

CHAPTER 75

AUTHORIZATION AND SALE OF PUBLIC BONDS

Referred to in §12.26, 12.28, 12.71, 12.81, 12.87, 12.91, 12A.4, 12E.11, 16.177, 28E.41, 28E.42, 145A.17, 257C.8, 260E.6, 262.57, 262A.5, 263A.3, 274.37, 279.48, 309.52, 313A.13, 331.301, 331.402, 331.444, 331.463, 346.27, 357H.8, 364.4, 384.24A, 384.27, 384.29, 384.68, 384.82, 386.14, 390.13, 394.2, 403.12, 423E.5, 455G.6, 463C.12, 473.20, 473.20A, 483A.51

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75.1 Bonds — election — vote required.

1. a. When a proposition to authorize an issuance of bonds by a county, township, school corporation, city, or by any local board or commission, is submitted to the electors, such proposition shall not be deemed carried or adopted, anything in the statutes to the contrary notwithstanding, unless the vote in favor of such authorization is equal to at least sixty percent of the total vote cast for and against said proposition at said election.

b. Ballots cast but not counted as a vote for or against the proposition shall not be used in computing the total vote cast for and against said proposition.

2. When a proposition to authorize an issuance of bonds has been submitted to the electors under this section and the proposal fails to gain approval by the required percentage of votes, such proposal, or any proposal which incorporates any portion of the defeated proposal, shall not be submitted to the electors for a period of six months from the date of such regular or special election and may only be submitted on a date specified in section 39.2, subsection 4, paragraph “a”, “b”, or “c”, as applicable.

[C31, 35, §1171-d4; C39, §1171.18; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.1]

2008 Acts, ch 1115, §29, 71; 2009 Acts, ch 133, §20

75.2 Notice of sale.

When public bonds are offered for sale, the official in charge of the bond issue shall, by advertisement published at least once, the last one of which shall be not less than four nor more than twenty days before the sale in a newspaper located in the county or a county contiguous to the place of sale, give notice of the time and place of sale of the bonds, the amount to be offered for sale, and any further information which the official deems pertinent.

[C24, 27, 31, 35, 39, §1172; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.2]

83 Acts, ch 90, §13; 87 Acts, ch 43, §1

75.3 Sealed and open bids.

Sealed bids may be received at any time prior to the calling for open bids, if open bids are provided for in the notice of sale. After the sealed bids are all filed, the official or officials shall call for open bids, if open bids are provided for in the notice of sale. After all of the open bids have been received the substance of the best open bid shall be noted in the minutes. If open bids are not permitted in the notice of sale, sealed bids may be received until it is announced that all sealed bids shall be opened. The official or officials shall then open any sealed bids that have been filed and they shall note in the minutes the substance of the best sealed bid.

[C24, 27, 31, 35, 39, §1173; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.3]

83 Acts, ch 90, §14

75.4 Rejection of bids.

Any or all bids may be rejected, and the sale may be advertised anew, in the same manner, or the bonds or any portion thereof may thereafter be sold at private sale to any one or more of such bidders, or other persons, by popular subscription or otherwise. In case of private

sales, the said bonds shall be sold upon terms not less favorable to the public than the most favorable bid made by a bona fide and responsible bidder at the last advertised sale.

[C24, 27, 31, 35, 39, §1174; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.4]

75.5 Selling price.

All public bonds issued under this chapter may be sold at a price not less than ninety-eight percent of par, plus accrued interest from the date of the bonds to the date of delivery of the bonds.

[C24, 27, 31, 35, 39, §1175; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.5]
83 Acts, ch 90, §15

75.6 Commission and expense.

No commission shall be paid, directly or indirectly, in connection with the sale of a public bond. No expense shall be contracted or paid in connection with such sale other than the expenses incurred in advertising such bonds for sale.

[C24, 27, 31, 35, 39, §1176; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.6]

75.7 Penalty.

Any public officer who fails to perform any duty required by this chapter or who does any act prohibited by this chapter, where no other penalty is provided, shall be guilty of a simple misdemeanor.

[C24, 27, 31, 35, 39, §1177; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.7]

75.8 Sale of state bonds.

All contracts for the sale of bonds issued by the state shall be subject to the approval of the executive council.

[C24, 27, 31, 35, 39, §1178; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.8]

75.9 Exchange of bonds.

This chapter does not prevent the exchange of bonds for legal indebtedness evidenced by bonds, warrants, judgments, or otherwise as provided by law. Bonds shall not be exchanged for notes issued pursuant to section 76.13 in anticipation of the issuance of bonds.

[C24, 27, 31, 35, 39, §1179; C46, 50, 54, 58, 62, 66, 71, 73, 75, 77, 79, 81, §75.9]
83 Acts, ch 90, §16

75.10 Denominations of bonds.

Notwithstanding any contrary provision in the Code, public bonds may be in one or more denominations as provided by the proceedings of the governing body authorizing their issuance.

[C66, 71, 73, 75, 77, 79, 81, §75.10]
83 Acts, ch 90, §17

75.11 and 75.12 Repealed by 80 Acts, ch 1025, § 77.

75.13 Sale of bonds at private sale.

Any other provisions of this chapter or any other law to the contrary notwithstanding, if the principal amount of an issue of public revenue bonds is fifteen million dollars or greater, the official or governing body in charge of the bond sale may, if the official or governing body deems it advisable and in the best interests of the public, sell the bonds at private sale without the necessity of public advertisement or the taking of competitive bids and at a price above, at, or below par, plus accrued interest, as the official or governing body deems advisable and in the best interests of the public.

[81 Acts, ch 40, §1]

75.14 Electronic bidding.

Notwithstanding contrary provisions of this chapter, a public body authorized to issue bonds, notes, or other obligations may elect to receive bids to purchase such bonds, notes, or other obligations by means of electronic, internet or wireless communication; a proprietary bidding procedure or system; or by facsimile transmission to a location deemed appropriate by the governing body, in each instance as may be approved by the governing body and provided for in the notice of sale. An electronic bid shall be submitted in substantial conformity with the requirements of chapter 554D and any rules adopted pursuant to that chapter with respect to the acceptance of electronic records by a governmental agency. Additionally, before approving the use of an electronic bidding procedure, the public body shall find and determine that the specific procedure to be used will provide reasonable security and maintain the integrity of the competitive bidding process, and facilitate the delivery of bids by interested parties under the circumstances of the particular sale.

2000 Acts, ch 1189, §26