

1 SEC. 23. Section four hundred twenty-two point one (422.1), Code  
 2 1966, is hereby amended by inserting after line nine (9) the following:  
 3 "Division VII Taxation of financial institutions."

1 SEC. 24. This Act being deemed of immediate importance shall  
 2 be in full force and effect from and after its final approval and publi-  
 3 cation in The Evening Sentinel, a newspaper published at Shenandoah,  
 4 Iowa, and the Council Bluffs Nonpareil, a newspaper published at  
 5 Council Bluffs, Iowa.

Approved May 1, 1970.

I hereby certify that the foregoing Act, House File 1294, was published in The Evening Sentinel, Shenandoah, Iowa, May 7, 1970, and in the Council Bluffs Nonpareil, Council Bluffs, Iowa, May 8, 1970.

MELVIN D. SYNHORST, *Secretary of State.*

## CHAPTER 1205

### BUDGETING AND FINANCING GOVERNMENTAL PROGRAMS

#### S. F. 1312

AN ACT relating to the budgeting and financing of governmental programs.

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

1 SECTION 1. Chapter two hundred forty-nine (249), section one  
 2 (1), Acts of the Sixty-third General Assembly, First Session, is here-  
 3 by amended by striking lines twenty-nine (29) through thirty-eight  
 4 (38), inclusive, and inserting in lieu thereof the following:

5 "5. This subsection shall be effective for the fiscal year commencing  
 6 July 1, 1971 and each fiscal year thereafter. During the last quarter  
 7 of each fiscal year an amount equal to ten percent of the net receipts  
 8 from two-thirds of the sales tax collected under division four (IV) of  
 9 this chapter for the fiscal year, less the amount transferred during  
 10 such fiscal year for motor vehicle registration plates, shall be trans-  
 11 ferred to the road use tax fund created by section three hundred  
 12 twelve point one (312.1) of the Code. The remainder of the net re-  
 13 cepts from the sales tax shall be credited to the general fund.

14 6. The following distribution shall be in lieu of the provisions of  
 15 subsection five (5) for the fiscal years ending June 30, 1970 and  
 16 1971, and for those years only:

17 a. Fiscal year ending June 30, 1970. During the last quarter of the  
 18 fiscal year ending June 30, 1970, an amount equal to ten percent of  
 19 the net receipts from two-thirds of the sales tax collected under divi-  
 20 sion four (IV) of this chapter, less the following deductions, shall be  
 21 transferred to the road use tax fund created by section three hundred  
 22 twelve point one (312.1) of the Code:

23 (1) The amounts transferred during the fiscal year ending June  
 24 30, 1970, for motor vehicle registration plates.

25 (2) The amount appropriated by the general assembly for the fiscal  
 26 year ending June 30, 1970, for drivers' training aid under the provi-

27 sions of chapter three hundred twenty-one (321) of the Code.

28 The remainder of the net receipts from the sales tax shall be  
29 credited to the general fund.

30 b. Fiscal year ending June 30, 1971. During the last quarter of the  
31 fiscal year ending June 30, 1971, the net receipts of all the sales tax  
32 collected under division four (IV) of this chapter, less the amount  
33 transferred during the fiscal year ending June 30, 1971, for motor  
34 vehicle registration plates, shall be credited to the general fund."

1 SEC. 2. Section three hundred thirteen point four (313.4), Code  
2 1966, is hereby amended by adding in line twelve (12) after the period  
3 the following:

4 "Specific appropriations for the fiscal year ending June 30, 1971,  
5 may be made from the primary road fund to the secondary road fund,  
6 the farm-to-market road fund, and the street construction fund of  
7 the cities and towns."

1 SEC. 3. There is hereby appropriated to the secondary road fund  
2 of the state from the primary road fund for the fiscal year ending  
3 June 30, 1971, the sum of two million nine hundred thousand  
4 (2,900,000) dollars, to be paid in equal monthly installments.

5 There is hereby appropriated to the farm-to-market road fund of  
6 the state from the primary road fund for the fiscal year ending June  
7 30, 1971, the sum of nine hundred thousand (900,000) dollars, to be  
8 paid in equal monthly installments.

9 There is hereby appropriated to the street construction fund of the  
10 state from the primary road fund for the fiscal year ending June 30,  
11 1971, the sum of one million five hundred thousand (1,500,000) dol-  
12 lars, to be paid in equal monthly installments.

1 SEC. 4. Chapter forty-six (46), section one (1), Acts of the Sixty-  
2 third General Assembly, First Session, is hereby amended as follows:

3 1. By striking everything after the period in line twenty-four (24).

4 2. By striking lines twenty-five (25) through twenty-nine (29),  
5 inclusive, and inserting in lieu thereof the following:

6 "The salaries for the other peace officer classifications of the divi-  
7 sion as defined in section ninety-seven A point one (97A.1) of the  
8 Code, shall be for the 1969-1971 fiscal biennium as provided in a pay  
9 plan approved by the state comptroller and the executive council."

10 3. By striking from line fifty-six (56), the word "The".

11 4. By striking lines fifty-seven (57) through sixty (60), inclusive,  
12 and inserting in lieu thereof the following:

13 "The salaries for the other peace officer classifications in the high-  
14 way patrol shall be for the 1969-1971 fiscal biennium as provided in  
15 a pay plan approved by the state comptroller and the executive coun-  
16 cil."

1 SEC. 5. There is hereby appropriated to the Iowa highway safety  
2 patrol from the general fund of the state for the fiscal year ending  
3 June 30, 1971, the sum of five hundred thousand (500,000) dollars for  
4 salaries in addition to amounts appropriated by chapter forty-six (46),  
5 Acts of the Sixty-third General Assembly, First Session.

1 SEC. 6. Chapter fifty-seven (57), section one (1), Acts of the  
2 Sixty-third General Assembly, First Session, is hereby amended as

3 follows:

4 1. Line seventy-six (76), by striking the figures "11,800,000.00"  
5 and inserting in lieu thereof the figures "12,300,000.00".

6 2. Line eighty-three (83), by striking the figures "35,474,410.00"  
7 and inserting in lieu thereof the figures "35,974,410.00".

1 SEC. 7. There is hereby appropriated to the state conservation  
2 commission from the general fund of the state the sum of five thou-  
3 sand (5,000) dollars for the acquisition of surface and subsurface  
4 land rights by purchase, condemnation, easement, lease or any other  
5 available means, for surveys, engineering services, research, develop-  
6 ment, construction, and scientific exploration at the site of the Cold  
7 Water Cave located in Winneshiek county. There is hereby appropri-  
8 ated to the state conservation commission from the general fund of  
9 the state the sum of twenty-five thousand (25,000) dollars for furnish-  
10 ings and equipment at the new state conservation education training  
11 center, Spring Brook state park.

12 The state conservation commission may enter into agreements with  
13 other state agencies, the federal government, and any other organiza-  
14 tions to achieve the objectives of this section.

15 The state conservation commission, the governor, and the state  
16 comptroller may obtain and accept federal grants to the state to be  
17 used in connection with the funds appropriated by this section.

1 SEC. 8. There is hereby established a fund to be known as the  
2 "sewage works construction fund". All moneys appropriated to and  
3 deposited in the sewage works construction fund are hereby appropri-  
4 ated for and shall be used by the Iowa water pollution control commis-  
5 sion in carrying out the purposes of sections eight (8) through four-  
6 teen (14), inclusive, of this Act.

7 1. Definitions. When used in sections nine (9) through fourteen  
8 (14), inclusive, of this Act, and unless the context requires otherwise:

9 a. "Treatment works" means any plant, disposal field, lagoon, hold-  
10 ing or flow-regulating basin, pumping station, interceptor sewer, or  
11 other works installed for the purpose of treating, stabilizing, or dis-  
12 posing of sewage, industrial waste, or other wastes, which qualify for  
13 federal grants pursuant to the federal water pollution Act of 1956,  
14 as amended, or any other federal act or program.

15 b. "Commission" means the Iowa water pollution control commis-  
16 sion.

17 c. "Construction" means the erection, building, acquisition, altera-  
18 tion, reconstruction, improvement, or extension of treatment works;  
19 preliminary planning to determine the economic and engineering feasi-  
20 bility of said works; the engineering, architectural, legal, fiscal, and  
21 economic investigations and studies, surveys, designs, plans, working  
22 drawings, specifications, procedures, inspection, and supervision, and  
23 other action necessary in the construction of said works.

24 d. "Eligible project" means a project for construction of sewage  
25 treatment works:

26 (1) For which approval of the commission is required under chap-  
27 ter four hundred fifty-five B (455B) of the Code.

28 (2) Which is, in the judgment of the commission, eligible for fed-  
29 eral pollution abatement assistance, whether or not federal funds are  
30 then available for such purpose. Eligible projects shall be those

31 which the construction contract therefor shall have been entered into  
32 subsequent to July 1, 1966.

33 (3) Which conforms with applicable rules and regulations of the  
34 commission.

35 (4) Which is, in the judgment of the commission, necessary for the  
36 accomplishment of the state's policy of water purity as stated in sec-  
37 tion four hundred fifty-five B point one (455B.1) of the Code.

38 *e.* "Municipality" means the city, town, sanitary district, or other  
39 governmental body or corporation empowered to provide sewage col-  
40 lection and treatment services, or any combination of two or more  
41 of such governmental bodies or corporations acting jointly, in connec-  
42 tion with an eligible project.

43 *f.* "Federal pollution abatement assistance" means funds available  
44 to a municipality, either directly or through allocation by the state,  
45 from the federal government as grants for construction of sewage  
46 treatment works pursuant to the federal water pollution Act of 1956  
47 as amended.

1 SEC. 9. The commission may make grants as funds are available  
2 to any municipality to assist such municipality in the construction of  
3 sewage treatment works.

1 SEC. 10. The commission shall accept and administer all funds  
2 granted by the state pursuant to sections eight (8) through fourteen  
3 (14), inclusive, of this Act.

4 In allocating state grants under sections eight (8) through fourteen  
5 (14), inclusive, of this Act, the commission shall give consideration to:

- 6 1. The public benefits to be derived by the construction.
- 7 2. The ultimate cost of constructing and maintaining the works.
- 8 3. The public interest and public necessity for the works.
- 9 4. The adequacy of the provisions made or proposed by the munic-  
10 ipality for assuring proper and efficient operation and maintenance of  
11 the treatment works after the completion of construction thereof.
- 12 5. The applicant's readiness to start construction, including financ-  
13 ing and planning.

1 SEC. 11. The commission may, in the name of the state, contract  
2 with any municipality concerning eligible projects. Any such contract  
3 may include such provisions as may be agreed upon by the parties,  
4 and shall include, in substance, the following provisions:

- 5 1. An estimate of the reasonable cost of the project as determined  
6 by the commission.
- 7 2. An agreement by the commission to pay to the municipality, dur-  
8 ing the progress of construction or following completion of the con-  
9 struction as may be agreed upon by the parties, an amount equal to  
10 one-half of that portion of the actual cost of the project, or the rea-  
11 sonable cost of the project as determined by the commission, which-  
12 ever is less, that is not paid by the federal government but not less  
13 than twenty-five percent of the cost as determined.
- 14 3. An agreement by the municipality:
  - 15 *a.* To proceed expeditiously with, and complete, the project in ac-  
16 cordance with plans approved pursuant to sections eight (8) through  
17 fourteen (14), inclusive, of this Act, and pursuant to chapter four  
18 hundred fifty-five B (455B) of the Code.

19     *b.* To commence operation of the sewage treatment works on com-  
20 pletion of the project, and not to discontinue operation or dispose of  
21 the sewage treatment works without the approval of the commission.

22     *c.* To operate and maintain the sewage treatment works in accord-  
23 ance with applicable provisions of chapter four hundred fifty-five B  
24 (455B) of the Code and rules and regulations of the commission.

25     *d.* To obtain approval of the commission before applying for fed-  
26 eral assistance for pollution abatement, in order to maximize the  
27 amounts of such assistance received or to be received for all projects  
28 in Iowa.

29     *e.* To provide for the payment by the municipalilty of its share of  
30 the cost of the project.

31     4. A provision that, in the event federal assistance which was not  
32 included in the calculation of the state payment pursuant to subsection  
33 two (2) of this section becomes available to the municipality, the  
34 amount of the state payment shall be recalculated with the inclusion  
35 of such additional federal assistance and the municipality shall pay  
36 to the state the amount by which the state payment actually made  
37 exceeds the state payment determined by the recalculation.

1     SEC. 12. The commission may adopt such rules and regulations  
2 as are necessary for the effective administration of sections eight (8)  
3 through fourteen (14), inclusive, of this Act.

1     SEC. 13. All contracts entered into pursuant to sections eight (8)  
2 through fourteen (14), inclusive, of this Act shall be subject to ap-  
3 proval of the attorney general as to form. All payments by the state  
4 pursuant to such contracts shall be made after review and by war-  
5 rant of the state comptroller to the credit of the municipality and  
6 shall be used for the payment of costs of construction of an eligible  
7 project. However, if such costs have been paid by the municipality,  
8 then such payment may be used by the municipality for:

9     1. The payment of outstanding bonds or obligations incurred for any  
10 such eligible project.

11     2. Any improvement or extension of an eligible project.

12     3. Any other lawful municipal purpose determined to be necessary,  
13 reasonable, and in the interest of the public welfare.

1     SEC. 14. There is hereby appropriated from the general fund of  
2 the state to the sewage works construction fund the sum of seven mil-  
3 lion two hundred thousand (7,200,000) dollars for matching federal  
4 funds which are or would have been available for eligible projects  
5 attributable to the fiscal year ending June 30, 1970, and prior.

1     SEC. 15. Section three hundred twenty-one point one hundred  
2 ninety-one (321.191), Code 1966, is amended by adding the following  
3 new paragraph:

4     "There shall be a fee of twenty dollars for reinstatement of a  
5 chauffeur's license or operator's license which is, after notice and  
6 opportunity for hearing, suspended or revoked pursuant to sections  
7 three hundred twenty-one point two hundred nine (321.209), three  
8 hundred twenty-one point two hundred ten (321.210), except subsec-  
9 tion four (4) thereof, and three hundred twenty-one B point seven  
10 (321B.7) of the Code. Such twenty dollar fee shall be collected only if  
11 the person whose license was suspended or revoked was served person-

12 ally with notice thereof. If the person whose license was suspended or  
13 revoked was served notice thereof by restricted certified mail, the  
14 reinstatement fee shall be ten dollars."

1 SEC. 16. There is hereby appropriated to the state board of re-  
2 gents from the general fund of the state for the fiscal year beginning  
3 July 1, 1970 and ending June 30, 1971, the sum of one hundred forty-  
4 five thousand (145,000) dollars, or so much thereof as may be neces-  
5 sary to be allocated by said board to the state university of Iowa, the  
6 Iowa state university of science and technology, and the university  
7 of northern Iowa in such amounts as may be necessary to supple-  
8 ment the appropriation made by chapter fifty (50), Acts of the Sixty-  
9 third General Assembly, First Session, to reimburse such institutions  
10 for deficiencies in their operating funds resulting from the pledging  
11 of tuitions, student fees and charges and institutional income to  
12 finance the cost of providing academic and administrative buildings  
13 and facilities and utilities services at said institutions of higher learn-  
14 ing.

15 No later than April 1, 1971 the board of regents shall submit to  
16 the general assembly for the biennium commencing July 1, 1971 and  
17 ending June 30, 1973 for each state university an enumeration of the  
18 anticipated charges to be made to students whether in the form of  
19 fees or tuition.

1 SEC. 17. Chapter one hundred ninety (190), section five (5), Acts  
2 of the Sixty-third General Assembly, First Session, is hereby amended  
3 by inserting after line forty-three (43) the following:

4 "If the Emmetsburg Community College merges with Area III  
5 school, funds appropriated to the Emmetsburg Community College  
6 pursuant to this section shall be transferred by the state comptroller  
7 to the Area III school for the purpose of operating the campus located  
8 at Emmetsburg, Iowa."

1 SEC. 18. Chapter three hundred twenty-nine (329), section four  
2 (4), Acts of the Sixty-third General Assembly, First Session, is here-  
3 by amended by striking from line two (2) the words and figures "two  
4 thousand five hundred (2,500)", and inserting in lieu thereof the words  
5 and figures "twelve thousand five hundred (12,500)".

1 SEC. 19. Chapter one (1), Acts of the Sixty-third General Assem-  
2 bly, First Session, is hereby amended by inserting after line one hun-  
3 dred forty (140) the following new sentences:

4 "The salaries for the narcotic enforcement personnel transferred  
5 to the department of public safety pursuant to Senate File two hun-  
6 dred thirty-eight (238)\*, Acts of the Sixty-third General Assembly,  
7 Second Session, shall be as provided in a pay plan approved by the  
8 state comptroller and the executive council, the provisions of chapter  
9 ninety-five (95), Acts of the Sixty-second General Assembly, notwith-  
10 standing."

1 SEC. 20. There is hereby transferred to the state comptroller  
2 from the printing board appropriation provided in chapter one (1),  
3 section one (1), subsection twenty-five (25), Acts of the Sixty-third

\*Chapter 1047.

4 General Assembly, First Session, the sum of eight thousand (8,000)  
5 dollars for the Iowa Academy of Science for the fiscal year beginning  
6 July 1, 1970 and ending June 30, 1971.

1 SEC. 21. Chapter two hundred forty-eight (248), section ten (10),  
2 Acts of the Sixty-third General Assembly, First Session, is hereby  
3 amended by striking lines four (4), five (5), and six (6) and insert-  
4 ing in lieu thereof the following:

5 "a. For a statewide community improvement program, special  
6 studies, technical services, and research projects relating to local af-  
7 fairs that would be beneficial to the entire state."

1 SEC. 22. Section four hundred twenty-seven point thirteen  
2 (427.13), subsection two (2), Code 1966, is hereby amended by in-  
3 serting after the period in line two (2) the following:

4 "However, for the purposes of the personal property tax imposed  
5 on cattle, bovine females three years of age or older shall be exempt.

6 A tax credit shall be allowed each taxing district for each bovine  
7 female that was assessed as a three-year-old, or older, as of January 1,  
8 1970. Such tax credit shall commence for the tax year 1971 and  
9 each year thereafter based upon those assessed as of January 1, 1970.

10 On or before January 1, 1971, and each year thereafter, the auditor  
11 of each county shall prepare a statement listing for each taxing dis-  
12 trict in the county all bovine females that were three years old, or  
13 older, and assessed as of January 1, 1970. The statement shall show  
14 the tax rates of the various taxing districts and the total amount  
15 of taxes which were not collected for the year 1970 and each  
16 year thereafter by reason of the exemption herein granted based upon  
17 those bovine females assessed as of January 1, 1970. The auditor  
18 shall certify and forward copies of the statement to the state comp-  
19 troller and the director of revenue not later than January fifteenth  
20 of each year. The director of revenue shall compute the applicable  
21 tax credit each year and certify to the state comptroller the amount  
22 due to each taxing district, which amount shall be the dollar amounts  
23 which would be payable if such cattle were taxed, based upon those  
24 assessed as of January 1, 1970.

25 The amounts due each taxing district shall be paid in two equal  
26 payments by the state comptroller on March fifteenth and September  
27 fifteenth of each year, drawn upon warrants payable to the respective  
28 county treasurers. The county treasurer shall pay the proceeds to  
29 the various taxing districts in the county.

30 In the event that the amount appropriated for reimbursement of the  
31 taxing districts is insufficient to pay in full the amounts due to each  
32 of the taxing districts, then the amount of each payment shall be  
33 reduced by the state comptroller according to the ratio that the total  
34 amount of funds to be paid to each taxing district bears to the total  
35 amount to be paid to all taxing districts in the state."

36 There is hereby appropriated from the general fund of the state of  
37 Iowa to the state comptroller for the fiscal year beginning July 1, 1970  
38 and ending June 30, 1971 the sum of one million five hundred thousand  
39 (1,500,000) dollars, or so much thereof as may be necessary, to carry  
40 out the provisions of this section.

1 SEC. 23. There is hereby appropriated from the general fund of  
 2 the state the sum of eight thousand (8,000) dollars, or so much there-  
 3 of as may be necessary, for the use of the Iowa criminal code study  
 4 committee created by Senate Joint Resolution eighteen (18), chapter  
 5 three hundred thirty (330), Acts of the Sixty-third General Assembly,  
 6 First Session.

1 SEC. 24. This Act being deemed of immediate importance shall  
 2 be in full force and effect from and after its final approval and pub-  
 3 lication in the Waterloo Daily Courier, a newspaper published at  
 4 Waterloo, Iowa, and The DeWitt Observer, a newspaper published at  
 5 DeWitt, Iowa.

Approved May 11, 1970.

I hereby certify that the foregoing Act, Senate File 1312, was published in the Water-  
 loo Daily Courier, Waterloo, Iowa, May 18, 1970, and in The DeWitt Observer, DeWitt,  
 Iowa, May 18, 1970.

MELVIN D. SYNHORST, *Secretary of State.*

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## CHAPTER 1206

### MOTOR VEHICLE REGISTRATION PLATES

H. F. 1025

AN ACT relating to funds for manufacture of motor vehicle registration plates.

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

1 SECTION 1. Chapter two hundred forty-nine (249), section one  
 2 (1), Acts of the Sixty-third General Assembly, First Session, is  
 3 amended by striking from line twenty-four (24) the word "license"  
 4 and inserting in lieu thereof the word "registration".

Approved January 15, 1970.

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## CHAPTER 1207

### INCOME TAX

H. F. 193

AN ACT relating to income tax.

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

1 SECTION 1. Section four hundred twenty-two point sixty-six  
 2 (422.66), Code 1966, is hereby amended by adding thereto the follow-  
 3 ing:  
 4 "Notwithstanding the period of limitation specified, the taxpayer  
 5 shall have six months from the day of final disposition of any income  
 6 tax controversy between the taxpayer and the internal revenue service