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HEALTH AND SAFETY CODE - HSC

DIVISION 12. FIRES AND FIRE PROTECTION [13000 - 14959] (*Division 12 enacted by Stats. 1939, Ch. 60.)*

PART 2.7. FIRE PROTECTION DISTRICT LAW OF 1987 [13800 - 13970] (*Heading of Part 2.7 renumbered from Part 3 (as added by Stats. 1987, Ch. 1013) by Stats. 1989, Ch. 1360, Sec. 91.)*

CHAPTER 9. General Obligation Bonds [13925 - 13938] (*Chapter 9 added by Stats. 1987, Ch. 1013, Sec. 11.)*

13925. Whenever a district board determines that it is necessary to incur a general obligation bonded indebtedness for the acquisition or construction of any real property or other capital expense or for funding or refunding of any outstanding indebtedness, the district board shall adopt a resolution making determinations and calling an election on a proposition to incur indebtedness and to issue general obligation bonds.

(*Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.*)

13926. The resolution shall state:

- (a) The purpose for which the proposed debt is to be incurred, which may include expenses for the authorization, issuance, and sale of bonds.
- (b) The amount of debt to be incurred.
- (c) The maximum term of the bonds, not to exceed 30 years.
- (d) The maximum rate of interest to be paid, not to exceed the maximum rate permitted pursuant to Article 7 (commencing with Section 53530) of Chapter 3 of Part 1 of Division 2 of Title 5 of the Government Code.
- (e) The measure to be submitted to the voters.
- (f) The date the election will be held.
- (g) Any other matters that are required pursuant to the Uniform District Election Law, Part 4 (commencing with Section 10500) of Division 10 of the Elections Code.

(*Amended by Stats. 1994, Ch. 923, Sec. 139. Effective January 1, 1995.*)

13927. The election shall be conducted pursuant to the Uniform District Election Law, Part 4 (commencing with Section 10500) of Division 10 of the Elections Code.

(*Amended by Stats. 1994, Ch. 923, Sec. 140. Effective January 1, 1995.*)

13928. If two-thirds of voters voting upon the proposition favor incurring the indebtedness and issuing the bonds, the district board may adopt resolutions to issue bonds for all or any part of the amount of the indebtedness.

(*Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.*)

13929. The district board may provide for the issuance of bonds in any amounts, in any series, and on any terms, provided that they do not exceed the limits approved by the voters.

(*Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.*)

13930. The district board shall adopt a resolution prescribing the form and denomination of the bonds and any coupons. The resolution shall specify the dates on which all or any part of the principal shall become due and payable. The payment of the first installment or principal may be deferred for a maximum period not to exceed five years from the date on which the district board issues the first bonds or first bonds in each series.

(*Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.*)

13931. The district board may provide for the call and redemption of bonds before their maturity at times and prices and upon any other terms as it specifies. A bond shall not be subject to call or redemption before maturity unless it contains a recital to that effect or unless a statement to that effect is printed on it.

(Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.)

13932. The principal and interest of the bonds shall be payable in lawful money of the United States at the office of the district treasurer or any other place, at the option of the bondholder.

(Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.)

13933. (a) The bonds shall be dated, numbered consecutively, and be signed by the president of the district board and the district treasurer. The district treasurer shall sign any coupons. Any signatures or countersignatures may be mechanically reproduced by any means, except that one of the signatures shall be signed by hand.

(b) If the president of the district board or the district treasurer whose signature appears on a bond or coupon ceases to hold that office before the delivery of the bonds or the coupons to the purchaser, the signature is nevertheless valid and sufficient for any purpose as if the president or treasurer had remained in office until the delivery of the bonds or coupons.

(Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.)

13934. (a) Before selling the bonds or coupons, the district board shall give notice inviting sealed bids. At a minimum, the district board shall publish notice at least once in a newspaper of general circulation in the district at least 10 days before the deadline for receiving the bids.

(b) The district board shall award the sale of the bonds to the highest responsible bidder.

(c) If the district board does not receive any bids or if it determines that the bids received are not satisfactory as to price or responsibility of the bidders, it may reject all bids, if any, and either readvertise or sell the bonds at private sale.

(Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.)

13935. (a) All premiums and accrued interest received from the sale of the bonds shall be deposited with the district treasurer in a special bond service fund to be used for the payment of the principal of and interest on the bonds, and the remainder of the proceeds of the bonds shall be placed to the credit of the proper improvement fund and applied exclusively to the purpose and object recited in the proposition approved by the voters.

(b) When the purpose and object have been accomplished, any moneys remaining in the improvement fund shall be transferred to the special bond service fund. When the purpose and object have been accomplished and all principal and interest on the bonds have been paid, any balance of money then remaining shall be transferred to the general fund of the district.

(Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.)

13936. Any general obligation bonds issued by a district have the same force, value, and use as bonds issued by a city and the bonds and the interest on the bonds are exempt from all taxation within the State of California.

(Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.)

13937. A district shall not incur a bonded indebtedness in excess of 10 percent of the assessed value of all taxable property within the district.

(Repealed and added by Stats. 1987, Ch. 1013, Sec. 11.)

13938. (a) After incurring a general obligation indebtedness, and annually thereafter until the indebtedness is paid or until there is a sum in the district treasury in a special bond service fund set apart for that purpose sufficient to meet all payments of principal and interest on that indebtedness as it becomes due, the district board shall adopt a resolution directing the county tax collector to levy a tax on behalf of the district.

(b) The tax shall be in addition to all other taxes levied by and for the district and shall be collected in the same manner and at the same time as county taxes. A county may recover its costs as provided by Section 29142 of the Government Code.

(c) The rate of the tax shall be fixed to result in proceeds which are sufficient to pay any principal and interest which will become due before the next proceeds of a tax to be levied will be available.

(Amended by Stats. 2001, Ch. 176, Sec. 41. Effective January 1, 2002.)