

**10-120a. Bond election; notice requirements.** (a) When used in this section, "municipality" means any county, township, city, municipal university, school district and any other taxing district or political subdivision of the state which is, or may be, authorized to issue bonds.

(b) Whenever any municipality proposes to issue bonds and an election is required to be held prior to such issuance, the governing body of such municipality shall include in the notice of such election the following:

- (1) The total amount of the bonds to be issued;
- (2) the amount of such bonds which represent the actual cost of the project financed by the bonds to be issued;
- (3) the projected amount of interest to be paid until the bonds are retired. Such projected amount shall be determined by using the interest rate from most recent bond issuances for the financing of similar projects by similar municipalities;
- (4) the projected amount of all expenses incurred in such bond issuance including, but not limited to, attorney fees, underwriter fees and the cost of printing such bonds;
- (5) the projected amount of the annual payments for principle and interest on the bonds;
- (6) the projected annual rate of taxation and the source of taxation necessary to retire such bonds; and
- (7) any other information deemed necessary by the governing body of the municipality to provide full disclosure relating to the proposed bond issue.

(c) For the purposes of this section, an election is required to be held whenever a law specifically requires an election to be called or whenever a law authorizes the filing of a petition requesting an election and a sufficient petition is filed as required by such law.

(d) Nothing in this section shall be grounds to challenge the validity of the election on or the issuance of such bonds if the governing body has made a good faith effort to make accurate projections based upon the information available to the governing body at the time of making such projections.

**History:** L. 1995, ch. 269, § 1; July 1.