

IN THE SENATE

SENATE BILL NO. 1169

BY STATE AFFAIRS COMMITTEE

AN ACT

1 RELATING TO GROUND WATER DISTRICTS; AMENDING SECTION 42-5233, IDAHO CODE,
2 TO INCREASE THE TOTAL DOLLAR AMOUNT OF CERTAIN WARRANTS THAT ARE AUTHO-
3 RIZED TO BE ISSUED RELATING TO INDEBTEDNESS OF THE DISTRICT.
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5 Be It Enacted by the Legislature of the State of Idaho:

6 SECTION 1. That Section 42-5233, Idaho Code, be, and the same is hereby
7 amended to read as follows:

8 42-5233. POWER TO INCUR INDEBTEDNESS -- ASSESSMENTS TO SECURE RE-
9 PAYMENT -- WARRANTS. (1) In order to secure funds for the mitigation plan
10 or plans for the district, the board of directors may, by resolution duly
11 adopted and entered upon the minutes, incur indebtedness by contract with a
12 money lending institution; provided however, that the term of such indebt-
13 edness shall not exceed thirty (30) years. To secure the repayment of any
14 indebtedness so incurred, the board shall levy assessments over the term of
15 the indebtedness in amounts sufficient to repay the interest and principal
16 as it falls due. Such assessments shall be levied in the manner and shall be
17 subject to the limitations set forth in section 42-5232, Idaho Code, and may
18 be levied only if the indebtedness has been approved at an election pursuant
19 to sections 42-5234 through 42-5238, Idaho Code.

20 (2) Notwithstanding the provisions of subsection (1) of this section,
21 the board of directors may, before the collection of the first assessment,
22 incur indebtedness for the purpose of organization, or for any of the pur-
23 poses of this chapter, and cause warrants of the district to issue therefor,
24 provided that the total dollar amount of the warrants authorized to be issued
25 shall not exceed ~~one~~ three dollars (\$~~1~~3.00) for each two-hundredths (.02) of
26 a cubic foot per second of ground water authorized to be diverted and used
27 upon lands or facilities located within the district. Following the col-
28 lection of the first assessment, the board of directors may at any time is-
29 sue warrants of the district for the purpose of paying claims of indebtedness
30 against the district, including salaries of officers and employees, not to
31 exceed the district's anticipated revenue.

32 (3) The warrants herein authorized shall be in form and substance the
33 same as county warrants or as nearly the same as may be practicable and shall
34 be signed by the chairman and attested by the secretary of said board. All
35 such warrants shall be presented by the holder thereof to the treasurer of
36 the district for payment who shall endorse thereon the day of presentation
37 for payment with the additional endorsement thereon, in case of nonpayment,
38 that they are not paid for want of funds, and such warrants shall draw in-
39 terest at a rate to be established by the board of directors from the date of
40 their presentation to the treasurer for payment as aforesaid until such war-
41 rants are paid. No warrants shall be issued in payment of any indebtedness
42 of such district for less than face or par value. It shall be the duty of

1 the treasurer from time to time when sufficient funds are available for that
2 purpose to advertise in a newspaper in the county in which the district is
3 situated requiring the presentation to the treasurer for payment of as many
4 of the outstanding warrants as are able to be paid. Ten (10) days after the
5 first publication of said notice by the treasurer calling in any of said out-
6 standing warrants, said warrants shall cease to bear interest, which shall
7 be stated in the notice. Said notice shall be published two (2) weeks con-
8 secutively and said warrants shall be called in and paid in the order of their
9 endorsement.