

CHAPTER 1043

WARRANTS FOR PUBLIC FUND DEFICIENCIES

H. F. 1322

AN ACT relating to the issuance of public warrants to cover deficiencies in a public fund.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Chapter ninety-six (96), section one (1), Acts of the
2 Sixty-third General Assembly, First Session, amending section
3 seventy-four point one (74.1), Code 1966, is hereby amended by strik-
4 ing from line eight (8) the word "banks" and inserting in lieu thereof
5 the words "other business entity authorized by law to loan money".

1 SEC. 2. Section seventy-four point two (74.2), Code 1966, as
2 amended by chapter ninety-six (96), section two (2), and chapter
3 two hundred sixty (260), section one (1), Acts of the Sixty-third
4 General Assembly, First Session, is hereby further amended by
5 striking from line one (1) the word "When" and inserting in lieu
6 thereof the words "Except as provided in section three (3) of this
7 Act, when".

1 SEC. 3. Chapter seventy-four (74), Code 1966, is hereby amended
2 by adding at the end thereof the following new section:

3 "The treasurer of a school district shall sell the warrants at the
4 maximum rate of interest provided in section seventy-four point two
5 (74.2) of the Code or at a lower rate of interest.

6 Each bank or other business entity authorized by law to loan
7 money which refuses to purchase such warrants at the rate of interest
8 provided in this section or at a lower rate of interest, shall submit
9 a certificate of refusal to the treasurer of the school district.

10 If the treasurer of a school district is unable to sell the warrants at
11 the maximum rate of interest provided in this section or at a lower
12 rate of interest and receives at least two certificates of refusal, the
13 treasurer may offer the warrants for public sale, by publishing notice
14 of the sale for two consecutive weeks in a newspaper of general circu-
15 lation in the jurisdiction of the governing body issuing the warrants,
16 giving not less than ten days notice of the time and place of the sale.
17 The notice shall include a statement of the amount of the warrants
18 offered for sale.

19 Sealed bids may be received at any time up to the time all bids
20 are opened. The treasurer shall sell the warrants to the lowest
21 bidder, however, the treasurer may reject all bids and readvertise
22 the sale of such warrants pursuant to the provisions of this section.

23 This provision shall apply only to school districts whose anticipated
24 receipts allocable to the current budget are at least equal to their
25 legally approved budget for the current year."

Approved May 8, 1970.