

53A-28-202 Program eligibility -- Option to forego guaranty.

- (1)
 - (a) Any board may request that the state treasurer issue a certificate evidencing eligibility for the state's guaranty under this chapter.
 - (b) After reviewing the request, if the state treasurer determines that the board is eligible, the state treasurer shall promptly issue the certificate and provide it to the requesting board.
 - (c)
 - (i) The board receiving the certificate and all other persons may rely on the certificate as evidencing eligibility for the guaranty for one year from and after the date of the certificate, without making further inquiry of the state treasurer during that year.
 - (ii) The certificate of eligibility is valid for one year even if the state treasurer later determines that the school board is ineligible.
- (2) Any board that chooses to forego the benefits of the guaranty provided by this chapter for a particular issue of bonds may do so by not referring to this chapter on the face of its bonds.
- (3) Any board that has bonds, the principal of or interest on which has been paid, in whole or in part, by the state under this chapter may not issue any additional bonds guaranteed by this act until:
 - (a) all payment obligations of the board to the state under the default avoidance program are satisfied; and
 - (b) the state treasurer and the state superintendent of public instruction each certify in writing, to be kept on file by the state treasurer and the state superintendent, that the board is fiscally solvent.
- (4) Bonds not guaranteed by this chapter are not included in the definition of "bonds" in Section 53A-28-201 as used generally in this chapter and are not subject to the requirements of and do not receive the benefits of this chapter.

Enacted by Chapter 62, 1996 General Session