

70 *mittee for review and adjustment of construction and maintenance*
71 *guidelines used in updating road and street needs studies.*

1 SEC. 8. Section three hundred thirteen point two (313.2), Code
2 1973, is amended by striking unnumbered paragraphs one (1) and
3 two (2) and inserting in lieu thereof the following:

4 The roads and streets of the state are, for the purpose of this chap-
5 ter, assigned to the functional classification systems established under
6 chapter three hundred six (306) of the Code.

1 SEC. 9. Sections three hundred six point two (306.2) and three
2 hundred six point nine (306.9), Code 1973, are repealed.

1 SEC. 10. This Act shall become effective on July 1, 1975; except
2 that no transfer of jurisdiction and control of any road or street as
3 required by this Act shall be effective until the enactment of legisla-
4 tion which allocates the road use tax fund in a manner different from
5 the law existing on January 1, 1974, and in a manner which compen-
6 sates state, county and municipal jurisdictions for additional highway,
7 road or street needs acquired by such transfer as determined by the
8 state highway commission.

9 Notwithstanding the foregoing provision of this section, transfers
10 in jurisdiction and control of roads and streets may take place if
11 agreements are entered into by the jurisdictional divisions of govern-
12 ment involved in the transfer of such roads and streets.

Approved March 4, 1974

CHAPTER 1178

UNUSED HIGHWAY RIGHT OF WAY

H. F. 155

AN ACT relating to the sale of unused right of way by the state highway commission by land contract, providing for the payment of interest thereon, and the taxation of land sold on contract.

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

1 SECTION 1. Section three hundred six point twenty-two (306.22),
2 Code 1973, is amended by striking the section and inserting in lieu
3 thereof the following:

4 **306.22 Sale of unused right of way.** When title to any tract of
5 land has been or may be acquired for the construction or improvement
6 of any highway, and when in the judgment of the board or commission
7 in control of the highway, the tract will not be used in connection with
8 or for the improvement, maintenance, or use of the highway, the
9 board or commission in control of the highway may sell the tract for
10 cash. If the tract of land is held or used in connection with any pri-
11 mary road, or state park or institutional road, the sale shall be sub-
12 ject to approval of the executive council of the state.

13 The state highway commission may contract for the sale of any
14 tract of land subject to the following terms and conditions:

15 1. The discounted present market value of the contract offer, in-
 16 cluding the cash down payment, shall exceed one hundred ten percent
 17 of the highest cash offer submitted for the tract if a cash offer is re-
 18 ceived. The discount rate shall be the rate of interest stated in the
 19 contract.

20 2. The cash down payment shall be equal to or in excess of five per-
 21 cent of the total purchase price.

22 3. The term of the contract shall not exceed ten years.

23 4. The rate of interest stated in the contract shall not be less than
 24 the prevailing rate of interest charged on contract land sales by sellers
 25 in the county or general area in which the tract of land is located.

26 5. The state highway commission shall advertise for cash bids and
 27 contract offers before accepting a contract offer.

28 6. The appraised value of property sold under a land contract sale
 29 shall be at least five thousand dollars.

30 7. Any tract of land sold on contract shall be listed on the tax rolls
 31 by and taxed to the contract purchaser, as provided in chapters four
 32 hundred twenty-eight (428) and four hundred forty-three (443) of
 33 the Code; assessed and valued as provided in chapter four hundred
 34 forty-one (441) of the Code; taxes levied as provided in chapter four
 35 hundred forty-four (444) of the Code; collected as provided in chap-
 36 ter four hundred forty-five (445) of the Code; and subject to tax
 37 sale, redemption, and apportionment of taxes as provided in chapters
 38 four hundred forty-six (446), four hundred forty-seven (447), and
 39 four hundred forty-eight (448) of the Code. It shall be the duty of
 40 the contract purchaser to discharge and pay all taxes.

41 If any tract of land is sold, the sale shall be subject to the right of
 42 a utility association, company, or corporation to continue in posses-
 43 sion of a right of way in use at the time of the sale.

Approved May 27, 1974

CHAPTER 1179

HIGHWAY CHANGES IN ROADS AND STREAMS

H. F. 59

AN ACT relating to changes in roads, streams, or dry runs giving the state highway commission powers similar to the board of supervisors, and making chapter four hundred fifty-five A (455A) of the Code applicable.

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

1 SECTION 1. Section three hundred six point twenty-seven (306.27),
 2 Code 1973, is amended to read as follows:

3 **306.27 Changes for safety, economy, and utility.** *The state high-*
 4 *way commission as to primary roads and the boards of supervisors as*
 5 *to secondary roads on their own motion may change the course of any*
 6 *part of any secondary road or stream, watercourse, or dry run, and*
 7 *may pond water within any county in order to avoid the construction*
 8 *and maintenance of bridges, or to avoid grades, or railroad crossings,*
 9 *or to straighten any secondary road, or to cut off dangerous corners,*