

8 and maintain with said commission a surety bond in the penal sum of
 9 fifty thousand dollars with surety approved by the commission, con-
 10 ditioned that said applicant will pay any and all damages legally
 11 recovered against it growing out of the *construction or* operation of
 12 its said pipeline and gas storage facilities in the state of Iowa. When
 13 such pipeline company deposits with said state commerce commission
 14 security satisfactory to said commission as a guaranty for the pay-
 15 ment of said damages, or furnishes to said commission satisfactory
 16 proofs of its solvency and financial ability to pay said damages, the
 17 said pipeline company shall be relieved of the said provisions requir-
 18 ing bond.

Approved March 15, 1972.

CHAPTER 1100

RURAL WATER DISTRICTS EXEMPT FROM REGULATION

H. F. 1084

AN ACT to provide that rural water districts shall not be subject to regulation by the Iowa state commerce commission.

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

1 SECTION 1. Section four hundred ninety A point one (490A.1),
 2 unnumbered paragraph three (3), Code 1971, is amended to read as
 3 follows:

4 Mutual telephone companies in which at least fifty percent of the
 5 users are owners, telephone companies having less than two thousand
 6 stations, municipally-owned utilities, unincorporated villages which
 7 own their own distribution system, and co-operative corporations or
 8 associations shall not be subject to the rate regulation provided for
 9 in this chapter; provided, however, that nothing contained in this
 10 chapter shall be construed to apply to municipally-owned water works
 11 *or rural water districts incorporated and organized pursuant to chap-*
 12 *ters 357A and 504A.* Telephone companies otherwise exempt from
 13 rate regulation and having telephone exchange facilities which cross
 14 state lines may elect, in writing, filed with the commission, to have
 15 their rates regulated by the commission. When such election, in writ-
 16 ing, has been filed with the commission, the commission shall assume
 17 rate regulation jurisdiction over said companies.

Approved March 2, 1972.