of the

association, and all banks are authorized to give such security for such deposits.

[67-6213, added I.C., sec. 67-6213, as added by 1974, ch. 104, sec. 20, p. 1210; am. 1996, ch. 253, sec. 16, p. 823.]

67-6214. RIGHTS OF BONDHOLDER. A bondholder of the association shall have the right, in addition to all other rights, which may be conferred on such bondholder, subject only to any contractual restrictions binding upon such bondholder, by mandamus, suit, action or proceedings at law or in equity to compel said association and the commissioners, officers, agents or employees thereof to perform each and every term, provision and covenant contained in any contract of said association, with or for the benefit of such bondholder, and to require the carrying out of any or all such covenants and agreements of said association and the fulfillment of all duties imposed upon said association by this act.

[67-6214, added 1972, ch. 324, sec. 14, p. 789; am. 1974, ch. 104, sec. 21, p. 1210; am. 1996, ch. 253, sec. 17, p. 823.]

67-6215. RIGHTS NOT TO BE IMPAIRED BY STATE. The state does hereby pledge to and agree with the holders of any notes or bonds issued under this act that the state will not limit or alter the rights hereby vested in the association to fulfill the terms of any agreements made with the said holders thereof or in any way impair the rights and remedies of such holders until such notes and bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such holders, are fully met and discharged. The association is authorized to include this pledge and agreement of the state in any agreement with the holders of such notes or bonds.

[67-6215, added I.C., sec. 67-6215, as added by 1974, ch. 104, sec. 23, p. 1210; am. 1996, ch. 253, sec. 18, p. 824.]

67-6215A. REMEDIES OF BONDHOLDERS. In the event that the association shall default in the payment of principal of or interest on any issue of notes and bonds after the same shall become due, whether at maturity or upon call for redemption, and such default shall continue for a period of thirty (30) days, or in the event that the association shall fail or refuse to comply with the provisions of this act, or shall default in any agreement made with the holders of any issue of notes or bonds, the holders of twenty-five percent (25%) in aggregate principal amount of the notes or bonds of such issue then outstanding, by instrument or instruments filed in the office of the clerk of the county of Ada, and proved or acknowledged in the same manner as a deed to be recorded, may appoint a trustee to represent the holders of such notes or bonds for the purposes herein provided.

(a) Such trustee may, and upon written request of the holders of twenty-five percent (25%) in principal amount of such notes or bonds then outstanding shall, in his or its own name:

(1) by suit, action or proceeding in accordance with the Idaho Code, enforce all rights of the noteholders or bondholders, including the right to require the association to carry out any agreements with such holders and to perform its duties under this chapter;

- (2) bring suit upon such notes or bonds;
- (3) by action or suit, require the association to account as if it were the trustee of an express trust for the holders of such notes or bonds;
- (4) by action or suit, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of such notes or bonds;
- (5) declare all such notes or bonds due and payable, and if all defaults shall be made good, then, with the consent of the holders of twenty-five percent (25%) of the principal amount of such notes or bonds then outstanding, annul such declaration and its consequences.

(b) The district court shall have jurisdiction of any suit, action or proceeding by the trustee on behalf of such noteholders or bondholders. The venue of any such suit, action or proceeding shall be laid in the county of Ada.

(c) Before declaring the principal of notes or bonds due and payable, the trustee shall first give thirty (30) days' notice in writing to the association.

[67-6215A, added I.C., sec. 67-6215A, as added by 1974, ch. 104, sec. 24, p. 1210; am. 1996, ch. 253, sec. 19, p. 824.]

67-6215B. LEGAL INVESTMENTS. The notes and bonds of the association shall be legal investments in which all public officers and public bodies of this state, its political subdivisions, all municipalities and municipal subdivisions, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, banking associations, trust companies, savings banks and savings associations, including savings and loan associations, building and loan associations, investment companies and other persons carrying on a banking business, all administrators, guardians, executors, trustees and other fiduciaries, and all other persons whatsoever who are now or may hereafter be authorized to invest in bonds or in other obligations of the state, may properly and legally invest funds, including capital, in their control or belonging to them. The notes and bonds are also hereby made securities which may properly and legally be deposited with and received by all public officers and bodies of the state or any agency or political subdivisions of the state and all municipalities and public corporations for any purpose for which the deposit of bonds or other obligations of the state is now or may hereafter be authorized by law.

[67-6215B, added I.C., sec. 67-6215B, as added by 1974, ch. 104, sec. 25, p. 1210; am. 1996, ch. 253, sec. 20, p. 825.]

67-6216. AUTHORITY TO MAKE LOANS. The association is authorized to make loans to housing sponsors for the necessary expenses, prior to construction, in planning, and obtaining financing for, the rehabilitation or construction of housing projects. Such loans shall be made without interest and shall not exceed eighty percent (80%) of the reasonable costs expected to be incurred in planning, and in obtaining financing for, such housing prior to the availability of financing, including, but not limited to preliminary surveys and analyses of market needs, preliminary site engineering and architectural fees, site acquisition, application and mortgage commitment fees, and construction loan fees and discounts. The association shall require repayment of loans made under this section, under such terms and conditions as it may require, upon completion of the project or sooner, and may cancel any part or all of a loan if it determines that it cannot be recovered

from the proceeds of any permanent loan made to finance the rehabilitation or construction of the housing project.

[67-6216, added 1972, ch. 324, sec. 16, p. 789; am. 1974, ch. 104, sec. 26, p. 1210; am. 1996, ch. 253, sec. 21, p. 825.]

67-6218. FEASIBILITY. The association shall encourage economically sound innovative approaches to housing development projects and, without limiting the foregoing, shall encourage consolidated financing through such techniques as blanket mortgages.

[67-6218, added 1972, ch. 324, sec. 18, p. 789; am. 1974, ch. 104, sec. 28, p. 1210; am. 1996, ch. 253, sec. 22, p. 826.]

67-6219. TECHNICAL ASSISTANCE. The association may provide technical assistance to eligible housing sponsors of housing projects, including assistance in arranging financing.

[67-6219, added 1972, ch. 324, sec. 19, p. 789; am. 1974, ch. 104, sec. 29, p. 1210; am. 1996, ch. 253, sec. 23, p. 826.]

67-6220. AUDITS -- ANNUAL REPORTS. (1) The legislative council is authorized to conduct a post audit of the books and records of the Idaho housing and finance association on the same basis as audits are conducted of state agencies.

(2) The association shall file its financial report for the year then ended with the secretary of state within one hundred twenty (120) days after the close of its fiscal year describing its activities during the preceding year. In such report it may make recommendations regarding additional legislation or other action it deems necessary to permit it to carry out the purposes of this act.

[67-6220, added 1972, ch. 324, sec. 20, p. 789; am. 1977, ch. 326, sec. 4, p. 924; am. 1980, ch. 377, sec. 2, p. 961; am. 1989, ch. 423, sec. 9, p. 1047; am. 1993, ch. 327, sec. 36, p. 1224; am. 1996, ch. 253, sec. 24, p. 826.]

67-6221. CONFLICT OF INTEREST. Any member, officer or employee of the association who is interested either directly or indirectly, or who is an officer or employee of, or has an ownership interest in any firm or agency interested directly or indirectly in any contract with the association, including any loan to any housing sponsor, shall disclose this interest to the association. This interest shall be set forth in the minutes of the association, and the member, officer or employee having the interest shall not participate on behalf of the association in the authorization of any such contract.

[67-6221, added 1972, ch. 324, sec. 21, p. 789; am. 1974, ch. 104, sec. 30, p. 1210; am. 1996, ch. 253, sec. 25, p. 826.]

67-6222. EXEMPTION OF REAL PROPERTY OF ASSOCIATION FROM LEVY AND SALE BY EXECUTION. All real property of the association shall be exempt from levy and sale by virtue of an execution, and no execution or other judicial process shall issue against the same nor shall any judgment against the

association be a charge or lien upon its real property; provided, however, that the provisions of this section shall not apply to or limit the right of bondholders to foreclose or otherwise enforce any mortgage or other security of the association or the right of obligees and bondholders to pursue any remedies for the enforcement of any pledge or lien given by the association on its rents, fees or revenue or the right of obligees or bondholders to pursue any remedies conferred upon the same pursuant to this act.

[67-6222, added 1972, ch. 324, sec. 22, p. 789; am. 1974, ch. 104, sec. 31, p. 1210; am. 1996, ch. 253, sec. 26, p. 826.]

67-6223. BORROWING POWER -- FINANCIAL ASSISTANCE -- COOPERATION WITH STATE AND FEDERAL GOVERNMENT. In addition to the powers conferred upon the association by other provisions of this chapter, the association is empowered to administer any other state, private or federal assistance program including without limitation all tax credit programs, guaranty, loan or investment funds and block grants and to borrow money or accept contributions, grants or other financial assistance or investment from private sources or from the state or federal government for or in aid of any housing project, nonprofit facility, economic development project or agricultural facility within its area of operation, to take over or lease or manage any housing project, nonprofit facility, economic development project or agricultural facility or undertaking constructed or owned by the federal government, and to these ends, to comply with such conditions and to make such trust indentures, leases or agreements as may be necessary, convenient or desirable. It is the purpose and intent of this act to authorize the association to do any and all things necessary or desirable to secure the financial aid or cooperation of the state or federal government in the undertaking, construction, maintenance or operation of any housing project, nonprofit facility, economic development project or agricultural facility by the association. The association is specifically authorized to work with the Idaho department of agriculture in connection with any loan for an agricultural facility and the Idaho department of agriculture shall assist in the provisions of such loans.

[67-6223, added 1972, ch. 324, sec. 23, p. 789; am. 1989, ch. 423, sec. 10, p. 1047; am. 1996, ch. 253, sec. 27, p. 827; am. 1997, ch. 191, sec. 5, p. 539; am. 2000, ch. 364, sec. 5, p. 1212; am. 2007, ch. 152, sec. 5, p. 473.]

67-6223A. DONATIONS TO HOUSING AND FINANCE ASSOCIATION. The state of Idaho or any city or county located in the state of Idaho shall have the power, from time to time, to donate money, real property, or personal property to the Idaho housing and finance association; provided, however, that nothing contained in this provision or in any other provision of law shall be construed as authorizing the state or any political subdivision thereof to give credit or make loans to the association or create any debts or indebtedness on behalf of the association.

[67-6223A, added I.C., sec. 67-6223A, as added by 1974, ch. 104, sec. 32, p. 1210; am. 1996, ch. 253, sec. 28, p. 827.]

67-6224. CONSTRUCTION OF ACT. Nothing in this act or any other law shall be construed as authorizing the association to levy or collect taxes or as-

sessments, to create any indebtedness payable out of taxes or assessments, or in any manner to pledge the credit of the city, the county, the state or any subdivision thereof and the notes, bonds or other obligations of the association shall not be, constitute or become an indebtedness, debt or liability of the state of Idaho, the legislature thereof, or of any county, city, town, township, board of education or school district, or other subdivision of the state, or of any other political subdivision or body corporate and politic of or municipality within the state and neither the state of Idaho, the legislature thereof, or any county, city, town, township, board of education or school district, or other subdivision of the state or any other political subdivision or body corporate and politic or municipality within the state shall be liable thereon nor shall such notes, bonds or obligations of the association constitute the giving, pledging or loaning of the credit of the state of Idaho, the legislature thereof, or of any county, city, town, township, board of education or school district, or other subdivision of the state, or of any other political subdivision or body corporate and politic of or municipality within the state, nor shall they be payable out of any funds other than those of the association; and such notes and bonds shall contain on the face thereof a statement to such effect.

[67-6224, added 1972, ch. 324, sec. 24, p. 789; am. 1974, ch. 104, sec. 33, p. 1210; am. 1996, ch. 253, sec. 29, p. 827.]

67-6224A. LEGISLATIVE CONSTRUCTION. Neither this act nor anything herein contained is or shall be construed as a restriction or limitation upon any powers which the association might otherwise have under any laws of this state, and this act is cumulative to any such powers. This act does and shall be construed to provide a complete, additional, and alternative method for the doing of the things authorized thereby and shall be regarded as supplemental and additional to powers conferred by other laws. However, the issuance of bonds, notes and other obligations and refunding bonds under the provisions of this act need not comply with the requirements of any other state law applicable to the issuance of bonds, notes and other obligations and contracts for the construction and acquisition of any housing projects undertaken pursuant to this act need not comply with the provisions of any other state law applicable to contracts for the construction and acquisition of state-owned property. No proceedings, notice or approval shall be required for the issuance of any bonds, notes and other obligations or any instrument as security therefor, except as is provided in this act.

[67-6224A, added I.C., sec. 67-6224A, as added by 1974, ch. 104, sec. 34, p. 1210; am. 1996, ch. 253, sec. 30, p. 828.]

67-6225. CONSTITUTIONALITY. Notwithstanding any other evidence of legislative intent, it is hereby declared to be the controlling legislative intent, that if any provision of this act or the application thereof to any person or circumstance is held invalid, the remainder of this act and the application of such provisions to persons or circumstances other than those as to which it is held invalid shall not be affected thereby.

If any section, subdivision, paragraph, sentence, clause or provision of this act shall be unconstitutional or ineffective, in whole or in part, to the extent that it is not unconstitutional or ineffective it shall be valid and effective and no other section, subdivision, paragraph, sentence,

clause or provision shall on account thereof be deemed invalid or ineffective.

[67-6225, added I.C., sec. 67-6225, as added by 1974, ch. 104, sec. 36, p. 1210.]

67-6226. NON-AGENCY STATUS. It is recognized that the association is not, and has not been since its inception, a state or local agency for purposes of Idaho law.

[67-6226, added 1996, ch. 253, sec. 31, p. 828; am. 2000, ch. 342, sec. 14, p. 1161.]