

of the commission established under that section to staggered terms, two to end the year following appointment, two to end two years following appointment, and one to end three years following appointment. The governor shall appoint initial members in the same manner as vacancies, subject to section 2.32.

Sec. 37. Sections 1 through 25 of this Act are created as a new chapter 99D.

Approved June 10, 1983

## CHAPTER 188

### LEVY OF TAXES FOR PAYMENT ON PUBLIC BONDS

*H.F. 643*

**AN ACT** relating to the payment of principal and interest on public bonds by providing for a mandatory levy of taxes and the determination of certain interest rates.

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

Section 1. Section 76.2, unnumbered paragraph 1, Code 1983, is amended to read as follows:

The governing authority of these political subdivisions before issuing bonds shall, by resolution, provide for the assessment of an annual levy upon all the taxable property in ~~such public corporation~~ the political subdivision sufficient to pay the interest and principal of ~~such the~~ bonds within a period named not exceeding twenty years. A certified copy of this resolution shall be filed with the county auditor ~~or the auditors of the counties, as the case may be,~~ in which ~~such public corporation~~ the political subdivision is located; and the filing thereof shall make it a duty of ~~such officer or officers~~ the auditors to enter annually this levy for collection ~~from the taxable property within the boundaries of the political subdivision until funds are realized to pay the bonds in full.~~ The levy shall continue to be made against property that is severed from the political subdivision after the filing of the resolution until funds are realized to pay the bonds in full.

If the resolution is filed prior to April 1 the annual levy shall begin with the tax levy for collection commencing July 1 of that year. If the resolution is filed after April 1, the annual levy shall begin with the tax levy for collection in the next succeeding fiscal year. However, the governing authority of a political subdivision may adjust a levy of taxes made under this section for the purpose of adjusting the annual levies and collections for property severed from the political subdivision, subject to the approval of the state comptroller.

Sec. 2. Section 280A.20, Code 1983, is amended to read as follows:

280A.20 PAYMENT OF BONDS. Taxes for the payment of bonds issued under section 280A.19 shall be levied in accordance with chapter 76. The bonds shall be payable from a fund created from the proceeds of ~~such the~~ taxes in not more than twenty years and bear interest at a rate not exceeding seven percent ~~per annum~~ the rate permitted by chapter 74A, and shall be of ~~such the~~ form as the board issuing the bonds shall by resolution provide. Any indebtedness incurred shall not be considered an indebtedness incurred for general and ordinary purposes.

Approved June 2, 1983