

**384.26 General obligation bonds for general purposes.**

1. A city which proposes to carry out any general corporate purpose within or without its corporate limits, and to contract indebtedness and issue general obligation bonds to provide funds to pay all or any part of the costs of a project, must do so in accordance with the provisions of this division.

2. Before the council may institute proceedings for the issuance of bonds for a general corporate purpose, it shall call a special city election to vote upon the question of issuing the bonds. At the election the proposition must be submitted in the following form:

Shall the ..... (insert the name of the city) issue its bonds in an amount not exceeding the amount of \$..... for the purpose of .....

3. Notice of the election must be given by publication as required by section 49.53 in a newspaper of general circulation in the city. At the election the ballot used for the submission of the proposition must be in substantially the form for submitting special questions at general elections.

4. The proposition of issuing general corporate purpose bonds is not carried or adopted unless the vote in favor of the proposition is equal to at least sixty percent of the total vote cast for and against the proposition at the election. If the proposition of issuing the general corporate purpose bonds is approved by the voters, the city may proceed with the issuance of the bonds.

5. a. Notwithstanding the provisions of subsection 2, a council may, in lieu of calling an election, institute proceedings for the issuance of bonds for a general corporate purpose by causing a notice of the proposal to issue the bonds, including a statement of the amount and purpose of the bonds, together with the maximum rate of interest which the bonds are to bear, and the right to petition for an election, to be published at least once in a newspaper of general circulation within the city at least ten days prior to the meeting at which it is proposed to take action for the issuance of the bonds subject to the following limitations:

(1) In cities having a population of five thousand or less, in an amount of not more than four hundred thousand dollars.

(2) In cities having a population of more than five thousand and not more than seventy-five thousand, in an amount of not more than seven hundred thousand dollars.

(3) In cities having a population in excess of seventy-five thousand, in an amount of not more than one million dollars.

b. If at any time before the date fixed for taking action for the issuance of the bonds, a petition is filed with the clerk of the city in the manner provided by section 362.4, asking that the question of issuing the bonds be submitted to the registered voters of the city, the council shall either by resolution declare the proposal to issue the bonds to have been abandoned or shall direct the county commissioner of elections to call a special election upon the question of issuing the bonds. Notice of the election and its conduct shall be in the manner provided in the preceding subsections of this section.

c. If no petition is filed, or if a petition is filed and the proposition of issuing the bonds is approved at an election, the council may proceed with the authorization and issuance of the bonds.

[C73, §461; C97, §727, 741-4, 852 – 855; S13, §727, 741-q, -r, -v, -w2, 850-c, -e, -f, 1306-d, -e; SS15, §696-b, 741-f, -g, -h, 879-r, -s; C24, 27, §5793 – 5795, 5800 – 5804, 5902, 6241, 6244 – 6246, 6248; C31, 35, §5793 – 5795, 5800 – 5804, 5902, 5903-c5, 6241, 6244 – 6246, 6248; C39, §5793 – 5795, 5800 – 5804, 5902, 5903.05, 6241, 6244 – 6246, 6248, 6261.1; C46, 50, §330.7, 330.8, 370.7 – 370.9, 370.15 – 370.19, 384.3, 407.5, 407.8 – 407.10, 407.12, 408.11; C54, 58, 62, 66, §330.7, 370.7, 384.3, 390.13, 407.5, 407.8 – 407.10, 407.12; C71, 73, §330.7, 370.7, 378A.11, 384.3, 390.13, 407.5, 407.8 – 407.10, 407.12, 408A.1, 408A.2, 408A.6; C75, 77, 79, 81, §384.26]

92 Acts, ch 1138, §6; 95 Acts, ch 67, §53

Referred to in §28E.17, 357E.11A, 364.4, 384.24, 384.24A, 384.25, 384.28, 384.71, 389.4, 390.5