

12.80 General and specific bonding powers — prison infrastructure.

1. The treasurer of state is authorized to issue bonds to provide prison infrastructure financing as provided in this section. Bonds shall be issued in accordance with the provisions of chapter 12A.

2. Bonds issued under this section are payable solely and only out of the moneys, assets, or revenues of the prison infrastructure fund established in section 602.8108A, and other moneys available as provided in this section, all of which may be deposited with trustees or depositories in accordance with bond or security documents, and are not an indebtedness of this state, or a charge against the general credit or general fund of the state, and the state shall not be liable for the bonds except from amounts on deposit in the prison infrastructure fund and other moneys available as provided in this section. Bonds issued under this section shall contain a statement that the bonds do not constitute an indebtedness of the state.

3. Bonds issued under this section are declared to be issued for an essential public and governmental purpose and all bonds issued under this section shall be exempt from taxation by the state of Iowa and the interest on the bonds shall be exempt from the state income tax and the state inheritance and estate tax.

4. The net proceeds from the bonds issued under this section shall be deposited into the FY 2009 prison bonding fund.

5. The treasurer of state shall cooperate with the department of corrections in the implementation of this section.

6. In order to assure maintenance of bond reserve funds, an issuer shall, on or before January 1 of each calendar year, make and deliver to the governor the issuer's certificate stating the sum, if any, required to restore each bond reserve fund to the bond reserve fund requirement for that fund. Within thirty days after the beginning of the session of the general assembly next following the delivery of the certificate, the governor shall submit to both houses printed copies of a budget including the sum, if any, required to restore each bond reserve fund to the bond reserve fund requirement for that fund. Any sums appropriated by the general assembly and paid to the issuer pursuant to this subsection shall be deposited by the issuer in the applicable bond reserve fund.

2008 Acts, ch 1179, §42; 2010 Acts, ch 1138, §45

Referred to in §12.79, 602.8108A