

12E.3 Tobacco settlement authority created purposes powers restrictions.

1. A tobacco settlement authority is created and constitutes a public instrumentality and agency of the state, separate and distinct from the state, exercising public and essential governmental functions.
2. The purposes of the authority include all of the following:
 - a. To implement and administer the program plan and to establish a stable source of revenue to be used for the purposes designated in this chapter and section 12.65.
 - b. To enter into sales agreements.
 - c. To issue bonds and enter into funding options, consistent with this chapter, including refunding and refinancing its debt and obligations.
 - d. To sell, pledge, or assign, as security or consideration, all or a portion of the state's share sold to the authority pursuant to a sales agreement, to provide for and secure the issuance and repayment of its bonds.
 - e. To invest funds available under this chapter to provide for a source of revenue in accordance with the program plan.
 - f. To enter into agreements with the state for the periodic distribution of amounts due the state under any sales agreement.
 - g. To refund and refinance the authority's debts and obligations, and to manage its funds, obligations, and investments as necessary and if consistent with its purpose.
 - h. To sell, pledge, or assign, as security or consideration, all or a portion of the state's share to implement alternative funding options.
 - i. To implement the purposes of this chapter.
3. The authority shall invest its funds and accounts in accordance with this chapter and shall not take action or invest in any manner that would cause the state to become a stockholder in any corporation or that would cause the state to assume or agree to pay the debt or liability of any corporation in violation of the United States Constitution or the Constitution of the State of Iowa.
4. The authority shall not create any obligation of this state or any political subdivision of this state within the meaning of any constitutional or statutory debt limitation.
5. The authority shall not pledge the credit or taxing power of this state or any political subdivision of this state, or make its debts payable out of any moneys except those of the authority specifically pledged for their payment.
6. The authority shall not pledge or make its debts payable out of the moneys deposited in the tobacco settlement trust fund.

2000 Acts, ch 1208, §3, 25; 2000 Acts, ch 1232, §14, 15; 2001 Acts, ch 164, §6, 21