

Singer
Attorney General
STATE CAPITOL
Phoenix, Arizona 85007

Robert W. Corbin

June 16, 1982

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ARIZONA ATTORNEY GENERAL

INTERAGENCY
Larry Landry, Director
Office of Economic Planning and Development
4th Floor, West Wing
State Capitol
Phoenix, Arizona 85007

Re: 182-065 (R82-048)

Dear Mr. Landry:

We are writing in response to your letter of March 26, 1982 in which you asked whether an elective body which has established an Industrial Development Authority (IDA) has discretionary authority to deny a bond issue even if all legislatively specified procedural requirements have been met and the IDA has approved the issue. We are of the opinion that the elective body can exercise such discretion and deny the bond issue.

A.R.S. §§ 9-1151 et seq. set forth the general requirements relating to an IDA. A.R.S. § 9-1171, which concerns the issuance of bonds, states in subsection B that "[t]he proceedings under which such bonds are to be issued shall require the approval of the governing body of each issuance of the bonds." "Governing body" is defined in A.R.S. § 9-1151.2 as "the board or body in which the general legislative powers of the municipality or county are vested." Inasmuch as the municipality or county that established the IDA must approve each issuance of bonds as a necessary part of the issuing procedure, it seems clear that it may also disapprove that issue.

We therefore conclude that the elected body under which the IDA was established has the discretionary authority

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to deny a bond issue even though the procedural requirements have been met and the IDA has given approval.

Sincerely,

Bob Corbin

BOB CORBIN
Attorney General

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