

**12-16,109. Same; authority to borrow money for temporary financing of service or improvement.** (a) Any municipality which has entered into a written agreement with a state agency providing for a state grant or loan to the municipality for the performance of any public service or the construction of any public improvement, where such grant or loan constitutes a reimbursement for expenditures or obligations incurred by the municipality in undertaking such service or improvement, is hereby authorized to borrow money to temporarily finance such service or improvement. The amount borrowed under the provisions of this act shall not exceed the amount of the loan or grant to be received by the municipality under the terms of the agreement.

(b) Such borrowing in anticipation of a state grant or loan may be in the form of temporary notes or no-fund warrants, and shall be issued in substantially the same manner provided by law for the issuance of other temporary notes or no-fund warrants, but the approval of the state board of tax appeals shall not be required. The terms of such notes or warrants shall not exceed the scheduled date the municipality is to be reimbursed by the state loan or grant, as determined by the agreement.

**History:** L. 1989, ch. 56, § 2; L. 2008, ch. 109, § 26; L. 2014, ch. 141, § 20; July 1.