

9 and opening such bids and announcing the results. Such duly-author-
 10 ized officer shall thereupon report the results of the bidding together
 11 with his recommendations thereon to the council at its next meeting."

Approved June 30, 1965.

CHAPTER 326

CONFLICTS OF INTEREST OF MUNICIPAL EMPLOYEES

S. F. 105

AN ACT relating to conflicts of interest of municipal officials and employees.

Be It Enacted by the General Assembly of the State of Iowa:

1 SECTION 1. Section three hundred sixty-eight A point twenty-two
 2 (368A.22), Code 1962, as amended by chapter two hundred forty
 3 (240), Acts of the Sixtieth General Assembly, is hereby repealed and
 4 the following enacted in lieu thereof:

5 1. When used in this Act "contract" means any claim, account or
 6 demand against or agreement with a municipality, express or implied,
 7 and shall include the designation of a depository of public funds.

8 2. No municipal officer or employee shall have an interest, direct or
 9 indirect, in any contract or job of work or material or the profits
 10 thereof or services to be furnished or performed for his municipality.
 11 The provisions of this section shall not apply to:

12 a. The payment of lawful compensation to any municipal officer or
 13 employee holding more than one (1) municipal office or position, the
 14 holding of which is not incompatible with another public office or is
 15 not prohibited by law.

16 b. The designation of a bank or trust company as a depository,
 17 paying agent, or for investment of funds.

18 c. An employee of a bank or trust company, who serves as treasurer
 19 of any municipality.

20 d. Contracts made by municipalities of less than three thousand
 21 (3,000) population, upon competitive bid in writing, publicly invited
 22 and opened.

23 e. Contracts with a person, firm, corporation or association in which
 24 a municipal officer or employee has an interest solely by reason of
 25 employment, or a stock interest of the kind described in paragraph *i*
 26 or both, if such contracts are made by competitive bid, publicly invited
 27 and opened, and if the remuneration of such employment will not be
 28 directly affected as a result of such contract and the duties of such
 29 employment do not directly involve the procurement or preparation
 30 of any part of such contract. The competitive bid requirement of this
 31 paragraph shall not be required for any contract for professional serv-
 32 ices not customarily awarded by competitive bid.

33 f. The designation of an official newspaper.

34 g. A contract in which a municipal officer or employee has an inter-
 35 est if such contract was made before the time he was elected or ap-
 36 pointed, but such contract shall not be renewed.

- 37 *h.* Contracts with volunteer firemen or civil defense volunteers.
 38 *i.* A contract with a corporation in which a municipal officer or
 39 employee has an interest by reason of stockholdings when less than
 40 five (5) per cent of the outstanding stock of the corporation is owned
 41 or controlled directly or indirectly by such officer or employee.
 42 *j.* A contract made by competitive bid, publicly invited and open,
 43 in which a member of a city or town board of trustees or commission
 44 has an interest if he is not authorized by law to participate in the
 45 awarding of the contract. The competitive bid requirement of this
 46 paragraph shall not be required for any contract for professional serv-
 47 ices not customarily awarded by competitive bid.

Approved April 29, 1965.

CHAPTER 327
 PUBLIC LIBRARIES
 H. F. 21

AN ACT relating to public libraries.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 SECTION 1. Section three hundred seventy-eight point three
 2 (378.3), Code 1962, is hereby amended by inserting after the period
 3 in line eight (8) the following: "Free municipal public libraries
 4 receiving funds for county-wide public library service on a contract
 5 basis may have one non-resident trustee board member appointed by
 6 the mayor with the approval of the county board of supervisors."
 1 SEC. 2. Section three hundred seventy-eight point five (378.5),
 2 Code 1962, is hereby amended by inserting after the word and figures
 3 "section 378.2" in line three (3) the following: "and 378.3".
 1 SEC. 3. Section three hundred seventy-eight point seven (378.7),
 2 Code 1962, is hereby amended by inserting after the word and figures
 3 "section 378.2" in line six (6) the following: "and 378.3".

Approved April 9, 1965.

CHAPTER 328
 MUNICIPAL HOSPITALS
 S. F. 366

AN ACT relating to the construction of municipal hospitals in certain cities owning their own electric distribution system.

Be It Enacted by the General Assembly of the State of Iowa:

- 1 SECTION 1. Chapter three hundred eighty (380), Code 1962, is
 2 amended by adding a new section as follows:
 3 "Any city having a population of less than five thousand (5,000)