A BILL

FOR AN ACT CONFERRING UPON CITIES ORGANIZED UNDER CHAPTER FOURTEEN-C TITLE V, OF THE SUPPLEMENT TO THE CODE, 1907, ADDITIONAL POWERS IN CONNECTION WITH THE GRANTING OF FRANCHISES FOR STREET RAILWAYS, WATERWORKS, ELECTRIC LIGHT AND GAS PLANTS.

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

SECTION 1. That cities now or hereafter organized pursuant to the provisions of Chapter
2 fourteen-C Title V, of the Supplement to the Code, 1907, shall have the power in any ordinance
3 granting a franchise or extending the limit thereof for the construction, maintenance and oper-
4 ation of a street railway or waterworks, or an electric light or gas plant in the streets, alleys
5 and public places of such city to provide by contract with the grantee in such ordinance, its
6 successors and assigns for the manner in which the interests of such city, secured thereunder
7 may be protected, for the termination of the rights granted by such ordinance, by the pur-
8 chase by such city, directly or indirectly of the property, stock or securities, in the whole
9 or in part owned or used by the holder of such franchise in exercising the rights granted by
10 such ordinance; such purchase to be at a price to be ascertained as provided or prescribed by
11 the ordinance in question, and shall have power to contract further that the rights granted
12 by any such ordinance shall continue until so terminated. And such cities shall further have
13 the right in such ordinance to enter into contracts with the persons, firms or corporations to
14 which the same are granted, their successors and assigns, for the payment to such city of an
15 agreed portion of the net receipts arising from the operation of the street railroad, water
16 works, electric light or gas plant, as the case may be, operated under the ordinance in ques-
17 tion. Provided, however, that no franchise or extension thereof granted hereunder shall be
18 valid in any respect unless an agreed portion of said net receipts shall be contracted to be
19 paid and paid to said city from time to time as said contract shall provide.
20 But no franchise shall be valid unless provided by a majority of the voters of such munici-
21 pality voting on the ordinance granting the same, at a general election, a special election, or a
22 city election.

SEC. 2. At any time after two years after the ratification or adoption of said ordinance or
2 contract such cities shall be allowed to become indebted for the purposes provided in this act,

3 to an amount aggregating with all other indebtedness of the said city, in a sum not exceeding
4 two and one-half (2½) per centum of the actual value of the taxable property within said city,
5 to be ascertained by the last state and county tax list previous to the incurring of such indebted-
6 ness provided that the question of incurring such indebtedness in excess of one and one-
7 fourth (1¼) per centum of the actual value of the taxable property for the purposes provided
8 in this act shall be submitted to the electors at the general city election. If a majority of the
9 voters voting at such election, vote in favor of such ordinance, and vote in favor of such indebt-
10 edness, the council of such city is authorized for the purposes provided in this act to incur in-
11 debtedness to the limit as herein provided.

SEC. 3. This act being deemed of immediate importance shall take effect from and after its
2 publication in the Register and Leader and the Des Moines Daily Capital, newspapers published
3 at the city of Des Moines, Iowa.