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Passed on File.

Senate File 434

By COMMITTEE ON HIGHWAYS.

Passed Senate, Date 4-21-53  
Vote: Ayes 48 Nays 0  
Passed House, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

*Senate Appro - Rec  
Passage 4/20*

## A BILL FOR

An Act providing for the creation of a special committee to make a study of the feasibility, location, construction, means of financing and mode of operation of a toll road or roads in the state of Iowa, and to make recommendations to the governor, prescribing the authority of such committee and making appropriation for expenses, and for the construction, maintenance, repair and operation of toll road projects; creating the Iowa toll road authority and defining its powers and duties; granting it power to acquire necessary real and personal property and to exercise the power of condemnation; providing for financing the construction of such projects by the issuance of revenue bonds of the authority, payable solely from the revenues and funds provided for such payment; providing that no liability or debt of the state shall be incurred in the exercise of any such powers; providing for the collection of tolls and other revenues to pay such bonds and the interest thereon and the cost of construction, maintenance, repair and operation of such projects; exempting from taxes and assessments such toll road projects and such bonds and the interest therefrom; making such bonds eligible for certain investments; prescribing the powers and duties of the authority in connection with the foregoing and the rights and remedies of the holders of bonds issued under the provisions of this Act; authorizing the issuance of revenue refunding bonds; and providing for the operation and supervision of the projects after the retirement of such bonds.

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

1 Section 1. As used in this Act, the following words

2 and terms, unless the context indicates another or different  
3 meaning, shall mean:

4 1. "Authority," the Iowa toll road authority created by  
5 section 3 of this Act.

6 2. "Project," or "toll road project," any express  
7 highway, super-highway, or motorway constructed under the  
8 provisions of this Act, at such location as shall be approved  
9 by the authority herein created, including all bridges, tunnels,  
10 overpasses, underpasses, interchanges, entrance plazas,  
11 approaches, free access roads, bridges and road construction,  
12 toll houses, service stations, and administration, storage  
13 and other buildings and facilities which the authority may  
14 deem necessary for the operation of the project, together  
15 with all property, rights, easements, and interests which may  
16 be acquired by the authority for the construction or the  
17 operation of the project. Each project or toll road project  
18 shall be separately designated by name or number and may be  
19 constructed or extended in such sections and stages as the  
20 authority may from time to time determine.

21 3. "Cost," as applied to a toll road project, the cost  
22 of construction, including bridges over or under existing  
23 highways and railroads, the cost of acquisition of all lands,  
24 rights-of-way, property, rights, easements, and interests  
25 acquired by the authority for such construction, the cost of  
26 demolishing or removing any buildings or structures on land  
27 so acquired, including the cost of acquiring any lands to

28 which such buildings or structures may be moved, the cost  
29 of diverting highways, interchange of highways, access roads  
30 to private property, including the cost of lands or easements  
31 therefor, the cost of all machinery and equipment, financing  
32 charges, interest prior to or during construction and for  
33 one year after completion of construction, cost of traffic  
34 estimates and of engineering and legal expenses, plans,  
35 specifications, surveys, estimates of cost and revenues,  
36 other expenses necessary or incident to determining the  
37 feasibility or practicability of constructing any such project,  
38 administrative expense, and such other expense as may be  
39 necessary or incident to the construction of the project,  
40 the financing of such construction, and the placing of the  
41 project in operation. If the state highway commission  
42 shall incur any expense for surveys, borings, preparation  
43 of plans and specifications, and other engineering services  
44 in connection with the construction of the project, such  
45 expense shall be regarded as a part of the cost of such  
46 project and shall be reimbursed to the state highway commission  
47 out of the proceeds of toll road revenue bonds issued on  
48 such project.

49 4. "Owner," all individuals, copartnerships, associations,  
50 or corporations having any title or interest in any property,  
51 rights, easements, and interests authorized to be acquired  
52 by this Act.

53 5. "Revenues," all tolls, rentals, gifts, grants, moneys,

54 and all other funds and property coming into the possession or  
55 under the control of the authority by virtue of the terms and  
56 provisions hereof, except the proceeds from the sale of bonds  
57 issued under the provisions of this Act.

58 6. "Public roads," all public highways, roads and  
59 streets in the state, whether maintained by the state,  
60 county, city, township, or other political subdivision.

61 7. "Bonds" or "toll road revenue bonds," revenue bonds  
62 of the authority authorized under the provisions of this  
63 Act.

1 Sec. 2. In order to facilitate vehicular traffic  
2 throughout the state, reduce the present handicaps and hazards  
3 on the congested highways in the state, promote the agricultural  
4 and industrial development of the state, and provide for the  
5 general welfare by the construction of modern express highways  
6 embodying, where feasible and necessary, such safety devices  
7 as center division, ample shoulder widths, long sight distances,  
8 multiple lanes in each direction, and grade separations at  
9 intersections with other highways and railroads, the Iowa  
10 toll road authority is hereby authorized and empowered to  
11 construct, maintain, repair, and operate toll road projects  
12 at such locations as it may find feasible, and in accordance  
13 with such alignment and design standards as shall be approved  
14 by said commission, and to issue toll road revenue bonds of  
15 the authority, payable solely from tolls and other revenues

16 and funds, to pay the cost of such projects as hereinafter  
17 provided.

1 Sec. 3. That a special committee is hereby created  
2 which shall be composed of nine (9) members, three (3) of  
3 which shall be appointed by the speaker of the house of  
4 representatives, three (3) of which shall be appointed by the  
5 president of the senate, and three (3) of whom shall be  
6 appointed by the governor, and that in addition thereto the  
7 chief engineer of the state highway commission shall serve  
8 ex-officio as a consulting member of said committee only.

1 Sec. 4. The committee shall have full power and  
2 authority to study, inquire into and examine all pertinent  
3 matters relating to the feasibility, possible location,  
4 best means and mode of construction, possible methods and  
5 means of financing and methods and means of operation of a  
6 toll road project and to make a report and recommendations  
7 in connection therewith, and in general to inquire into every  
8 matter and thing whatsoever affecting or relating to such  
9 proposed toll road project.

1 Sec. 5. Said committee shall choose a chairman from  
2 its members, shall adopt rules for conduct of his proceedings,  
3 and is hereby empowered to employ a secretary or such other  
4 aids and employees as are necessary in connection with the  
5 business of the committee. It is hereby empowered also to  
6 employ such expert assistance as may be deemed necessary for  
7 the studies herein authorized including the employment of a

8 recognized highway or traffic agency to make a traffic survey  
9 to assist the committee. The committee may hold public  
10 hearings, may subpoena witnesses and in such event any such  
11 witnesses shall be entitled to witness fees as in  
12 trials in the district court and to actual traveling expenses  
13 while attending upon the committee, such expenses to be  
14 audited and approved by the committee, but no Iowa public  
15 employee shall be entitled to witness fees but may be allowed  
16 actual expenses. The committee shall have access to all public  
17 records and shall be given the cooperation of all public  
18 officials and shall generally have all the powers of any  
19 legislative committee. The committee may at any time or from  
20 time to time be divided into subcommittees of one or more of  
21 its members, and any such subcommittees shall have the power  
22 to hold meetings and conduct study in any part of the state.  
23 The committee may also, if deemed necessary, cause studies  
24 to be made of toll road projects in other states and may  
25 designate, if necessary, subcommittees for making such  
26 studies. The committee or any member thereof or the secretary  
27 of the committee shall have power to administer oaths.

1 Sec. 6. The committee shall have the co-operation of  
2 the state highway commission in the performance of its duties  
3 and shall have authority to call upon any department of the  
4 state government for assistance in obtaining information  
5 deemed useful to the committee.

1 Sec. 7. Vacancies in the committee shall be filled

2 under the same authority and restrictions as the original  
3 appointment. Members of the committee, save and except the  
4 ex-officio member, shall receive a compensation of twenty  
5 (\$20.00) dollars per day for days actually engaged in the work  
6 of the committee, together with actual and necessary expenses  
7 incurred by them in the actual discharge of their duties.  
8 The committee shall have the power to fix the compensation  
9 of its secretary and other aids and employees, and shall, if  
10 necessary, be provided suitable office space for the conduct  
11 of its studies by the state executive council.

1 Sec. 8. There is hereby created an authority to be known  
2 as the "Iowa toll road authority," and by that name the  
3 authority may sue and be sued. It shall be a body both  
4 corporate and politic in the state of Iowa and is hereby  
5 constituted an instrumentality of the state. The exercise  
6 by the authority of the powers conferred by this Act in the  
7 construction, operation and maintenance of toll road projects  
8 shall be deemed and held to be the performance of essential  
9 governmental functions of the state. Provided, however, that  
10 no members of the authority herein created shall be appointed,  
11 as hereinafter provided, until such time as a majority of the  
12 aforesaid committee, after an appropriate hearing or hearings  
13 to be held as prescribed by the committee, find and determine  
14 that a toll road or roads are feasible and that revenue bonds  
15 will be salable to the extent that a toll road project or projects  
16 can be undertaken.

17 In said hearing the committee shall consider traffic estimates,  
18 development of express highways or super-highways in adjoining  
19 states and such other facts they may deem essential in arriving  
20 at said conclusion. Upon such a finding and determination by a  
21 majority of said committee and upon approval thereof by the  
22 General Assembly of Iowa either in a general or special session,  
23 the governor shall forthwith proceed to appoint the members of  
24 the authority who shall, after qualification, proceed to organize  
25 and function as hereinafter provided.

1 Sec. 9. The Iowa toll road authority shall consist of four  
2 members, three of whom shall be appointed by the governor with  
3 the approval of two-thirds of the members of the Senate in  
4 executive session at a general or special session of the legislature.  
5 Not more than two of the appointive members shall be of the same  
6 political party. The fourth member shall be the chief engineer  
7 of the state highway commission who shall be a member ex officio  
8 but shall have no vote. Each of said appointed members shall be  
9 a taxpayer and resident of the state for at least five years prior  
10 to said appointment. The members of the authority first appointed  
11 shall continue in office for terms of two, four and six years  
12 respectively, the term of each member to be designated by the  
13 governor on first appointments. Upon the expiration of each of  
14 the foregoing terms of said members a successor shall be appointed  
15 for a term of six years from and after said expiration date or  
16 until his successor is appointed and qualified, and said  
17 term of six years calculated as aforesaid shall thereafter be

18 the length of term of each member of the authority unless  
19 removed as by law provided. Any member, unless removed from  
20 office, shall serve until his successor is appointed and  
21 qualified. Any member appointed to fill a vacancy shall be  
22 appointed to serve only for the unexpired term. A member of the  
23 authority shall be eligible for reappointment. Each appointed  
24 member of the authority before entering upon his duties shall  
25 take an oath as provided by law for other public officers.

1 Sec. 10. 1. The authority shall elect one of the appointed  
2 members as chairman and another as vice chairman and shall appoint  
3 a secretary-treasurer who need not be a member of the authority  
4 and who shall serve at its pleasure. Any two members of the  
5 authority shall constitute a quorum and the affirmative vote of  
6 any two members shall be necessary for any action taken by the  
7 authority. No vacancy in the membership of the authority shall  
8 impair the right of a quorum to exercise all the rights and  
9 perform all the duties of the authority.

10 2. The secretary-treasurer shall keep full and true records  
11 of the proceedings of the authority and shall be the custodian of  
12 all books, maps, documents, and papers filed with the authority  
13 and of the minute book or journal of the authority and of its  
14 seal. The record of the proceedings of the authority shall show  
15 all final actions of the authority and shall be open to the  
16 inspection of the public at all reasonable times. Under the  
17 direction of the authority, the secretary-treasurer shall have  
18 general charge of its office, shall superintend its clerical

19 business and perform such other duties as it may require. The  
20 authority may designate one of the clerks in the office of the  
21 secretary-treasurer to perform the duties of the secretary-  
22 treasurer during the latter's absence and during such time the  
23 person so designated shall possess the powers of the secretary-  
24 treasurer.

1 Sec. 11. Before the issuance of any toll road revenue bonds  
2 under the provisions of this Act, each appointed member of the  
3 authority shall give a surety bond to the state in the penal sum  
4 of twenty-five thousand dollars, and the secretary-treasurer  
5 shall give a surety bond to the state in the penal sum of fifty  
6 thousand dollars, each such surety bond to be conditioned upon  
7 the faithful performance of the duties of the office, to be  
8 executed by a surety company authorized to transact business in  
9 this state as surety and to be approved by the governor and filed  
10 in the office of the secretary of state.

1 Sec. 12. Each appointed member of the authority shall receive  
2 as compensation for his services an annual salary of six thousand  
3 dollars. Each member and officer shall be reimbursed for his  
4 actual expenses necessarily incurred in the performance of his  
5 duties including the cost of the surety bond filed under section  
6 6 All obligations and expenses incurred in carrying out the  
7 provisions of this act shall be payable solely from the funds  
8 provided under the authority of this act and no liability or  
9 obligation shall be incurred by the authority hereunder beyond

10 the extent to which moneys shall have been provided under the  
11 authority of this act.

1 Sec. 13. The authority is hereby authorized and empowered:

2 1. To adopt by-laws for the regulation of its affairs and  
3 the conduct of its business;

4 2. To adopt an official seal and alter the same at pleasure;

5 3. To maintain an office in the City of Des Moines, Iowa;

6 4. To sue and be sued in its own name, provided, however,  
7 that any and all actions at law or in equity against the authority  
8 shall be brought in the county in which the office of the authority  
9 is located or in the county in which the cause of action arose,  
10 if said county is located within the state of Iowa. All duties  
11 enjoined upon it by the provisions of this act may be enforced in  
12 a court of competent jurisdiction in an action in mandamus;

13 5. To construct, maintain, repair, police and operate toll  
14 road projects as hereinbefore defined, and to establish rules  
15 and regulations for the use of any such project;

16 6. To issue toll road revenue bonds of the authority, payable  
17 solely from revenues or other funds pledged<sup>6</sup> for their payment as  
18 herein provided, for the purpose of paying all or any part of the  
19 cost of any one or more toll road projects;

20 7. To fix and revise from time to time and charge and  
21 collect tolls for transit over each toll road projects constructed  
22 by it;

23 8. To acquire, hold and dispose of real and personal  
24 property in the exercise of its powers and the performance of

25 its duties under this act;

26 9. To acquire in the name of the state by purchase or  
27 otherwise, on such terms and conditions and in such manner as  
28 it may deem proper, or by the exercise of the right of condem-  
29 nation as hereinafter provided, such public or private lands, or  
30 parts thereof or rights therein, rights-of-way, property, rights,  
31 easements, and interests, as it may deem necessary for carrying  
32 out the provisions of this act;

33 10. To designate the locations, and establish, limit and  
34 control such points of ingress to and egress from each toll road  
35 project as may be necessary or desirable in the judgment of the  
36 authority to insure the proper operation and maintenance of such  
37 project, and to prohibit entrance to such projects from any point  
38 not so designated;

39 11. To make and enter into all contracts and agreements  
40 necessary or incidental to the performance of its duties and  
41 the execution of its powers under this act;

42 12. To employ consulting engineers, superintendents, managers,  
43 and such other engineers, construction and accounting experts,  
44 attorneys, and other employees and agents as may be necessary in  
45 its judgment, and to fix their compensation; provided that all  
46 such expenses shall be payable solely from the proceeds of toll  
47 road revenue bonds issued under the provisions of this act or  
48 from revenues;

49 13. To receive and accept from any federal agency, subject  
50 to the approval of the governor, grants for or in aid of the

51 construction of any toll road or turnpike project, and to receive  
52 and accept aid or contributions from any source of either money,  
53 property, labor, or other things of value, to be held, used and  
54 applied only for the purposes for which such grants and contri-  
55 butions may be made;

56 14. To adopt such rules and regulations and to do any and  
57 all things necessary to comply with the rules, regulations or  
58 requirements of the United States bureau of public roads or  
59 any other federal agency administering any law enacted by the  
60 Congress of the United States to aid or encourage the construction  
61 of highways;

62 15. To do all acts and things necessary or proper to carry  
63 out the powers expressly granted in this act.

1 Sec. 14. 1. When the cost under any contract or agreement,  
2 other than compensation for personal services, involves an  
3 expenditure of more than twenty-five thousand dollars, the author-  
4 ity shall make a written contract with the lowest and best  
5 bidder after the publication for not less than two consecutive  
6 weeks of an advertisement in a newspaper published in the county  
7 where the work is to be done and in such other publications as  
8 the authority may determine; provided, however, that if after  
9 advertising for bids as aforesaid no bid satisfactory to the  
10 authority shall be received, they may reject all bids and if the  
11 cost under the proposed contract involves an expenditure of less  
12 than twenty-five thousand dollars, the authority may itself  
13 perform the work without further advertisement. If the project

14 advertised shall be for the construction of a toll road for a  
15 distance longer than five miles, such advertisement shall provide  
16 for bids on sections of said road not to exceed five miles as well  
17 as on the project as a whole, and such contract shall be let so  
18 as to provide for the most economical construction of said project.

19 All notices of the letting of contracts under the provisions here-  
20 of shall state the time and place when and where bids will be  
21 received and opened, and all bids shall be sealed and opened only  
22 at the time and place mentioned in such notice and in the pres-  
23 sence of some member of the authority or some person named by the  
24 authority for such purpose;

25 2. Each bid shall contain the full name of every person or  
26 company interested in it and shall be accompanied by a sufficient  
27 bond, certified or cashier's check or a solvent bank that if the  
28 bid is accepted, a contract will be entered into and the perform-  
29 ance of the proposal secured. The authority may reject any or  
30 all bids;

31 3. A bond with good and sufficient surety as shall be  
32 approved by the authority shall be required of all contractors in  
33 an amount equal to at least fifty per cent of the contract price  
34 conditioned upon the faithful performance of the contract.

1 Sec. 15. The authority shall have power and authority to  
2 construct grade separations at intersections of any toll road  
3 project with public roads, state highways, and railroads, and to  
4 change and adjust the lines and grades of such public roads,  
5 state highways, railroads, and public utility facilities, pro-

6 vided, however, that all changes and adjustments of lines and  
7 grades of all state highways shall be subject to the approval of  
8 the state highway commission so as to accommodate the same to the  
9 design of such grade separation. The cost of such grade separa-  
10 tion and any damage incurred in changing and adjusting the lines  
11 and grades of such roads, highways, railroads, and public utility  
12 facilities shall be ascertained and paid by the authority as a part  
13 of the cost of such toll road project.

1 Sec. 16. If the authority shall find it necessary to change  
2 the location of any portion of any public road or highway, it  
3 shall cause the same to be reconstructed of substantially the  
4 same type and in as good condition as the original road or highway  
5 and at such location as the authority may deem best, provided  
6 such new location shall be reasonable, and provided further the  
7 authority shall not change the location of any portion of a  
8 public highway which is a part of the state highway system without  
9 the approval of the state highway commission. The cost of such  
10 reconstruction, relocation or removal and any damage incurred in  
11 changing the location of any such road, highway, railroad, or  
12 public utility facility shall be ascertained and paid by the  
13 authority as a part of the cost of such toll road project.

1 Sec. 17. Any public road or highway affected by the con-  
2 struction of any toll road project may be vacated or re-established  
3 in the manner now provided by law for the vacation or re-establish-  
4 ment of public roads or highways, and any damages awarded on  
5 account thereof shall be paid by the authority as a part of the

6 cost of such project.

1 Sec. 18. In addition to the foregoing powers, the authority  
2 and its authorized agents and employees may enter upon any lands,  
3 waters, and premises in the state for the purpose of making  
4 surveys, soundings, drillings, and examinations as may be deemed  
5 necessary or proper for the purposes of this act, and such entry  
6 shall not be deemed a trespass, nor shall an entry for such  
7 purposes be deemed an entry under any condemnation proceedings  
8 which may be then pending. The authority shall make reimbursement  
9 for any actual damages resulting to such lands, waters and prem-  
10 ises as a result of such activities.

1 Sec. 19. The authority shall also have power to make  
2 reasonable regulations for the installation, construction,  
3 maintenance, repair, renewal, relocation and removal of tracks,  
4 pipes, mains, conduits, cables, wires, towers, poles, and other  
5 equipment and appliances (herein called "public utility facilities")  
6 of any public utility or pipe line company in, on, along, over or  
7 under any toll road project. Whenever the authority shall  
8 determine that it is necessary that any such public utility  
9 facilities which now are, or hereafter may be, located in, on,  
10 along, over or under any toll road project should be relocated  
11 in such project, or should be removed from such project, the  
12 owner or operator of such facilities shall relocate or remove  
13 the same in accordance with the order of the authority; provided,  
14 however, that the cost and expenses of such relocation or removal,  
15 including the cost of installing such facilities in a new location

16 or new locations, and the cost of any lands, or any rights or  
17 interests in lands, and any other rights, acquired to accomplish  
18 such relocation or removal, shall be ascertained and paid by  
19 the authority as a part of the cost of such project. In case  
20 of any such relocation or removal of facilities, the owner or  
21 operator of the same, its, his or their successors or assigns,  
22 may maintain and operate such facilities, with the necessary  
23 appurtenances, in the new location or new locations, for as long  
24 a period, and upon the same terms and conditions, as they had  
25 the right to maintain and operate such facilities in their  
26 former location or locations.

1 Sec. 20. The state of Iowa hereby consents to the use of  
2 all lands owned by it, including lands lying under water, which  
3 are deemed by the authority to be necessary for the construction  
4 or operation of any toll road project, provided adequate compen-  
5 sation is made for such use.

1 Sec. 21. The authority is hereby authorized and empowered  
2 to acquire by purchase, whenever it shall deem such purchase  
3 expedient, any lands, including the fee simple title thereto,  
4 property, rights, rights-of-way, franchises, easements, and  
5 other interests in land as it may deem necessary or convenient  
6 for the construction or operation of any toll road project upon  
7 such terms and at such price as may be considered by it to be  
8 reasonable and can be agreed upon between the authority and the  
9 owner thereof, and to take title thereto in the name of the state.

1 Sec. 22. 1. The authority is hereby granted power to acquire,

2 by the exercise of the right of eminent domain in the same manner  
3 as is prescribed for the Iowa state highway commission by the  
4 provisions of chapter 103, laws of the fifty-fourth general  
5 assembly as amended by the Acts of the fifty-fifth general assembly,  
6 any lands necessary to carry out the duties imposed upon them by  
7 this act, including the fee simple title thereto, property, rights,  
8 rights-of-way, franchises, easements, of any other interests in  
9 land deemed necessary or proper for the construction or the  
10 efficient operation of any toll road project or projects or  
11 necessary in the restoration of private or public property  
12 destroyed in the construction of any such project. Title to any  
13 property so acquired shall be taken in the name of the state of  
14 Iowa.

15 2. Nothing herein shall authorize the authority to take  
16 or disturb property or facilities belonging to any public utility  
17 or to a common carrier, which property or facilities are required  
18 for the proper and convenient operation of such public utility or  
19 common carrier, unless provision is made for the restoration,  
20 relocation or duplication of such property or facilities elsewhere  
21 at the sole cost of the authority.

22 3. With respect to any railroad property or right-of-way  
23 upon which railroad tracks are located, any powers of condemnation  
24 may be exercised to acquire only an easement interest therein  
25 which shall be located either sufficiently far above or sufficiently  
26 far below the grade of any railroad track or tracks upon such  
27 railroad property so that neither the proposed project nor any

28 part thereof, including any bridges, abutments, columns, supporting  
29 structures and appurtenances, nor any traffic upon it shall  
30 interfere in any manner with the use, operation or maintenance  
31 of the trains, tracks, works or appurtenances or other property  
32 of the railroad nor endanger the movement of the trains or traffic  
33 upon the tracks of the railroad. Prior to the institution of  
34 condemnation proceedings for such easement over or under such  
35 railroad property or right-of-way, plans and specifications of  
36 the proposed project showing compliance with the above-mentioned  
37 above or below grade requirements and showing sufficient and  
38 safe plans and specifications of such overhead or undergrade  
39 structure and appurtenances shall be submitted to the railroad  
40 for examination and approval. If the railroad fails or refuses  
41 within thirty days to approve the plans and specifications so  
42 submitted, the matter shall be submitted to the state commerce  
43 commission whose decision, arrived at after due consideration  
44 in accordance with its usual procedure, shall be final as to the  
45 findings of fact on the sufficiency and safety of such plans and  
46 specifications and as to such elevations or distances above or  
47 below the tracks. Such overhead or underground structure and  
48 appurtenances shall be constructed only in accordance with such  
49 plans and specifications and in accordance with such elevations  
50 or distances above or below the tracks so approved by the railroad  
51 or the state commerce commission as the case may be. A copy of  
52 the plans and specifications approved by the railroad or the  
53 state commerce commission shall be filed as an exhibit with the

54 application for condemnation.

1     Sec. 23. The authority is hereby authorized to provide  
2 by resolution, at one time or from time to time, for the issuance  
3 of toll road revenue bonds of the authority for the purpose of  
4 paying all or any part of the cost of any one or more toll road  
5 projects. The principal of and the interest on such bonds shall  
6 be payable solely from the funds herein provided for such payment.  
7 The bonds of each issue shall be dated, shall bear interest at  
8 such rate or rates not exceeding four per cent per annum, shall  
9 mature at such time or times not exceeding thirty years from  
10 their date or dates, as may be determined by the authority,  
11 and may be made redeemable before maturity, at the option of the  
12 authority, at such price or prices and under such terms and  
13 conditions as may be fixed by the authority prior to the issuance  
14 of the bonds. The authority shall determine the form of the bonds,  
15 including any interest coupons to be attached thereto, and shall  
16 fix the denomination or denominations of the bonds. The payment  
17 of principal and interest on all bonds issued under the provisions  
18 of this act shall be at the office of the treasurer of the state  
19 of Iowa. The bonds shall be signed by the chairman or vice  
20 chairman of the authority or by their facsimile signatures, and  
21 the official seal of the authority shall be affixed thereto and  
22 attested by the secretary-treasurer of the authority, and any  
23 coupons attached thereto shall bear the facsimile signature of  
24 the chairman or vice chairman of the authority. In case any  
25 officer whose signature or a facsimile of whose signature shall.

26 appear on any bonds or coupons shall cease to be such officer  
27 before the delivery of such bonds, such signature or such  
28 facsimile shall nevertheless be valid and sufficient for all  
29 purposes the same as if he had remained in office until such  
30 delivery. All bonds issued under the provisions of this act  
31 shall have and are hereby declared to have all the qualities  
32 and incidents of negotiable instruments under the negotiable  
33 instruments law of this state. The bonds may be issued in  
34 coupon or in registered form, or both, as the authority may  
35 determine, and provision may be made for the registration of  
36 any coupon bonds as to principal alone and also as to both  
37 principal and interest, and for the reconversion into coupon  
38 bonds of any bonds registered as to both principal and interest.  
39 The authority may sell such bonds in such manner and for such  
40 price as it may determine to be for the best interest of the  
41 state, but no such sale shall be made at a price so low as to  
42 require the payment of interest on the money received therefor  
43 at more than four per cent per annum, computed with relation to  
44 the absolute maturity of the bonds in accordance with standard  
45 tables of bond values, excluding, however, from such computation  
46 the amount of any premium to be paid on redemption of any bonds  
47 prior to maturity.

1     Sec. 24. The proceeds of the bonds of each issue shall  
2 be used solely for the payment of the cost of the toll road  
3 project or projects for which such bonds shall have been issued,  
4 and shall be deposited with the treasurer of the state of Iowa

5 and disbursed in such manner and under such restrictions, if any,  
6 as the authority may provide in the resolution authorizing the  
7 issuance of such bonds. If the proceeds of the bonds of any  
8 issue, by error of estimates or otherwise, shall be less than  
9 such cost, additional bonds may in like manner be issued to  
10 provide the amount of such deficit, and, unless otherwise  
11 provided in the resolution authorizing the issuance of such  
12 bonds, shall be deemed to be of the same issue and shall be  
13 entitled to payment from the same fund without preference or  
14 priority of the bonds first issued. If the proceeds of the bonds  
15 of any issue shall exceed the cost of the toll road project or  
16 projects for which the same shall have been issued, the surplus  
17 shall be deposited by the treasurer of the state of Iowa to the  
18 credit of the sinking fund for such bonds.

1 Sec. 25. Bonds may be issued under the provisions of this  
2 act without obtaining the consent of any department, division,  
3 commission, board or agency of the state, and without any other  
4 proceedings or the happening of any other conditions or things  
5 than those proceedings, conditions or things which are specifically  
6 required by this act. The authority may provide for the replace-  
7 ment of any bonds which shall become mutilated or shall be destroyed  
8 or lost.

1 Sec. 26. Toll road revenue bonds issued under the provisions  
2 of this act shall not be deemed to constitute a liability or debt  
3 of the state or of any political subdivision thereof or a pledge  
4 of the faith and credit of the state or of any such political

5 subdivision; but such bonds shall be payable solely from the  
6 funds pledged for their payment as authorized herein, unless such  
7 bonds are refunded by refunding bonds issued under the provisions  
8 of this act, which refunding bonds shall be payable solely from  
9 funds pledged for their payment as authorized herein. All such  
10 toll road revenue bonds shall contain on the face thereof a  
11 statement to the effect that the bonds, as to both principal and  
12 interest, are not an obligation or liability of the state of Iowa,  
13 or of any political subdivision thereof, but are payable solely  
14 from the revenues and funds pledged for their payment.

1 Sec. 27. All obligations incurred in carrying out the  
2 provisions of this act shall be payable solely from funds provided  
3 under the authority of this act and nothing in this act contained  
4 shall be construed to authorize the authority to incur indebtedness  
5 or liability on behalf of or payable by the state or any political  
6 division thereof.

1 Sec. 28. The authority is hereby authorized to fix, revise,  
2 charge, and collect tolls for the use of each toll road project  
3 and any extension or sections thereof, and to contract in the  
4 manner herein provided with any person, partnership, association  
5 or corporation desiring the use of any part thereof, including  
6 the right-of-way adjoining the paved portion, for placing thereon  
7 telephone, telegraph, electric light or power lines, gas stations,  
8 garages, stores, hotels, and restaurants, or for any other purpose,  
9 and to fix the terms, conditions, rents and rates of charge for  
10 such use, provided that no toll, charge or rental shall be made

11 by the authority for placing in, on, along, over or under such  
12 toll road project, such telephone, telegraph, electric light or  
13 power lines, equipment or facilities as may be necessary to serve  
14 establishments located on the toll road project, or as may be  
15 necessary to interconnect any public utility facilities, and  
16 provided, that a sufficient number of gas stations may be author-  
17 ized to be established in each service area to permit reasonable  
18 competition by private business in the public interest. Contracts  
19 for the operation of gas stations, garages, stores, hotels,  
20 restaurants, parking facilities, or other purposes shall be made  
21 in writing with the bidder whose bid in consideration of the  
22 public interest is determined by the authority to be the best  
23 bid received, after advertisement for two consecutive weeks in  
24 a newspaper of general circulation in Polk county, Iowa, and in  
25 such other publications as the authority shall determine. Such  
26 notice shall state the general character of the operation proposed,  
27 where plans and specifications may be examined, and the time and  
28 place of receiving bids. Bids shall contain the full name of  
29 every person or company interested in it, and shall be in such  
30 form as the authority shall require. The authority may reject  
31 any and all bids. All contracts shall be preserved in the office  
32 of the authority. Such tolls shall be so fixed and adjusted in  
33 respect to the aggregate of tolls on each toll road project  
34 including any extension or section thereof in connection with  
35 which the bonds of any issue shall have been issued as to provide  
36 a fund sufficient with other revenue from such project or extensions

37 or sections thereof, if any, to pay (a) the cost of maintaining,  
38 repairing and operating such toll road project or extension or  
39 sections thereof, and (b) the principal of and the interest on  
40 such bonds as the same shall become due and payable, and to  
41 create reserves for such purposes. Such tolls shall not be  
42 subject to supervision or regulation by any other commission,  
43 board or agency of the state. The tolls and all other revenues  
44 derived from each toll road project or extension or sections  
45 thereof in connection with which the bonds of any issue shall  
46 have been issued, except such part thereof as may be necessary  
47 to pay such cost of maintenance, repair and operation and to  
48 provide such reserves therefor as may be provided for in the  
49 resolution authorizing the issuance of such bonds shall be set  
50 aside at such regular intervals as may be provided in such  
51 resolution in a sinking fund maintained by the treasurer of the  
52 State of Iowa which is hereby pledged to, and charged with, the  
53 payment of the principal of and the interest on such bonds as the  
54 same shall become due, and the redemption price or the purchase  
55 price of bonds retired by call or purchase as therein provided.  
56 Such pledge shall be valid and binding from the time when the  
57 pledge is made. The tolls or other revenues or other moneys  
58 so pledged and thereafter received by the authority shall  
59 immediately be subject to the lien of such pledge without any  
60 physical delivery thereof or further act, and the lien of any  
61 such pledge shall be valid and binding as against all parties  
62 having claims of any kind in contract, or otherwise against the

63 authority, irrespective of whether such parties have notice  
64 thereof and without regard to the dates on which said claims  
65 accrued. The resolution need not be filed or recorded except  
66 in the records of the authority. The use and disposition of  
67 moneys to the credit of such sinking fund shall be subject to  
68 the provisions of the resolution authorizing the issuance of  
69 such bonds. Except as may otherwise be provided in such  
70 resolution such sinking fund shall be a fund for all such bonds  
71 without distinction or priority of one over another.

1     Sec. 29. All moneys received pursuant to the authority  
2 of this act, whether as proceeds from the sale of bonds or as  
3 revenues, shall be deemed to be trust funds, to be held and  
4 applied solely as provided in this act. The resolution authorizing  
5 the issuance of bonds of any issue shall provide that the treasurer  
6 of the state of Iowa shall act as custodian of such moneys and  
7 shall hold and apply the same for the purposes hereof, subject  
8 to such regulations as this act and such resolution may provide.  
9 Said resolution may provide for the investment of such moneys,  
10 or any part thereof not needed for current use.

1     Sec. 30. Any holder of bonds issued under the provisions  
2 of this act or any of the coupons appertaining thereto, may be  
3 mandamus or other proceedings, protect and enforce any and all  
4 rights under the laws of the state or granted hereunder or the  
5 resolution authorizing the issuance of such bonds, and may enforce  
6 and compel the performance of all duties required by this act or  
7 resolution to be performed by the authority or by any officer

8 thereof, including the fixing, charging and collection of tolls.

1     Sec 31. The exercise of the powers granted by this act  
2 will be in all respects for the benefit of the people of the state.  
3 for the increase of their commerce and prosperity, and for the  
4 improvement of their health and living conditions, and as the  
5 operation and maintenance of toll road projects by the authority  
6 will constitute the performance of essential governmental functions,  
7 the authority shall not be required to pay any taxes or assessments  
8 upon any toll road project or any property acquired or used by  
9 the authority under the provisions of this act or upon the income  
10 therefrom, and the bonds issued under the provisions of this act,  
11 and the interest therefrom, shall at all times be free from  
12 taxation within the state.

1     Sec. 32. Bonds issued by the authority under the provisions  
2 of this act are hereby made securities in which the state and all  
3 political subdivisions of the state, all banks, savings banks,  
4 trust companies, insurance companies, assurance, casualty,  
5 fidelity and guaranty companies, savings and loan associations,  
6 all administrators, executors, guardians, trustees, and all other  
7 fiduciaries, and all others who now are or may hereafter be  
8 authorized to invest in bonds or other obligations of the state,  
9 may properly and legally invest funds, including capital belonging  
10 to them or within their control.

1     Sec. 33. The authority shall have power to adopt such  
2 reasonable rules and regulations as it may deem advisable for  
3 the control and regulation of traffic on any toll road project,

4 for the protection and preservation of property under its  
5 jurisdiction and control and for the maintenance and preservation  
6 of good order within the property under its control. Such rules  
7 and regulations shall be approved and published as required by  
8 law and also published in a newspaper of general circulation in  
9 Polk County, Iowa. Provided, however, that such rules and  
10 regulations shall provide that public police officers shall be  
11 afforded ready access, while in the performance of their official  
12 duty, to all property under the jurisdiction of the authority  
13 without the payment of tolls. Whoever violates any such rules  
14 or regulations shall be deemed guilty of a misdemeanor and upon  
15 conviction shall be fined in any sum not exceeding fifty dollars  
16 for the first offense and not exceeding five hundred dollars for  
17 a second or further offense.

1 Sec. 34. 1. Each toll road project when constructed and  
2 opened to traffic shall be maintained and kept in good condition  
3 and repair by the authority, and the authority shall have power  
4 to purchase or otherwise acquire all necessary tools, machinery,  
5 supplies, and materials, and to employ all necessary labor therefor,  
6 or the authority may provide for the proper repair and maintenance  
7 of such project by contract. Each such project shall be policed  
8 and operated by such force of police, toll-takers and other  
9 operating employees as the authority may in its discretion employ.  
10 2. All public or private property damaged or destroyed  
11 in carrying out the powers granted by this act shall be restored  
12 or repaired and placed in its original condition as nearly as

13 practicable or adequate compensation made therefor out of funds  
14 provided under the authority of this act.

1 Sec. 35. All counties, cities, towns, townships and other  
2 political subdivisions and all public agencies and commissions  
3 of the state, notwithstanding any contrary provision of law, are  
4 hereby authorized and empowered to lease, lend, grant or convey  
5 to the authority at its request upon such terms and conditions  
6 as the proper authorities of such counties, cities, towns, townships,  
7 or other political subdivisions or public agencies and commissions  
8 of the state may deem reasonable and fair and without the necessity  
9 for an advertisement, order of court or other action or formality,  
10 other than the regular and formal action of the authorities  
11 concerned, any real property which may be necessary or convenient  
12 to the effectuation of the authorized purposes of the authority,  
13 including public roads and other real property already devoted  
14 to public use.

1 Sec. 36. On or before the 1st day of February, in each  
2 year, the authority shall make an annual report of its activities  
3 for the preceding calendar year to the governor and the General  
4 Assembly. Each such report shall set forth a complete operating  
5 and financial statement covering its operations during the year.  
6 The authority shall cause an audit of its books and accounts  
7 to be made at least once each year by certified public accountants  
8 and the cost thereof may be treated as a part of the cost of  
9 construction or of operations of the project.

1 Sec. 37. Any member, agent or employee of the authority

2 who is interested, either directly or indirectly, in any contract  
3 of another with the authority, or in the sale of any property,  
4 either real or personal, to the authority shall be guilty of a  
5 misdemeanor and punished by a fine of not more than one thousand  
6 dollars, or by imprisonment in the county jail for not more than  
7 one year, or both. The provisions of this paragraph shall not  
8 apply, however, to contracts or purchases of property, real or  
9 personal, between the authority and other departments or subdi-  
10 visions of state government.

1 Sec. 38. The authority is hereby authorized to provide by  
2 resolution for the issuance of toll road revenue refunding bonds  
3 payable solely from revenues for the purpose of refunding any  
4 bonds then outstanding which shall have been issued under the  
5 provisions of this act, including the payment of any redemption  
6 premium thereon and any interest accrued or to accrue to the date  
7 of redemption of such bonds, and, if deemed advisable by the  
8 authority, for the additional purpose of constructing improvements,  
9 extensions or enlargements of the toll road project in connection  
10 with which the bonds to be refunded shall have been issued.  
11 The issuance of such bonds, the maturities and other details  
12 thereof, the rights of the holders thereof and the rights,  
13 duties and obligations of the authority in respect of the same,  
14 shall be governed by the provisions of this act insofar as the  
15 same may be applicable.

1 Sec. 39. When all toll road bonds issued under the provisions  
2 of this act in connection with any project or extension or sections

3 thereof and the interest thereof shall have been paid such project  
4 or extension or sections thereof, if then in good condition and  
5 repair to the satisfaction of the state highway commission, shall  
6 become part of the state highway system and shall thereafter be  
7 maintained under the control and supervision of the state highway  
8 commission.

1 Sec. 40. If the state highway commission in its discretion  
2 shall expend out of any of its funds available for the purpose  
3 any moneys which it may deem necessary or advisable for the study  
4 of any toll road project or projects, including the employment  
5 of consulting engineers and traffic engineers for the purpose of  
6 effecting such study, the commission shall keep proper records  
7 and accounts showing each amount so expended and the project on  
8 which such expenditure was made. Upon the sale of toll road  
9 revenue bonds for any project or projects, any funds so expended  
10 by the state highway commission in connection with such project  
11 or projects shall be reimbursed to the state highway commission  
12 from the proceeds of such bonds.

1 Sec. 41. This act shall be deemed to provide an additional  
2 and alternative method for the doing of the things authorized  
3 thereby, and shall be regarded as supplemental and additional to  
4 powers conferred by other laws, and shall not be regarded as in  
5 derogation of any powers now existing; provided, however, that  
6 the issuance of toll road revenue bonds or toll road revenue  
7 refunding bonds under the provisions of this act need not comply  
8 with the requirements of any other law applicable to the issuance

9 of other types of revenue or general obligation bonds.

1 Sec. 42. This act, being necessary for the welfare of the  
2 state and its inhabitants, shall be liberally construed to effect  
3 the purposes thereof. Nothing contained in this act shall be  
4 construed to lessen, curtail, or reduce the power and authority  
5 conferred upon the state highway commission by the laws of this  
6 state.

1 Sec. 43. The provisions of this act are severable, and if  
2 any of its provisions shall be held unconstitutional by any  
3 court of competent jurisdiction, the decision of such court shall  
4 not affect or impair any of the remaining provisions.

1 Sec. 44. There is hereby appropriated from the general  
2 fund of the state not otherwise appropriated, the sum of fifty  
3 thousand (\$50,000) dollars, or so much thereof as may be necessary  
4 to carry out the proposals of this Act and for compensation and  
5 expenses of said committee and the aids and employees of said  
6 committee and its members to be paid out of the general fund of  
7 the state on vouchers to be approved by the chairman or secretary  
8 of the committee and audited according to law. Any moneys expended  
9 from the appropriation made by this section shall constitute  
10 an obligation against the revenues which may accrue from the  
11 operation of any toll road project which may be constructed  
12 following the studies made by said committee and shall, before  
13 any interest or dividend payments to the bondholders in said  
14 toll road project, be returned to the general fund of the state  
15 without interest.

*adopted*  
*4/21*

1 Amend Senate File 434, section 28, by striking  
2 from lines 16, 17 and 18 the following: "provided,  
3 that a sufficient number of gas stations may be  
4 authorized to be established in each service area to  
5 permit reasonable competition by private business in the  
6 public interest" and inserting in lieu thereof the  
7 following: "provided that if gasoline service stations  
8 or locations thereof are authorized on any turnpike  
9 then a sufficient number of such stations or locations  
10 shall be established to permit reasonable competition  
11 by private business in the public interest. Any person  
12 having acquired the right to use a gasoline service  
13 station or location therefor upon any turnpike may equip  
14 and operate the same or provide for the operation thereof  
15 by a third person but no person shall have the use of nor  
16 shall the automotive fuel products of any refiner, supplier  
17 or distributor be dispensed through (a) more than 20% of the  
18 service stations along any turnpike nor (b) more than  
19 one service station in the same service area."

Filed  
April 20, 1953. By WATSON of O'Brien and NOLAN.

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*adopted*  
*4/21*

1 Amend Senate File 434, section 1, line 3, by striking the  
2 figure "3" and inserting in lieu thereof the figure "8".

Filed and adopted  
April 21, 1953. By NOLAN.

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