

HB 2161 -- LEVEE AND DRAINAGE DISTRICTS

SPONSOR: Rone

Currently, the board of supervisors of a levee or drainage district in a county which has been declared a disaster area by declaration of the President of the United States during 1993 or 1995 may elect to issue tax anticipation notes. This bill authorizes such board of a levee or drainage district within whose boundaries a flood disaster has occurred may elect to issue tax anticipation notes following a public meeting held during or within 365 days of the end of the flood disaster.

A board of supervisors of a levee or drainage district within whose boundaries a flood disaster has occurred may, upon a vote of the majority of the members of the board at a public meeting held during or within 365 days of the end of such flood disaster, borrow funds for the use of the district and may issue negotiable notes. The aggregate outstanding principal amount of the notes may be up to but no more than the amount necessary for emergency protective measures and to repair levees damaged by a flood disaster that occurred within the previous five years.

No amount of tax anticipation notes issued by a levee or drainage district may be included in any debt ceiling computation required by current law, except that the district may not issue more than the amount necessary for emergency protective measures and to repair levees damaged by a flood disaster that occurred within the previous five years.

If a levee or drainage district refunds bonds, the amount refunded may not exceed the amount determined by the board of supervisors to be necessary to pay or provide for the payment of the principal of the outstanding bonds to be refunded, together with interest and premium amounts as specified in the bill.

All such refunding bonds will bear interest at rates set by the board of supervisors within the criteria set in the bill.

This bill is similar to SB 884 (2020).