

January 25, 1955.
Passed on File.

Senate File 96
By COMMITTEE ON TOLL ROADS.
(AS PASSED BY THE SENATE)

Passed Senate, Date.....
Vote: Ayes..... Nays.....
Passed House, Date.....
Vote: Ayes..... Nays.....
Approved

A BILL FOR

An Act providing 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 eminent domain; providing for changes and reconstruction in the lines and location of highways, railroads and public facilities, the procedure and payment for cost or damage; 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 maintenance, repair and operation of such projects; exempting from taxes and assessments such toll road projects and such bonds and the interest thereon, 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; authorizing municipalities and state agencies to convey property to the Authority; providing for the operation and supervision of the projects after the retirement of such bonds, and for making an appropriation for preliminary expenses.

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

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

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

4 1. "Authority", the Iowa Toll Road Authority created by
5 section 3 of this Act, or if said Authority shall be abolished,
6 the board, body or commission succeeding to the principal function
7 thereof or to whom the powers given by this Act to the Authority
8 shall be given by law.

9 2. "Project", or "Toll Road Project", any express highway,
10 superhighway, or motorway constructed under the provisions of
11 this Act, at such location as may be approved by the governor of
12 Iowa, including all bridges, tunnels, overpasses, underpasses,
13 interchanges, entrance plazas, approaches, approach roads, toll
14 houses, service stations, restaurants, and administration, storage
15 and other buildings and facilities which the Authority may deem
16 necessary for the operation of the project, and such tollfree
17 access or connecting roads or bridges, if any, as the Authority
18 may determine are necessary to accommodate the flow of traffic
19 to and from the project, together with all property, rights,
20 easements, and interests which may be acquired by the Authority
21 for the construction or the operation of the project. Each
22 project or toll road project may be separately designated by
23 name or number and may be constructed, improved, or extended in
24 such sections and stages as the Authority may from time to time
25 determine.

26 3. "Cost", as applied to a toll road project, the cost of
27 construction, including bridges over or under existing public roads

28 and railroads, all or a part of the cost of any bridge over a
29 stream forming a boundary between the state of Iowa and another
30 state, the cost of acquisition of all lands, rights-of-way
31 property, rights, easements, and interests acquired by the
32 Authority for such construction, the cost of demolishing or removing
33 any buildings or structures on land so acquired, including the
34 cost of acquiring any lands to which such buildings or structures
35 may be moved, the cost of diverting highways, interchange of
36 highways, the cost of all machinery and equipment, financing charges,
37 interest prior to and during construction and for one year after
38 opening the entire project for traffic, cost of traffic estimates
39 and of engineering and legal expenses, plans, specifications,
40 surveys, estimates of cost and revenues, other expenses necessary
41 or incident to determining the feasibility or practicability of
42 constructing any such project, administrative expense, and such
43 other expense as may be necessary or incident to the construction
44 of the project, the financing of such construction, and the placing
45 of the project in operation. If the Iowa state highway commission
46 shall incur any expense for surveys, borings, preparation of plans
47 and specifications, and other engineering services in connection
48 with the construction of a project, such expense shall be regarded
49 as a part of the cost of such project and shall be reimbursed to
50 the Iowa state highway commission out of the proceeds of toll
51 revenue bonds issued for such project.

52 4. "Owner", all individuals, co-partnerships, associations
53 or corporations, and also municipalities, political subdivisions

54 and all public agencies and instrumentalities, having any title
55 or interest in any property, rights, easements, or interest
56 authorized to be acquired by this Act.

57 5. "Revenues", all tolls, rentals, and other income derived
58 by the Authority from the operation or ownership of a toll road
59 project.

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

63 7. "Bonds", or "toll road revenue bonds", revenue bonds of
64 the Authority authorized under the provisions of this Act.

1 Sec. 2. In order to facilitate vehicular traffic throughout
2 the state, reduce the present handicaps and hazards on the con-
3 gested highways in the state, promote the agricultural and
4 industrial development of the state, and provide for the general
5 welfare by the construction of modern express highways embodying,
6 where deemed feasible and necessary by the Authority, such safety
7 devices as center division, ample shoulder widths, long sight
8 distances, multiple lanes in each direction, and grade separations
9 at intersections with other highways and railroads, the Iowa toll
10 road authority is hereby authorized and empowered to construct,
11 maintain, repair, improve, extend, and operate toll road projects
12 at such locations as herein provided, and to issue toll road revenue
13 bonds of the Authority, payable solely from tolls and other revenues
14 and funds of the Authority, to pay the cost of such projects as
15 hereinafter provided.

1 Sec. 3. There is hereby created an Authority to be known as
2 the "Iowa toll road authority", and by that name the Authority may
3 sue and be sued. It shall be a body both corporate and politic
4 in the state of Iowa and is hereby constituted an agency and
5 instrumentality of the state. The exercise by the Authority of
6 the powers conferred by this Act in the construction, operation
7 and maintenance of toll road projects shall be deemed and held to
8 be the performance of essential governmental functions of the state.

1 Sec. 4. The Iowa toll road authority shall consist of five
2 members, the governor of Iowa as an ex-officio member, a member
3 of the Iowa highway commission as an ex-officio member, and three
4 members who shall be appointed by the governor with the approval
5 of two-thirds of the members of the senate in executive session
6 at a general or special session of the legislature; provided,
7 however, that if such appointments are not made prior to the
8 adjournment of the general assembly, the lack of approval by
9 the Senate shall not impair the validity of the establishment
10 of the Authority and the individuals named by the governor shall
11 constitute the Authority until the next succeeding general or
12 special session of the legislature. Not more than two of the
13 appointive members shall be of the same political party. The
14 Iowa state highway commission shall designate one of its members,
15 to serve as an ex-officio member of said Authority. Each of said
16 appointed members shall be a taxpayer and resident of the state
17 for at least five years prior to said appointment. The members
18 of the Authority first appointed by the governor shall continue

19 in office for terms expiring on June 30, 1957, June 30, 1959
20 and June 30, 1961 respectively; the term of each such appointed
21 member to be designated by the governor. Upon the expiration of
22 each of the foregoing terms of said members, a successor shall be
23 appointed for a term of six years from and after said expiration
24 date or until his successor is appointed and qualified and said
25 term of six years calculated as aforesaid, shall thereafter be
26 the length of term of each member of the Authority unless removed
27 as by law provided. Any member, unless removed from office, shall
28 serve until his successor is appointed and qualified. Any member
29 appointed to fill a vacancy shall be appointed to serve only for
30 the unexpired term. A member of the Authority shall be eligible
31 for reappointment. Each appointed member of the Authority before
32 entering upon his duties, shall take an oath as provided by law
33 for other public officers.

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

10 2. The secretary-treasurer shall keep full and true
11 records of the proceedings of the Authority and shall be the

12 custodian of all books, maps, documents, and papers filed with
13 the Authority and of the minute book or journal of the Authority
14 and of its seal. The record of the proceedings of the Authority
15 shall show all final actions of the Authority and shall be open
16 to the inspection of the public at all reasonable times. Under
17 the 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-treasurer
22 during the latter's absence and during such time the person so
23 designated shall possess the powers of the secretary-treasurer.

1 Sec. 6. 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 one hundred thousand dollars (\$100,000.00), and the secretary-
5 treasurer and the clerk designated to perform his duties shall give
6 surety bonds to the state in like amount, each such surety bond
7 to be conditioned upon the faithful performance of the duties of
8 the office, to be executed by a surety company authorized to
9 transact business in this state as surety and to be approved by
10 the secretary of state and filed in his office.

1 Sec. 7. Each member of the Authority appointed by the governor
2 shall receive as compensation for his services twenty dollars
3 (\$20.00) per diem and each member and officer
4 shall be reimbursed for his actual expenses necessarily

5 incurred in the performance of his duties including
6 the cost of the surety bond filed under section 6. All
7 obligations and expense incurred in carrying out the provisions
8 of this Act shall be payable solely from the funds provided under
9 the authority of this Act and no liability or obligation shall be
10 incurred by the Authority hereunder beyond the extent to which
11 moneys shall have been provided under the authority of this Act.

1 Sec. 8. 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 and branch offices;
- 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 determine the location, subject to the approval of
14 the governor of Iowa, of each toll road project; to determine,
15 in its discretion and without reference to any other provisions
16 of this Act or any other law, the design standards and materials
17 of construction, to construct, maintain, repair, police and operate
18 each such toll road project, and to establish rules and regulations
19 for its use;

20 6. To issue toll road revenue bonds of the Authority,
21 payable solely from revenues or other funds pledged for their
22 payment as herein provided and to refund its bonds, all as provided
23 in this Act;

24 7. To fix and revise from time to time and charge and
25 collect tolls for transit over each toll road project constructed
26 by it;

27 8. To acquire, hold and dispose of real and personal property
28 and execute conveyance thereof in the exercise of its powers and
29 the performance of its duties under this Act. The power of
30 disposition shall include although it is not limited to excess
31 property acquired under subsection 4 of section 17 of this Act
32 and such power may be exercised by the Authority through its
33 designated agents whether title has vested in the state or in the
34 Authority;

35 9. To acquire in the name of the state by purchase or
36 otherwise, on such terms and conditions and in such manner as it
37 may deem proper, or by the exercise of the power of eminent domain
38 as hereinafter provided, such public or private lands, or parts
39 thereof, or rights therein, property rights, rights-of-way,
40 franchises, easements, and interests, as it may deem necessary
41 for carrying out the provisions of this Act;

42 10. To designate the locations, and establish, limit and
43 control such points of ingress to and egress from each toll road
44 project as may be necessary or desirable in the judgment of the
45 Authority to insure the proper operation and maintenance of such

46 project, and to prohibit entrance to such projects from any point
47 not so designated;

48 11. To make and enter into all contracts and agreements
49 necessary or incidental to the performance of its duties and the
50 execution of its powers under this Act;

51 12. To employ consulting engineers, superintendents, managers
52 and such other engineers, construction and accounting experts,
53 lawyers, and other employees and agents as may be necessary in its
54 judgment, and to fix their compensation, provided that all such
55 expenses shall be payable solely from the proceeds of toll road
56 revenue bonds issued under the provisions of this Act or from
57 revenues;

58 13. To receive and accept from any federal agency, grants
59 for or in aid of the construction of any toll road project, and
60 to receive and accept aid or contributions from any source of
61 either money, property, labor, or other things of value, to be
62 held, used and applied only for the purposes for which such
63 grants and contributions may be made;

64 14. To adopt such rules and regulations and to do any and
65 all things necessary to comply with the rules, regulations or
66 requirements of the United States bureau of public roads or any
67 other federal agency administering any law enacted by the congress
68 of the United States to aid or encourage the construction of
69 highways;

70 15. To do all acts and things necessary or proper to carry
71 out the powers expressly granted in this Act. The recitation of

72 specific powers hereinabove shall not be construed to limit the
73 generality of the powers elsewhere conferred by the provisions of
74 this Act.

1 Sec. 9. 1. When the cost under any construction contract
2 or agreement involves an expenditure of more than twenty-five
3 thousand dollars (\$25,000.00), the Authority shall make a written
4 contract with the lowest and best bidder after the publication for
5 not less than two consecutive weeks of an advertisement in the
6 "Weekly Letting Report", a publication of the Iowa state highway
7 commission, and in a newspaper published in the county or counties
8 where the work is to be done and in such other publications as
9 the Authority may determine; provided however, that if after ad-
10 vertising for bids as aforesaid, no bid satisfactory to the Authority
11 shall be received, it may reject all bids and the Authority may
12 itself perform the work without further advertisement. If the
13 unit of construction advertised shall be for the construction
14 of a portion of a toll road of a length longer than five miles,
15 such advertisement shall provide for separate bids on sections
16 of said road not to exceed five miles in length, as well as for
17 bids on sections of a greater length or on that portion of the
18 toll road advertised as a whole. The Authority may also let contracts
19 for component parts of the construction such as bridge, culvert,
20 grading and paving separately on the same basis. The contract
21 shall be let so as to provide for the most economical construction
22 of the project. All notices of the letting of contracts under
23 the provisions hereof shall state the time and place when and

24 where bids will be received and opened; and all bids shall be
25 sealed and opened only at the time and place mentioned in such notice
26 and in the presence of some member of the Authority or some person
27 named by the Authority for such purpose;

28 2. The second paragraph of section 309.39, Code of Iowa,
29 1954, with reference to the qualifications of bidders for con-
30 struction contracts, shall be complied with. Each bid shall
31 contain the full name of every person or company interested in it
32 and shall be accompanied by a sufficient bond or certified check
33 on a solvent Iowa bank that if the bid is accepted, a contract
34 will be entered into and the performance of the proposal secured.
35 The Authority may reject any or all bids;

36 3. A bond with good and sufficient surety executed by a
37 surety company authorized to do business in the state of Iowa,
38 shall be required of all contractors in an amount equal to at
39 least fifty per cent of the contract price conditioned upon the
40 faithful performance of the contract.

1 Sec. 10. 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, state
5 highways, railroads, and public utility facilities, provided
6 however, that in such matters the Authority shall advise and
7 consult with the Iowa state highway commission so as to accommodate
8 the same to the design of such grade separation, and in case of
9 railroads and public utility facilities, only after reasonable

10 notice to such railroad or utility, of the proposed change or
11 adjustment, and after fair consideration of any plans, methods or
12 suggestions therefor, to be promptly submitted by the railroad or
13 utility to the Authority. The cost of such grade separation and
14 any damage incurred in changing and adjusting the lines and grades
15 of such roads, highways, railroads, and public utility facilities,
16 shall be ascertained and paid by the Authority as a part of the
17 cost of such toll road project.

1 Sec. 11. If the Authority shall find it necessary to change
2 the location of any portion of any public road, highway, railroad
3 or public utility facilities, it shall cause the same to be
4 reconstructed of substantially the same type and in as good
5 condition as the original road, highway, railroad or public utility
6 facility and at such location as the Authority may deem best,
7 provided such new location shall be reasonable, and in any case
8 only after reasonable notice of the proposed change or adjustment,
9 and after fair consideration of any plans, methods or suggestions
10 therefor to be promptly submitted to the Authority. The cost of
11 such reconstruction, relocation or removal and any damage incurred
12 in changing the location of any such road, highway, railroad, or
13 public utility facility, shall be ascertained and paid by the
14 Authority as a part of the cost of such toll road project.

1 Sec. 12. Any public road or highway affected by the construction
2 of any toll road project, may be vacated, relocated, or re-established
3 in the manner now provided by law for the vacation, relocation, or
4 re-establishment of public roads or highways, and any damages

5 awarded on account thereof shall be paid by the Authority as a part
6 of the cost of such project.

1 Sec. 13. 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 sur-
4 veys, 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 pur-
7 poses be deemed an entry under any condemnation proceedings which
8 may be then pending. The Authority shall make reimbursement for
9 any actual damages resulting to such lands, waters and premises
10 as a result of such activities.

1 Sec. 14. 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
6 facilities") of any public utility or pipe line company in, on,
7 along, over or under any toll road project. Whenever the
8 Authority shall determine that it is necessary that any such public
9 utility facilities which now are, or hereafter may be, located in,
10 on, along, over or under any toll road project should be
11 relocated in such project, or should be removed from such project,
12 the owner or operator of such facilities shall be given a reason-
13 able notice in writing of the proposed relocation or removal and
14 an opportunity to appear and be heard before the Authority as to

15 the manner, method and place of the relocation or removal, and
16 after such written notice and opportunity to be heard, the
17 Authority may then order the relocation or removal of the public
18 utility facilities; provided however, that the cost and expense
19 of such relocation or removal, including the cost of installing
20 such facilities in a new location or new locations, and the cost
21 of any lands, or any rights or interests in lands, and any other
22 rights acquired to accomplish such relocation or removal, shall
23 be ascertained and paid by the Authority as a part of the cost
24 of such project. In case of any such relocation or removal of
25 facilities, the owner or operator of the same, its, his or
26 their successors or assigns, may maintain and operate such
27 facilities, with the necessary appurtenances, in the new location
28 or new locations, for as long a period, and upon the same terms and
29 conditions, as they had the right to maintain and operate such
30 facilities in their former location or locations.

1 Sec. 15. The state of Iowa hereby consents to the use of all
2 lands owned by it, including lands lying under water, which are
3 deemed by the Authority to be necessary for the construction or
4 operation of any toll road project. Whenever any such land shall
5 have been appropriated to the use of any other state agency, com-
6 pensation shall be paid therefor by the Authority and the damages
7 shall be assessed in the same manner as though the Authority were
8 exercising its power of eminent domain as hereinafter provided in
9 section 17, but neither the Authority or the state agency concerned
10 shall have a right of appeal from the award of damages assessed by

11 the condemnation commission.

1 Sec. 16. The Authority is hereby authorized and empowered to
2 acquire by purchase, whenever it shall deem such purchase expedient,
3 any lands, including the fee simple title thereto, property rights,
4 rights-of-way, franchises, easements, and other interests in land
5 as it may deem necessary or convenient for the construction or
6 operation of any toll road project upon such terms and at such
7 price as may be considered by it to be reasonable and can be agreed
8 upon between the Authority and the owner thereof, and to take title
9 thereto in the name of the state.

1 Sec. 17. 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 prescribed for the Iowa state highway commission, any land
4 necessary to carry out the duties imposed upon it by this Act,
5 including the fee simple title thereto, property, rights, rights-
6 of-way, franchises, easements, or any other interests in land
7 deemed necessary or proper for the construction or the efficient
8 operation of any toll road project or projects, and also that it
9 deems necessary for the restoration of private or public property
10 destroyed or damaged in the construction of any such project.
11 Title to any property so acquired shall be taken in the name of
12 the state of Iowa and the commission shall be selected by the chief
13 justice of the supreme court under section 472.6, Code of Iowa 1954,
14 in the same manner as though the damages were payable out of the
15 state treasury. The provisions of section 472.26, Code of Iowa
16 1954, shall not be applicable and the Authority may take possession

17 of any land condemned immediately upon complying with section
18 Code of Iowa 1954. Attorneys fees shall be taxable against
19 the Authority as applicant under the provisions of section 472.33,
20 Code of Iowa 1954. The proceedings shall be conducted by an
21 attorney at law selected and employed by the Authority.

22 2. Nothing herein shall authorize the Authority to take or
23 disturb property or facilities belonging to any public utility or
24 to a common carrier, which property or facilities are required
25 for the proper and convenient operation of such public utility or
26 common carrier, unless provision is made for the restoration,
27 relocation or duplication of such property or facilities elsewhere
28 at the sole cost of the Authority, and then only after reasonable
29 written notice to such utility or common carrier of the Authority's
30 proposal to take or disturb its property or facilities and granting
31 an opportunity for the public utility or common carrier to be heard
32 and to offer suggestions as to plans and methods for accomplishing
33 the work contemplated by the Authority.

34 3. With respect to right-of-way above or below any railroad
35 property, or right-of-way upon which railroad tracks are located,
36 any powers of condemnation may be exercised to acquire only an
37 easement interest therein which shall be located either
38 sufficiently far above or sufficiently far below the grade of any
39 railroad track or tracks upon such railroad property, so that
40 neither the proposed project nor any part thereof, including any
41 bridge, abutments, columns, supporting structures and appurtenances,

42 nor any traffic upon it, shall interfere in any manner with the
43 use, operation or maintenance of the trains, tracks, works or
44 appurtenances or other property of the railroad nor endanger the
45 movement of the trains or traffic upon the tracks of the railroad.
46 Prior to the institution of condemnation proceedings for such
47 easement over or under such railroad property or right-of-way,
48 plans and specifications of the proposed project showing compliance
49 with the above mentioned above or below grade requirements and
50 showing sufficient and safe plans and specifications of such
51 overhead or undergrade structure and appurtenances, shall be sub-
52 mitted to the railroad for examination. If the railroad fails
53 or refuses within thirty days to approve the plans and specifi-
54 cations, the matter shall be submitted to the state commerce
55 commission whose decision, in accordance with its usual procedure,
56 shall be final as to the findings of fact on the sufficiency and
57 safety of such plans and specifications.

58 4. In connection with the taking of property or property
59 rights either by purchase or condemnation, the Authority may in
60 its discretion, acquire an entire lot, block or tract of land, if,
61 by so doing, the interests of the public will be best served,
62 even though said entire lot, block or tract is not immediately
63 needed for the right-of-way proper.

1 Sec. 18. The Authority is hereby authorized to provide by
2 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 such
8 rate or rates not exceeding four per cent (4%) per annum, shall
9 mature at such time or times not exceeding forty (40) years from
10 their date or dates, as may be determined by the Authority, and
11 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 and the
15 manner of execution of the bonds, including any interest coupons
16 to be attached thereto, and shall fix the denomination or
17 denominations of the bonds and the place or places of payment of
18 principal and interest, which may be at any bank or trust company
19 within or without the state. In case any officer whose signature,
20 or a facsimile of whose signature shall appear on any bonds or
21 coupons, shall cease to be such officer before the delivery of
22 such bonds, such signature or such facsimile shall nevertheless,
23 be valid and sufficient for all purposes, the same as if he had
24 remained in office until such delivery. The bonds may be issued
25 in coupon or in registered form, or both, as the Authority may
26 determine, and provision may be made for the registration of any
27 coupon bonds as to principal alone and also as to both principal
28 and interest, and for the interchange of registered and coupon
29 bonds. The Authority may sell such bonds in such manner either at
30 public or private sales and for such price as it may determine to

31 be for the best interest of the state, but no such sale shall be
32 made at a price so low as to require the payment of interest on
33 the money received therefor at more than four per cent (4%) per
34 annum, computed with relation to the absolute maturity of the
35 bonds in accordance with standard tables of bond values, excluding,
36 however, from such computation, the amount of any premium to be
37 paid on redemption to any bonds prior to maturity.

1 Sec. 19. Except as hereinafter provided in this section,
2 the proceeds of the bonds of each issue shall be used solely for
3 the payment of the cost of the toll road project or projects for
4 which such bonds shall have been issued, and disbursed in such
5 manner and under such restrictions, if any, as the Authority may
6 provide in the resolution authorizing the issuance of such bonds
7 or in the trust agreement hereinafter mentioned securing the same.
8 If the proceeds of the bonds of any issue, by error of estimates
9 or otherwise, shall be less than such cost, additional bonds may
10 in like manner be issued to provide the amount of such deficit,
11 and, unless otherwise provided in the resolution authorizing the
12 issuance of such bonds, or in the trust agreement securing the
13 same, shall be deemed to be of the same issue and shall be
14 entitled to payment from the same fund without preference or
15 priority of the bonds first issued. If the proceeds of the
16 bonds of any issue shall exceed the cost of the toll road project,
17 or projects for which the same shall have been issued, the surplus
18 shall be deposited to the credit of the sinking fund for such
19 bonds or may be applied to the payment of the cost of any other

20 toll road project.

1 Sec. 20. Bonds may be issued under the provision 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
6 specifically required by this Act. Prior to the preparation of
7 definitive bonds, the Authority may, under like restrictions,
8 issue interim receipts or temporary bonds, with or without
9 coupons, exchangeable for definitive bonds when such bonds shall
10 have been executed and are available for delivery. The Authority
11 may also provide for the replacement of any bonds which shall
12 become mutilated or shall be destroyed or lost.

1 Sec. 21. In the discretion of the Authority, any bonds
2 issued under the provisions of this Act may be secured by a trust
3 agreement by and between the Authority and a corporate trustee,
4 which may be any trust company or bank within or without the
5 state, having the powers of a trust company. Such trust agree-
6 ment or the resolution providing for the issuance of such bonds,
7 shall pledge or assign the tolls and other revenues to be
8 received, but shall not convey or mortgage any toll road project
9 or any part thereof. Such trust agreement or resolution providing
10 for the issuance of such bonds, may contain such provisions for
11 protecting and enforcing the rights and remedies of the bond-
12 holders as may be reasonable and proper and not in violation of
13 law, including covenants setting forth the duties of the

14 Authority in relation to the acquisition of property and the
15 construction, improvement, maintenance, repair, operation and
16 insurance of the toll road project or projects or the portion
17 thereof in connection with which such bonds shall have been
18 authorized, in relation to the rates, establishment and subse-
19 quent revision of toll to be charged, the custody, safeguarding
20 and application of all moneys, and conditions or limitations
21 with respect to the issuance of additional bonds. It shall be
22 lawful for any bank or trust company incorporated under the laws
23 of the state which may act as depository of the proceeds of bonds
24 or of revenues, to furnish such indemnifying bonds or to pledge
25 such securities as may be required by the Authority. Any such
26 trust agreement may set forth the rights and remedies of the
27 bondholders and of the trustee and may restrict the individual
28 right of action by bondholders. In addition to the foregoing,
29 any such trust agreement or resolution may contain such other
30 provisions as the Authority may deem reasonable and proper for
31 the security of the bondholders. All expenses incurred in carry-
32 ing out the provisions of such trust agreement or resolution,
33 may be treated as a part of the cost of the operation or construc-
34 tion of the toll road project or projects.

1 Sec. 22. Toll road revenue bonds issued under the provisions
2 of this Act shall not be deemed to constitute a liability or
3 debt of the state or of any political subdivision thereof or
4 a pledge of the faith and credit of the state or of any such
5 political subdivision, but such bonds shall be payable solely

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

1 Sec. 23. The Authority is hereby authorized to combine any
2 two or more toll road projects for financing purposes and to fix,
3 revise, charge, and collect tolls for the use of each toll road
4 project financed under the provisions of this Act and the
5 different parts or section thereof, and to contract in the
6 manner herein provided, with any person, partnership, association,
7 or corporation desiring the use of any part thereof, including
8 the right-of-way adjoining the paved portion, for placing thereon
9 telephone, telegraph, electric light or power lines, service
10 stations, garages, and restaurants, and to fix the term, condi-
11 tions, rents and rates of charge for such use, provided that no
12 toll, charge or rental shall be made by the Authority for placing
13 in, on, along, over or under such toll road project, such telephone
14 telegraph, electric light or power lines, equipment or facilities
15 as may be necessary to serve establishments located on the toll
16 road project, or as may be necessary to inter-connect any public

17 utility facilities, and provided that if service stations, restaurants or
18 other facilities or locations thereof are authorized on any toll road,
19 sufficient number of such stations or locations shall be then a
20 established to permit reasonable competition by private business
21 in the public interest. Any person having acquired the right
22 to use a service station or location therefor upon any toll
23 road, may equip and operate the same or provide for the operation
24 thereof by a third person, but no person shall have the use of
25 nor shall the automotive fuel products of any refiner, supplier
26 or distributor be dispensed through (a) more than twenty (20)
27 per cent of the service stations along any toll road, nor (b)
28 more than one service station in the same service area. Contracts
29 for the operation of service stations, garages, restaurants,
30 parking facilities, or other purposes, to any one concessionaire shall
31 not exceed twenty (20) percent of such number of similar establish-
32 along any toll road, and shall be made in writing ments
33 with the bidder whose bid in consideration of the public interest
34 is determined by the Authority to be the best bid received, after
35 advertising for three consecutive weeks in two newspapers in
36 the state, and in such other publications as the Authority
37 shall determine. Such notice shall state the general character
38 of the operation proposed, where plans and specifications may
39 be examined, and the time and place of receiving bids. Bids
40 shall contain the full name of every person or company interested
41 in it, and shall be in such form as the Authority shall require.
42 The Authority may reject any and all bids. All contracts shall

43 be preserved in the office of the Authority. Such tolls shall
44 be so fixed and adjusted in respect to the aggregate of tolls
45 on each toll road project, or the projects so combined and the
46 different parts or section thereof so as to provide funds
47 sufficient with other revenues from such project or projects,
48 if any, to pay (a) the cost of maintaining, repairing and
49 operating such toll road project or projects, and (b) the
50 principal of and the interest on the bonds issued under the
51 provisions of this Act on account of such project or projects
52 as the same shall become due and payable, and to create reserves
53 for such purposes. Such tolls shall not be subject to super-
54 vision or regulation by any other commission, board or agency of
55 the state. The tolls and all other revenues derived from each
56 toll road project or the projects so combined and the different
57 parts or section thereof, except such part thereof as may be
58 necessary to pay such cost of maintenance, repair and operation
59 and to provide such reserves therefor as may be provided for
60 in the resolution authorizing the issuance of such bonds, or in
61 the trust agreement securing the same, shall be set aside at
62 such regular intervals as may be provided in such resolution or
63 such trust agreement in a sinking fund which is hereby pledged
64 to, and charged with, the payment of the principal of and the
65 interest on such bonds as the same shall become due, and the
66 redemption price or the purchase price of bonds retired by
67 call or purchase as therein provided. Such pledge shall be
68 valid and binding from the time when the pledge is made. The

69 tolls or other revenues or other moneys so pledged and thereafter
70 received by the Authority shall immediately be subject to the
71 lien of such pledge without any physical delivery thereof or
72 further act, and the lien of any such pledge shall be valid and
73 binding as against all parties having claims of any kind in
74 contract or otherwise against the Authority, irrespective of
75 whether such parties have notice thereof and without regard to
76 the dates on which said claims accrued. Neither the resolution
77 nor any trust agreement by which a pledge is created need be
78 filed or recorded except in the records of the Authority. The
79 use and disposition of moneys to the credit of such sinking
80 fund shall be subject to the provisions of the resolution
81 authorizing the issuance of such bonds or of such trust agreement.
82 Except as may be otherwise provided in such resolution or such
83 trust agreement, such sinking fund shall be a fund for all
84 such bonds without distinction or priority of one over another.

1 Sec. 24. All moneys received pursuant to the Authority of
2 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
5 authorizing the issuance of bonds of any issue or the trust
6 agreement securing such bonds, shall provide that any officer
7 with whom or any bank or trust company with which such money
8 shall be deposited shall act as trustee of such moneys and
9 shall hold and apply the same for the purposes hereof, subject
10 to such regulations as this Act and such resolution or trust

11 agreement may provide. Said resolution or trust agreement
12 may provide for the investment of such moneys, or any part
13 thereof not needed for current use.

1 Sec. 25. Any holder of bonds issued under the provisions
2 of this Act or any of the coupons appertaining thereto, and
3 the trustee under any trust agreement, except to the extent
4 the rights herein given may be restricted by such trust agreement
5 or the resolution authorizing the issuance of such bonds,
6 may, either at law or in equity, by suit, action, mandamus
7 or other proceedings, protect and enforce any and all rights
8 under the laws of the state or granted hereunder or under
9 such trust agreement or the resolution authorizing the issuance
10 of such bonds, and may enforce and compel the performance of
11 all duties required by this Act or by such trust agreement or
12 resolution to be performed by the Authority or by any officer
13 thereof, including the fixing, charging and collection of tolls.
14 Notwithstanding any of the foregoing provisions of this Act,
15 all such bonds shall be deemed negotiable instruments under
16 the laws of this state.

1 Sec. 26. The exercise of the powers granted by this Act
2 will be in all respects for the benefit of the people of the
3 state and for the increase of their commerce and prosperity,
4 and the operation and maintenance of toll road projects by the
5 Authority and will constitute the performance of essential
6 governmental functions.

1 Sec. 27. The Authority shall not be required to pay any

2 taxes of assessments upon any toll road project or any property
3 acquired or used by the Authority under the provisions of this
4 Act or upon the income therefrom, and the bonds issued under
5 the provisions of this Act, their transfer and the income there-
6 from, including any profit made on the sale thereof, shall at
7 all times be free from taxation within the state.

1 Sec. 28. Bonds issued by the Authority under the provisions
2 of this Act are hereby made securities in which the state and
3 all political subdivisions of the state, all banks, savings
4 banks, trust companies, insurance companies, assurance, casualty,
5 fidelity and guaranty companies, savings and loan associations,
6 all administrators, executors, guardians, trustees, and all
7 other fiduciaries, and all others who now are or may hereafter
8 be authorized to invest in bonds or other obligations of the
9 state, may properly and legally invest funds, including capital
10 belonging to them or within their control. Such bonds are
11 hereby made securities which may properly and legally be
12 deposited with and received by any state or municipal officer
13 or any agency or political subdivision of the state for any
14 purpose for which the deposit of bonds or obligations is now
15 or may hereafter be authorized by law.

1 Sec. 29. The statutes of the state of Iowa relative to
2 motor vehicles and the law of the road, shall be applicable to
3 this project and public police officers shall be afforded
4 ready access while in the performance of their official duty
5 to all property under the jurisdiction of the Authority without

6 the payment of tolls.

1 Sec. 30. 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
6 therefor, or the Authority may provide for the proper repair and
7 maintenance of such project by contract. Each such project shall
8 be policed and operated by such force of police, tolltakers and
9 other operating employees as the Authority may in its discretion
10 employ.

11 2. All public or private property damaged or destroyed by
12 the construction of any toll road project under the provisions
13 of this Act, shall be restored or repaired and placed in its
14 original condition as nearly as practicable or adequate compen-
15 sation made therefor out of funds provided under the authority
16 of this Act.

1 Sec. 31. 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,
4 are hereby authorized and empowered to lease, lend, grant or
5 convey to the Authority at its request upon such terms and
6 conditions as the proper authorities of such counties, cities,
7 towns, townships, or other political subdivisions or public
8 agencies and commissions of the state may deem reasonable and
9 fair and without the necessity for an advertisement, order of

10 court or other action or formality, other than the regular and
11 formal action of the authorities concerned, any real property
12 which may be necessary or convenient to the effectuation of the
13 authorized purposes of the Authority, including public roads
14 and other real property already devoted to public use.

1 Sec. 32. On or before the first (1st) day of February in
2 each year, the Authority shall make an annual report of its
3 activities for the preceding calendar year to the governor and
4 the general assembly. Each such report shall set forth a complete
5 operating and financial statement covering its operations during
6 the year. The Authority shall cause an audit of its books
7 and accounts to be made at least once each year by certified
8 public accountants and the cost thereof may be treated as a
9 part of the cost of construction or of operation of the
10 project.

1 Sec. 33. 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 (\$1,000.00), or by imprisonment in the county jail for
7 not more than one year, or both. The provisions of this paragraph
8 shall not apply, however, to contracts or purchases of property,
9 real or personal, between the Authority and other departments
10 or subdivisions of state government.

1 Sec. 34. The Authority is hereby authorized to provide

2 by resolution for the issuance of toll road revenue refunding
3 bonds payable solely from revenues for the purpose of refunding
4 any bonds then outstanding which shall have been issued under
5 the provisions of this Act, including the payment of any
6 redemption premium thereon and any interest accrued, or to
7 accrue, to the date of redemption of such bonds, and, if deemed
8 advisable by the Authority, for the additional purpose of
9 constructing improvements, extensions or enlargements of the
10 toll road project, or projects, in connection with which the
11 bonds to be refunded shall have been issued. The Authority
12 is further authorized to provide by resolution for the issuance
13 of its toll road revenue bonds for the combined purpose of (a)
14 refunding any bonds then outstanding which shall have been
15 issued under the provisions of this Act, including the payment
16 of any redemption premium thereon and any interest accrued or
17 to accrue to the date of redemption of such bonds, and (b)
18 paying all or any part of the cost of any additional toll road
19 project or projects. The issuance of such bonds, the
20 maturities and other details thereof, the rights of the holders
21 thereof, and the rights, duties and obligations of the Authority
22 in respect to the same, shall be governed by the provisions
23 of this Act insofar as the same may be applicable.

1 Sec. 35. When all toll road bonds issued under the
2 provisions of this Act in connection with any project or
3 projects and the interest thereon, shall have been paid, such
4 project or extension or section thereof, if then in good condi-

5 tion and repair to the satisfaction of the Iowa state highway
6 commission, shall become part of the state highway system and
7 shall thereafter be maintained under the control and super-
8 vision of the Iowa state highway commission, unless otherwise
9 directed by the state legislature.

1 Sec. 36. 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
4 to powers conferred by other laws, and shall not be regarded
5 as in derogation of any powers now existing; provided however,
6 that the issuance of toll road revenue bonds, or toll road
7 revenue refunding bonds, under the provisions of this Act,
8 need not comply with the requirements of any other law
9 applicable to the issuance of other types of revenue or general
10 obligation bonds.

1 Sec. 37. This Act, being necessary for the welfare of
2 the state and its inhabitants, shall be liberally construed
3 to effect the purposes thereof.

1 Sec. 38. The provisions of this Act are severable, and
2 if any of its provisions shall be held unconstitutional by
3 any court of competent jurisdiction, the decision of such
4 court shall not affect or impair any of the remaining provisions.

1 Sec. 39. There is hereby appropriated from the general
2 fund of the state, not otherwise appropriated, the sum of
3 seventy-five thousand dollars (\$75,000.00) or so much thereof
4 as may be necessary to carry out the proposals

5 of this Act and for compensation and expenses audited according
6 to law. Upon the sale of toll revenue bonds for any project,
7 or projects, any money expended from this appropriation shall
8 be reimbursed to the general fund from the proceeds of such
9 bonds without interest.

1 Sec. 40. This Act, being deemed of immediate importance,
2 shall be in full force and effect from and after its
3 publication in Iowa City Press-Citizen, a newspaper published at Iowa
4 City, Iowa, and The Daily Reporter, a newspaper published at
5 Sioux City, Iowa.

1 Amend Senate File 96 as follows:

2 1 Section 39, by striking said section and inserting in
3 lieu thereof the following:

4 "The Iowa State Highway Commission is hereby authorized
5 to provide the sum of seventy-five thousand dollars (\$75,000.00)
6 or so much thereof as may be necessary to carry out the proposals
7 of this Act and for compensation and expenses audited according
8 to law. None of said funds may be expended for promotion.
9 Upon the sale of
10 toll revenue bonds for any project, or projects, any money
11 expended from this sum shall be reimbursed to the Iowa State
12 Highway Commission from the proceeds of such bonds without
13 interest."

14 2. Section eight (8), line forty-one (41), by inserting
15 after the semi-colon (;) the following. "provided, however,
16 that the Iowa Toll Road Authority created under this Act shall
17 not acquire property rights, rights-of-way, franchises, easements,
18 and interests in real estate by grant, purchase, gift,
19 condemnation, or otherwise, and shall not issue any toll road
20 revenue bonds until an adjoining state has created a similar
21 toll road authority, has made plans and has negotiated the sale
22 of revenue bonds to construct a toll road, which shall extend
23 to the boundary of Iowa;"

Filed
April 21, 1955.

By APPROPRIATIONS COMMITTEE.

1 Amend Senate File 96 as follows:
2 Amend section seventeen (17) subsection one (1) by
3 striking from lines fifteen (15), sixteen (16), seventeen (17)
4 and eighteen (18), the words "The provisions of section 472.26
5 Code of Iowa 1954, shall not be applicable and the Authority
6 may take possession of any land condemned immediately upon
7 complying with section 472.25, Code of Iowa 1954."

Filed and lost
April 22, 1955

MILROY of Benton.
JOHNS of Tama.

1 Amend Senate File 96, section seventeen (17), subsection one (1),
2 line twenty (20), by inserting after the word "proceedings" the
3 words "on behalf of the Authority".

Filed and adopted
April 22, 1955

MILROY of Benton.
GRAY of Mahaska.
JOHNS of Tama.

1 Amend Senate File 96 by striking the period (.) after the word
2 "state" in line 7, section 27 and adding thereto the following:
3 "provided, however, that nothing herein shall be construed
4 as exempting said bonds in the hands of the purchasers thereof from
5 any applicable taxes imposed by the state of Iowa."

Filed and adopted
April 22, 1955

PENDLETON of Buena Vista.

1 1 Amend Senate File 96 by adding the following new section
2 after section twelve (12):
3 "Sec 13 Whenever the toll road project divides a tract
4 of land, the Authority shall provide a suitable livestock and
5 machinery pass or passes to the end that said tract may continue
6 to be operated as a unit. However, if the construction of such
7 pass or passes is not practicable because of excessive construction
8 costs due to unusual conditions or because only a small portion
9 of a tract is separated from the rest of a tract by the project,
10 then and in that event the Authority may purchase all or part
11 of the tract in question."
12 2 Renumber the remaining sections.

Filed and adopted
April 22, 1955.

JOHNS of Tama.

1 Amend Senate File 96, section seven (7) by adding thereto
2 the following: "Provided, however, that any improvements built
3 hereon and leased or rented shall be subject to the same property
4 tax as other property in the same taxing district."

Filed and adopted
April 22, 1955

GOODE of Davis.

January 25, 1955.
Passed on File.

Senate File 96
By COMMITTEE ON TOLL ROADS.

Passed Senate, Date.....
Vote: Ayes..... Nays.....
Passed House, Date.....
Vote: Ayes..... Nays.....
Approved

A BILL FOR

An Act providing 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 eminent domain; providing for changes and reconstruction in the lines and location of highways, railroads and public facilities, the procedure and payment for cost or damage; 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 maintenance, repair and operation of such projects; exempting from taxes and assessments such toll road projects and such bonds and the interest thereon, 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; authorizing municipalities and state agencies to convey property to the Authority; providing for the operation and supervision of the projects after the retirement of such bonds, and for making an appropriation for preliminary expenses.

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

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

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

4 1. "Authority", the Iowa Toll Road Authority created by
5 section 3 of this Act, or if said Authority shall be abolished,
6 the board, body or commission succeeding to the principal function
7 thereof or to whom the powers given by this Act to the Authority
8 shall be given by law.

9 2. "Project", or "Toll Road Project", any express highway,
10 superhighway, or motorway constructed under the provisions of
11 this Act, at such location as may be approved by the governor of
12 Iowa, including all bridges, tunnels, overpasses, underpasses,
13 interchanges, entrance plazas, approaches, approach roads, toll
14 houses, service stations, restaurants, and administration, storage
15 and other buildings and facilities which the Authority may deem
16 necessary for the operation of the project, and such tollfree
17 access or connecting roads or bridges, if any, as the Authority
18 may determine are necessary to accommodate the flow of traffic
19 to and from the project, together with all property, rights,
20 easements, and interests which may be acquired by the Authority
21 for the construction or the operation of the project. Each
22 project or toll road project may be separately designated by
23 name or number and may be constructed, improved, or extended in
24 such sections and stages as the Authority may from time to time
25 determine.

26 3. "Cost", as applied to a toll road project, the cost of
27 construction, including bridges over or under existing public roads

28 and railroads, all or a part of the cost of any bridge over a
29 stream forming a boundary between the state of Iowa and another
30 state, the cost of acquisition of all lands, rights-of-way
31 property, rights, easements, and interests acquired by the
32 Authority for such construction, the cost of demolishing or removing
33 any buildings or structures on land so acquired, including the
34 cost of acquiring any lands to which such buildings or structures
35 may be moved, the cost of diverting highways, interchange of
36 highways, the cost of all machinery and equipment, financing charges,
37 interest prior to and during construction and for one year after
38 opening the entire project for traffic, cost of traffic estimates
39 and of engineering and legal expenses, plans, specifications,
40 surveys, estimates of cost and revenues, other expenses necessary
41 or incident to determining the feasibility or practicability of
42 constructing any such project, administrative expense, and such
43 other expense as may be necessary or incident to the construction
44 of the project, the financing of such construction, and the placing
45 of the project in operation. If the Iowa state highway commission
46 shall incur any expense for surveys, borings, preparation of plans
47 and specifications, and other engineering services in connection
48 with the construction of a project, such expense shall be regarded
49 as a part of the cost of such project and shall be reimbursed to
50 the Iowa state highway commission out of the proceeds of toll
51 revenue bonds issued for such project.

52 4. "Owner", all individuals, co-partnerships, associations
53 or corporations, and also municipalities, political subdivisions

54 and all public agencies and instrumentalities, having any title
55 or interest in any property, rights, easements, or interest
56 authorized to be acquired by this Act.

57 5. "Revenues", all tolls, rentals, and other income derived
58 by the Authority from the operation or ownership of a toll road
59 project.

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

63 7. "Bonds", or "toll road revenue bonds", revenue bonds of
64 the Authority authorized under the provisions of this Act.

1 Sec. 2. In order to facilitate vehicular traffic throughout
2 the state, reduce the present handicaps and hazards on the con-
3 gested highways in the state, promote the agricultural and
4 industrial development of the state, and provide for the general
5 welfare by the construction of modern express highways embodying,
6 where deemed feasible and necessary by the Authority, such safety
7 devices as center division, ample shoulder widths, long sight
8 distances, multiple lanes in each direction, and grade separations
9 at intersections with other highways and railroads, the Iowa toll
10 road authority is hereby authorized and empowered to construct,
11 maintain, repair, improve, extend, and operate toll road projects
12 at such locations as herein provided, and to issue toll road revenue
13 bonds of the Authority, payable solely from tolls and other revenues
14 and funds of the Authority, to pay the cost of such projects as
15 hereinafter provided.

1 Sec. 3. There is hereby created an Authority to be known as
2 the "Iowa toll road authority", and by that name the Authority may
3 sue and be sued. It shall be a body both corporate and politic
4 in the state of Iowa and is hereby constituted an agency and
5 instrumentality of the state. The exercise by the Authority of
6 the powers conferred by this Act in the construction, operation
7 and maintenance of toll road projects shall be deemed and held to
8 be the performance of essential governmental functions of the state.

1 Sec. 4. The Iowa toll road authority shall consist of five
2 members, the governor of Iowa as an ex-officio member, a member
3 of the Iowa highway commission as an ex-officio member, and three
4 members who shall be appointed by the governor with the approval
5 of two-thirds of the members of the senate in executive session
6 at a general or special session of the legislature; provided,
7 however, that if such appointments are not made prior to the
8 adjournment of the general assembly, the lack of approval by
9 the Senate shall not impair the validity of the establishment
10 of the Authority and the individuals named by the governor shall
11 constitute the Authority until the next succeeding general or
12 special session of the legislature. Not more than two of the
13 appointive members shall be of the same political party. The
14 Iowa state highway commission shall designate one of its members,
15 to serve as an ex-officio member of said Authority. Each of said
16 appointed members shall be a taxpayer and resident of the state
17 for at least five years prior to said appointment. The members
18 of the Authority first appointed by the governor shall continue

19 in office for terms expiring on June 30, 1957, June 30, 1959
20 and June 30, 1961 respectively; the term of each such appointed
21 member to be designated by the governor. Upon the expiration of
22 each of the foregoing terms of said members, a successor shall be
23 appointed for a term of six years from and after said expiration
24 date or until his successor is appointed and qualified and said
25 term of six years calculated as aforesaid. shall thereafter be
26 the length of term of each member of the Authority unless removed
27 as by law provided. Any member, unless removed from office, shall
28 serve until his successor is appointed and qualified. Any member
29 appointed to fill a vacancy shall be appointed to serve only for
30 the unexpired term. A member of the Authority shall be eligible
31 for reappointment. Each appointed member of the Authority before
32 entering upon his duties, shall take an oath as provided by law
33 for other public officers and shall devote full time to the duties
34 of his office.

1 Sec. 5. 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 each such officer shall serve at the pleasure of the Authority.
5 Any two members of the Authority shall constitute a quorum and
6 the affirmative vote of any two members shall be necessary for any
7 action taken by the Authority. No vacancy in the membership of
8 the Authority shall impair the right of a quorum to exercise all
9 the rights and perform all the duties of the Authority.
10 2. The secretary-treasurer shall keep full and true

11 records of the proceedings of the Authority and shall be the
12 custodian of all books, maps, documents, and papers filed with
13 the Authority and of the minute book or journal of the Authority
14 and of its seal. The record of the proceedings of the Authority
15 shall show all final actions of the Authority and shall be open
16 to the inspection of the public at all reasonable times. Under
17 the 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-treasurer
22 during the latter's absence and during such time the person so
23 designated shall possess the powers of the secretary-treasurer.

1 Sec. 6. 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 one hundred thousand dollars (\$100,000.00), and the secretary-
5 treasurer and the clerk designated to perform his duties shall give
6 surety bonds to the state in like amount, each such surety bond
7 to be conditioned upon the faithful performance of the duties of
8 the office, to be executed by a surety company authorized to
9 transact business in this state as surety and to be approved by
10 the secretary of state and filed in his office.

1 Sec. 7. Each member of the Authority appointed by the governor
2 shall receive as compensation for his services an annual salary of
3 nine thousand dollars (\$9,000.00). Each member and officer

4 shall be reimbursed for his actual expenses necessarily
5 incurred in the performance of his duties including
6 the cost of the surety bond filed under section 6. All
7 obligations and expense incurred in carrying out the provisions
8 of this Act shall be payable solely from the funds provided under
9 the authority of this Act and no liability or obligation shall be
10 incurred by the Authority hereunder beyond the extent to which
11 moneys shall have been provided under the authority of this Act.

1 Sec. 8. 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 and branch offices;
- 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 determine the location, subject to the approval of
14 the governor of Iowa, of each toll road project; to determine,
15 in its discretion and without reference to any other provisions
16 of this Act or any other law, the design standards and materials
17 of construction, to construct, maintain, repair, police and operate
18 each such toll road project, and to establish rules and regulations

19 for its use;

20 6. To issue toll road revenue bonds of the Authority,
21 payable solely from revenues or other funds pledged for their
22 payment as herein provided and to refund its bonds, all as provided
23 in this Act;

24 7. To fix and revise from time to time and charge and
25 collect tolls for transit over each toll road project constructed
26 by it;

27 8. To acquire, hold and dispose of real and personal property
28 and execute conveyance thereof in the exercise of its powers and
29 the performance of its duties under this Act. The power of
30 disposition shall include although it is not limited to excess
31 property acquired under subsection 4 of section 17 of this Act
32 and such power may be exercised by the Authority through its
33 designated agents whether title has vested in the state or in the
34 Authority;

35 9. To acquire in the name of the state by purchase or
36 otherwise, on such terms and conditions and in such manner as it
37 may deem proper, or by the exercise of the power of eminent domain
38 as hereinafter provided, such public or private lands, or parts
39 thereof, or rights therein, property rights, rights-of-way,
40 franchises, easements, and interests, as it may deem necessary
41 for carrying out the provisions of this Act;

42 10. To designate the locations, and establish, limit and
43 control such points of ingress to and egress from each toll road
44 project as may be necessary or desirable in the judgment of the

45 Authority to insure the proper operation and maintenance of such
46 project, and to prohibit entrance to such projects from any point
47 not so designated;

48 11. To make and enter into all contracts and agreements
49 necessary or incidental to the performance of its duties and the
50 execution of its powers under this Act;

51 12. To employ consulting engineers, superintendents, managers
52 and such other engineers, construction and accounting experts,
53 lawyers, and other employees and agents as may be necessary in its
54 judgment, and to fix their compensation, provided that all such
55 expenses shall be payable solely from the proceeds of toll road
56 revenue bonds issued under the provisions of this Act or from
57 revenues;

58 13. To receive and accept from any federal agency, grants
59 for or in aid of the construction of any toll road project, and
60 to receive and accept aid or contributions from any source of
61 either money, property, labor, or other things of value, to be
62 held, used and applied only for the purposes for which such
63 grants and contributions may be made;

64 14. To adopt such rules and regulations and to do any and
65 all things necessary to comply with the rules, regulations or
66 requirements of the United States bureau of public roads or any
67 other federal agency administering any law enacted by the congress
68 of the United States to aid or encourage the construction of
69 highways;

70 15. To do all acts and things necessary or proper to carry

71 out the powers expressly granted in this Act. The recitation of
72 specific powers hereinabove shall not be construed to limit the
73 generality of the powers elsewhere conferred by the provisions of
74 this Act.

1 Sec. 9. 1. When the cost under any construction contract
2 or agreement involves an expenditure of more than twenty-five
3 thousand dollars (\$25,000.00), the Authority shall make a written
4 contract with the lowest and best bidder after the publication for
5 not less than two consecutive weeks of an advertisement in the
6 "Weekly Letting Report", a publication of the Iowa state highway
7 commission, and in a newspaper published in the county or counties
8 where the work is to be done and in such other publications as
9 the Authority may determine; provided however, that if after ad-
10 vertising for bids as aforesaid, no bid satisfactory to the Authority
11 shall be received, it may reject all bids and the Authority may
12 itself perform the work without further advertisement. If the
13 unit of construction advertised shall be for the construction of
14 a toll road for a distance longer than five miles, such advertise-
15 ment shall provide for bids on sections of said road not to exceed
16 five miles, as well as in sections of greater length and on the
17 project as a whole. The Authority may also let contracts for
18 component parts of the construction such as bridge, culvert,
19 grading and paving separately on the same basis. The contract
20 shall be let so as to provide for the most economical construction
21 of the project. All notices of the letting of contracts under
22 the provisions hereof shall state the time and place when and

23 where bids will be received and opened; and all bids shall be
24 sealed and opened only at the time and place mentioned in such notice
25 and in the presence of some member of the Authority or some person
26 named by the Authority for such purpose;

27 2. The second paragraph of section 309.39, Code of Iowa,
28 1954, with reference to the qualifications of bidders for con-
29 struction contracts, shall be complied with. Each bid shall
30 contain the full name of every person or company interested in it
31 and shall be accompanied by a sufficient bond or certified check
32 on a solvent Iowa bank that if the bid is accepted, a contract
33 will be entered into and the performance of the proposal secured.
34 The Authority may reject any or all bids;

35 3. A bond with good and sufficient surety executed by a
36 surety company authorized to do business in the state of Iowa,
37 shall be required of all contractors in an amount equal to at
38 least fifty per cent of the contract price conditioned upon the
39 faithful performance of the contract.

1 Sec. 10. 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, state
5 highways, railroads, and public utility facilities, provided
6 however, that in such matters the Authority shall advise and
7 consult with the Iowa state highway commission so as to accommodate
8 the same to the design of such grade separation, and in case of
9 railroads and public utility facilities, only after reasonable

10 notice to such railroad or utility, of the proposed change or
11 adjustment, and after fair consideration of any plans, methods or
12 suggestions therefor, to be promptly submitted by the railroad or
13 utility to the Authority. The cost of such grade separation and
14 any damage incurred in changing and adjusting the lines and grades
15 of such roads, highways, railroads, and public utility facilities,
16 shall be ascertained and paid by the Authority as a part of the
17 cost of such toll road project.

1 Sec. 11. If the Authority shall find it necessary to change
2 the location of any portion of any public road, highway, railroad
3 or public utility facilities, it shall cause the same to be
4 reconstructed of substantially the same type and in as good
5 condition as the original road, highway, railroad or public utility
6 facility and at such location as the Authority may deem best,
7 provided such new location shall be reasonable, and in any case
8 only after reasonable notice of the proposed change or adjustment,
9 and after fair consideration of any plans, methods or suggestions
10 therefor to be promptly submitted to the Authority. The cost of
11 such reconstruction, relocation or removal and any damage incurred
12 in changing the location of any such road, highway, railroad, or
13 public utility facility, shall be ascertained and paid by the
14 Authority as a part of the cost of such toll road project.

1 Sec. 12. Any public road or highway affected by the construction
2 of any toll road project, may be vacated, relocated, or re-established
3 in the manner now provided by law for the vacation, relocation, or
4 re-establishment of public roads or highways, and any damages

5 awarded on account thereof shall be paid by the Authority as a part
6 of the cost of such project.

1 Sec. 13. 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 sur-
4 veys, 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 pur-
7 poses be deemed an entry under any condemnation proceedings which
8 may be then pending. The Authority shall make reimbursement for
9 any actual damages resulting to such lands, waters and premises
10 as a result of such activities.

1 Sec. 14. 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
6 facilities") of any public utility or pipe line company in, on,
7 along, over or under any toll road project. Whenever the
8 Authority shall determine that it is necessary that any such public
9 utility facilities which now are, or hereafter may be, located in,
10 on, along, over or under any toll road project should be
11 relocated in such project, or should be removed from such project,
12 the owner or operator of such facilities shall be given a reason-
13 able notice in writing of the proposed relocation or removal and
14 an opportunity to appear and be heard before the Authority as to

15 the manner, method and place of the relocation or removal, and
16 after such written notice and opportunity to be heard, the
17 Authority may then order the relocation or removal of the public
18 utility facilities; provided however, that the cost and expense
19 of such relocation or removal, including the cost of installing
20 such facilities in a new location or new locations, and the cost
21 of any lands, or any rights or interests in lands, and any other
22 rights acquired to accomplish such relocation or removal, shall
23 be ascertained and paid by the Authority as a part of the cost
24 of such project. In case of any such relocation or removal of
25 facilities, the owner or operator of the same, its, his or
26 their successors or assigns, may maintain and operate such
27 facilities, with the necessary appurtenances, in the new location
28 or new locations, for as long a period, and upon the same terms and
29 conditions, as they had the right to maintain and operate such
30 facilities in their former location or locations.

1 Sec. 15. The state of Iowa hereby consents to the use of all
2 lands owned by it, including lands lying under water, which are
3 deemed by the Authority to be necessary for the construction or
4 operation of any toll road project. Whenever any such land shall
5 have been appropriated to the use of any other state agency, com-
6 pensation shall be paid therefor by the Authority and the damages
7 shall be assessed in the same manner as though the Authority were
8 exercising its power of eminent domain as hereinafter provided in
9 section 17, but neither the Authority or the state agency concerned
10 shall have a right of appeal from the award of damages assessed by

11 the condemnation commission.

1 Sec. 16. The Authority is hereby authorized and empowered to
2 acquire by purchase, whenever it shall deem such purchase expedient,
3 any lands, including the fee simple title thereto, property rights,
4 rights-of-way, franchises, easements, and other interests in land
5 as it may deem necessary or convenient for the construction or
6 operation of any toll road project upon such terms and at such
7 price as may be considered by it to be reasonable and can be agreed
8 upon between the Authority and the owner thereof, and to take title
9 thereto in the name of the state.

1 Sec. 17. 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 prescribed for the Iowa state highway commission, any land
4 necessary to carry out the duties imposed upon it by this Act,
5 including the fee simple title thereto, property, rights, rights-
6 of-way, franchises, easements, or any other interests in land
7 deemed necessary or proper for the construction or the efficient
8 operation of any toll road project or projects, and also that it
9 deems necessary for the restoration of private or public property
10 destroyed or damaged in the construction of any such project.
11 Title to any property so acquired shall be taken in the name of
12 the state of Iowa and the commission shall be selected by the chief
13 justice of the supreme court under section 472.6, Code of Iowa 1954,
14 in the same manner as though the damages were payable out of the
15 state treasury. The provisions of section 472.26, Code of Iowa
16 1954, shall not be applicable and the Authority may take possession

17 of any land condemned immediately upon complying with section
18 Code of Iowa 1954. No attorney fee shall be taxable against
19 the Authority as applicant under the provisions of section 472.33,
20 Code of Iowa 1954. The proceedings shall be conducted by an
21 attorney at law selected and employed by the Authority.

22 2. Nothing herein shall authorize the Authority to take or
23 disturb property or facilities belonging to any public utility or
24 to a common carrier, which property or facilities are required
25 for the proper and convenient operation of such public utility or
26 common carrier, unless provision is made for the restoration,
27 relocation or duplication of such property or facilities elsewhere
28 at the sole cost of the Authority, and then only after reasonable
29 written notice to such utility or common carrier of the Authority's
30 proposal to take or disturb its property or facilities and granting
31 an opportunity for the public utility or common carrier to be heard
32 and to offer suggestions as to plans and methods for accomplishing
33 the work contemplated by the Authority.

34 3. With respect to right-of-way above or below any railroad
35 property, or right-of-way upon which railroad tracks are located,
36 any powers of condemnation may be exercised to acquire only an
37 easement interest therein which shall be located either
38 sufficiently far above or sufficiently far below the grade of any
39 railroad track or tracks upon such railroad property, so that
40 neither the proposed project nor any part thereof, including any
41 bridge, abutments, columns, supporting structures and appurtenances,

42 nor any traffic upon it, shall interfere in any manner with the
43 use, operation or maintenance of the trains, tracks, works or
44 appurtenances or other property of the railroad nor endanger the
45 movement of the trains or traffic upon the tracks of the railroad.
46 Prior to the institution of condemnation proceedings for such
47 easement over or under such railroad property or right-of-way,
48 plans and specifications of the proposed project showing compliance
49 with the above mentioned above or below grade requirements and
50 showing sufficient and safe plans and specifications of such
51 overhead or undergrade structure and appurtenances, shall be sub-
52 mitted to the railroad for examination. If the railroad fails
53 or refuses within thirty days to approve the plans and specifi-
54 cations, the matter shall be submitted to the state commerce
55 commission whose decision, in accordance with its usual procedure,
56 shall be final as to the findings of fact on the sufficiency and
57 safety of such plans and specifications.

58 4. In connection with the taking of property or property
59 rights either by purchase or condemnation, the Authority may in
60 its discretion, acquire an entire lot, block or tract of land, if,
61 by so doing, the interests of the public will be best served,
62 even though said entire lot, block or tract is not immediately
63 needed for the right-of-way proper.

1 Sec. 18. The Authority is hereby authorized to provide by
2 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 such
8 rate or rates not exceeding five per cent (5%) per annum, shall
9 mature at such time or times not exceeding forty (40) years from
10 their date or dates, as may be determined by the Authority, and
11 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 and the
15 manner of execution of the bonds, including any interest coupons
16 to be attached thereto, and shall fix the denomination or
17 denominations of the bonds and the place or places of payment of
18 principal and interest, which may be at any bank or trust company
19 within or without the state. In case any officer whose signature,
20 or a facsimile of whose signature shall appear on any bonds or
21 coupons, shall cease to be such officer before the delivery of
22 such bonds, such signature or such facsimile shall nevertheless,
23 be valid and sufficient for all purposes, the same as if he had
24 remained in office until such delivery. The bonds may be issued
25 in coupon or in registered form, or both, as the Authority may
26 determine, and provision may be made for the registration of any
27 coupon bonds as to principal alone and also as to both principal
28 and interest, and for the interchange of registered and coupon
29 bonds. The Authority may sell such bonds in such manner either at
30 public or private sales and for such price as it may determine to

31 be for the best interest of the state, but no such sale shall be
32 made at a price so low as to require the payment of interest on
33 the money received therefor at more than five per cent (5%) per
34 annum, computed with relation to the absolute maturity of the
35 bonds in accordance with standard tables of bond values, excluding,
36 however, from such computation, the amount of any premium to be
37 paid on redemption to any bonds prior to maturity.

1 Sec. 19. Except as hereinafter provided in this section,
2 the proceeds of the bonds of each issue shall be used solely for
3 the payment of the cost of the toll road project or projects for
4 which such bonds shall have been issued, and disbursed in such
5 manner and under such restrictions, if any, as the Authority may
6 provide in the resolution authorizing the issuance of such bonds
7 or in the trust agreement hereinafter mentioned securing the same.
8 If the proceeds of the bonds of any issue, by error of estimates
9 or otherwise, shall be less than such cost, additional bonds may
10 in like manner be issued to provide the amount of such deficit,
11 and, unless otherwise provided in the resolution authorizing the
12 issuance of such bonds, or in the trust agreement securing the
13 same, shall be deemed to be of the same issue and shall be
14 entitled to payment from the same fund without preference or
15 priority of the bonds first issued. If the proceeds of the
16 bonds of any issue shall exceed the cost of the toll road project,
17 or projects for which the same shall have been issued, the surplus
18 shall be deposited to the credit of the sinking fund for such
19 bonds or may be applied to the payment of the cost of any other

20 toll road project.

1 Sec. 20. Bonds may be issued under the provision 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
6 specifically required by this Act. Prior to the preparation of
7 definitive bonds, the Authority may, under like restrictions,
8 issue interim receipts or temporary bonds, with or without
9 coupons, exchangeable for definitive bonds when such bonds shall
10 have been executed and are available for delivery. The Authority
11 may also provide for the replacement of any bonds which shall
12 become mutilated or shall be destroyed or lost.

1 Sec. 21. In the discretion of the Authority, any bonds
2 issued under the provisions of this Act may be secured by a trust
3 agreement by and between the Authority and a corporate trustee,
4 which may be any trust company or bank within or without the
5 state, having the powers of a trust company. Such trust agree-
6 ment or the resolution providing for the issuance of such bonds,
7 shall pledge or assign the tolls and other revenues to be
8 received, but shall not convey or mortgage any toll road project
9 or any part thereof. Such trust agreement or resolution providing
10 for the issuance of such bonds, may contain such provisions for
11 protecting and enforcing the rights and remedies of the bond-
12 holders as may be reasonable and proper and not in violation of
13 law, including covenants setting forth the duties of the

14 Authority in relation to the acquisition of property and the
15 construction, improvement, maintenance, repair, operation and
16 insurance of the toll road project or projects or the portion
17 thereof in connection with which such bonds shall have been
18 authorized, in relation to the rates, establishment and subse-
19 quent revision of toll to be charged, the custody, safeguarding
20 and application of all moneys, and conditions or limitations
21 with respect to the issuance of additional bonds. It shall be
22 lawful for any bank or trust company incorporated under the laws
23 of the state which may act as depository of the proceeds of bonds
24 or of revenues, to furnish such indemnifying bonds or to pledge
25 such securities as may be required by the Authority. Any such
26 trust agreement may set forth the rights and remedies of the
27 bondholders and of the trustee and may restrict the individual
28 right of action by bondholders. In addition to the foregoing,
29 any such trust agreement or resolution may contain such other
30 provisions as the Authority may deem reasonable and proper for
31 the security of the bondholders. All expenses incurred in carry-
32 ing out the provisions of such trust agreement or resolution,
33 may be treated as a part of the cost of the operation or construc-
34 tion of the toll road project or projects.

1 Sec. 22. Toll road revenue bonds issued under the provisions
2 of this Act shall not be deemed to constitute a liability or
3 debt of the state or of any political subdivision thereof or
4 a pledge of the faith and credit of the state or of any such
5 political subdivision, but such bonds shall be payable solely

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

1 Sec. 23. The Authority is hereby authorized to combine any
2 two or more toll road projects for financing purposes and to fix,
3 revise, charge, and collect tolls for the use of each toll road
4 project financed under the provisions of this Act and the
5 different parts or section thereof, and to contract in the
6 manner herein provided, with any person, partnership, association,
7 or corporation desiring the use of any part thereof, including
8 the right-of-way adjoining the paved portion, for placing thereon
9 telephone, telegraph, electric light or power lines, service
10 stations, garages, and restaurants, and to fix the term, condi-
11 tions, rents and rates of charge for such use, provided that no
12 toll, charge or rental shall be made by the Authority for placing
13 in, on, along, over or under such toll road project, such telephone
14 telegraph, electric light or power lines, equipment or facilities
15 as may be necessary to serve establishments located on the toll
16 road project, or as may be necessary to inter-connect any public

17 utility facilities, and provided that if service stations or
18 locations thereof are authorized on any toll road, then a
19 sufficient number of such stations or locations shall be
20 established to permit reasonable competition by private business
21 in the public interest. Any person having acquired the right
22 to use a service station or location therefor upon any toll
23 road, may equip and operate the same or provide for the operation
24 thereof by a third person, but no person shall have the use of
25 nor shall the automotive fuel products of any refiner, supplier
26 or distributor be dispensed through (a) more than twenty (20)
27 per cent of the service stations along any toll road, nor (b)
28 more than one service station in the same service area. Contracts
29 for the operation of service stations, garages, restaurants,
30 parking facilities, or other purposes, shall be made in writing
31 with the bidder whose bid in consideration of the public interest
32 is determined by the Authority to be the best bid received, after
33 advertising for three consecutive weeks in two newspapers in
34 the state, and in such other publications as the Authority
35 shall determine. Such notice shall state the general character
36 of the operation proposed, where plans and specifications may
37 be examined, and the time and place of receiving bids. Bids
38 shall contain the full name of every person or company interested
39 in it, and shall be in such form as the Authority shall require.
40 The Authority may reject any and all bids. All contracts shall
41 be preserved in the office of the Authority. Such tolls shall
42 be so fixed and adjusted in respect to the aggregate of tolls

43 on each toll road project, or the projects so combined and the
44 different parts or section thereof so as to provide funds
45 sufficient with other revenues from such project or projects,
46 if any, to pay (a) the cost of maintaining, repairing and
47 operating such toll road project or projects, and (b) the
48 principal of and the interest on the bonds issued under the
49 provisions of this Act on account of such project or projects
50 as the same shall become due and payable, and to create reserves
51 for such purposes. Such tolls shall not be subject to super-
52 vision or regulation by any other commission, board or agency of
53 the state. The tolls and all other revenues derived from each
54 toll road project or the projects so combined and the different
55 parts or section thereof, except such part thereof as may be
56 necessary to pay such cost of maintenance, repair and operation
57 and to provide such reserves therefor as may be provided for
58 in the resolution authorizing the issuance of such bonds, or in
59 the trust agreement securing the same, shall be set aside at
60 such regular intervals as may be provided in such resolution or
61 such trust agreement in a sinking fund which is hereby pledged
62 to, and charged with, the payment of the principal of and the
63 interest on such bonds as the same shall become due, and the
64 redemption price or the purchase price of bonds retired by
65 call or purchase as therein provided. Such pledge shall be
66 valid and binding from the time when the pledge is made. The
67 tolls or other revenues or other moneys so pledged and thereafter
68 received by the Authority shall immediately be subject to the

69 lien of such pledge without any physical delivery thereof or
70 further act, and the lien of any such pledge shall be valid and
71 binding as against all parties having claims of any kind in
72 contract or otherwise against the Authority, irrespective of
73 whether such parties have notice thereof and without regard to
74 the dates on which said claims accrued. Neither the resolution
75 nor any trust agreement by which a pledge is created need be
76 filed or recorded except in the records of the Authority. The
77 use and disposition of moneys to the credit of such sinking
78 fund shall be subject to the provisions of the resolution
79 authorizing the issuance of such bonds or of such trust agreement.
80 Except as may be otherwise provided in such resolution or such
81 trust agreement, such sinking fund shall be a fund for all
82 such bonds without distinction or priority of one over another.

1 Sec. 24. All moneys received pursuant to the Authority of
2 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
5 authorizing the issuance of bonds of any issue or the trust
6 agreement securing such bonds, shall provide that any officer
7 with whom or any bank or trust company with which such money
8 shall be deposited shall act as trustee of such moneys and
9 shall hold and apply the same for the purposes hereof, subject
10 to such regulations as this Act and such resolution or trust
11 agreement may provide. Said resolution or trust agreement
12 may provide for the investment of such moneys, or any part

13 thereof not needed for current use.

1 Sec. 25. Any holder of bonds issued under the provisions
2 of this Act or any of the coupons appertaining thereto, and
3 the trustee under any trust agreement, except to the extent
4 the rights herein given may be restricted by such trust agreement
5 or the resolution authorizing the issuance of such bonds,
6 may, either at law or in equity, by suit, action, mandamus
7 or other proceedings, protect and enforce any and all rights
8 under the laws of the state or granted hereunder or under
9 such trust agreement or the resolution authorizing the issuance
10 of such bonds, and may enforce and compel the performance of
11 all duties required by this Act or by such trust agreement or
12 resolution to be performed by the Authority or by any officer
13 thereof, including the fixing, charging and collection of tolls.
14 Notwithstanding any of the foregoing provisions of this Act,
15 all such bonds shall be deemed negotiable instruments under
16 the laws of this state.

1 Sec. 26. The exercise of the powers granted by this Act
2 will be in all respects for the benefit of the people of the
3 state and for the increase of their commerce and prosperity,
4 and the operation and maintenance of toll road projects by the
5 Authority and will constitute the performance of essential
6 governmental functions.

1 Sec. 27. The Authority shall not be required to pay any
2 taxes of assessments upon any toll road project or any property
3 acquired or used by the Authority under the provisions of this

4 Act or upon the income therefrom, and the bonds issued under
5 the provisions of this Act, their transfer and the income there-
6 from, including any profit made on the sale thereof, shall at
7 all times be free from taxation within the state.

1 Sec. 28. Bonds issued by the Authority under the provisions
2 of this Act are hereby made securities in which the state and
3 all political subdivisions of the state, all banks, savings
4 banks, trust companies, insurance companies, assurance, casualty,
5 fidelity and guaranty companies, savings and loan associations,
6 all administrators, executors, guardians, trustees, and all
7 other fiduciaries, and all others who now are or may hereafter
8 be authorized to invest in bonds or other obligations of the
9 state, may properly and legally invest funds, including capital
10 belonging to them or within their control. Such bonds are
11 hereby made securities which may properly and legally be
12 deposited with and received by any state or municipal officer
13 or any agency or political subdivision of the state for any
14 purpose for which the deposit of bonds or obligations is now
15 or may hereafter be authorized by law.

1 Sec. 29. The statutes of the state of Iowa relative to
2 motor vehicles and the law of the road, shall be applicable to
3 this project and public police officers shall be afforded
4 ready access while in the performance of their official duty
5 to all property under the jurisdiction of the Authority without
6 the payment of tolls.

1 Sec. 30. 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
6 therefor, or the Authority may provide for the proper repair and
7 maintenance of such project by contract. Each such project shall
8 be policed and operated by such force of police, tolltakers and
9 other operating employees as the Authority may in its discretion
10 employ.

11 2. All public or private property damaged or destroyed by
12 the construction of any toll road project under the provisions
13 of this Act, shall be restored or repaired and placed in its
14 original condition as nearly as practicable or adequate compen-
15 sation made therefor out of funds provided under the Authority
16 of this Act.

1 Sec. 31. 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,
4 are hereby authorized and empowered to lease, lend, grant or
5 convey to the Authority at its request upon such terms and
6 conditions as the proper authorities of such counties, cities,
7 towns, townships, or other political subdivisions or public
8 agencies and commissions of the state may deem reasonable and
9 fair and without the necessity for an advertisement, order of
10 court or other action or formality, other than the regular and
11 formal action of the authorities concerned, any real property

12 which may be necessary or convenient to the effectuation of the
13 authorized purposes of the Authority, including public roads
14 and other real property already devoted to public use.

1 Sec. 32. On or before the first (1st) day of February in
2 each year, the Authority shall make an annual report of its
3 activities for the preceding calendar year to the governor and
4 the general assembly. Each such report shall set forth a complete
5 operating and financial statement covering its operations during
6 the year. The Authority shall cause an audit of its books
7 and accounts to be made at least once each year by certified
8 public accountants and the cost thereof may be treated as a
9 part of the cost of construction or of operation of the
10 project.

1 Sec. 33. 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 (\$1,000.00), or by imprisonment in the county jail for
7 not more than one year, or both. The provisions of this paragraph
8 shall not apply, however, to contracts or purchases of property,
9 real or personal, between the Authority and other departments
10 or subdivisions of state government.

1 Sec. 34. The Authority is hereby authorized to provide
2 by resolution for the issuance of toll road revenue refunding
3 bonds payable solely from revenues for the purpose of refunding

4 any bonds then outstanding which shall have been issued under
5 the provisions of this Act, including the payment of any
6 redemption premium thereon and any interest accrued, or to
7 accrue, to the date of redemption of such bonds, and, if deemed
8 advisable by the Authority, for the additional purpose of
9 constructing improvements, extensions or enlargements of the
10 toll road project, or projects, in connection with which the
11 bonds to be refunded shall have been issued. The Authority
12 is further authorized to provide by resolution for the issuance
13 of its toll road revenue bonds for the combined purpose of (a)
14 refunding any bonds then outstanding which shall have been
15 issued under the provisions of this Act, including the payment
16 of any redemption premium thereon and any interest accrued or
17 to accrue to the date of redemption of such bonds, and (b)
18 paying all or any part of the cost of any additional toll road
19 project or projects. The issuance of such bonds, the
20 maturities and other details thereof, the rights of the holders
21 thereof, and the rights, duties and obligations of the Authority
22 in respect to the same, shall be governed by the provisions
23 of this Act insofar as the same may be applicable.

1 Sec. 35. When all toll road bonds issued under the
2 provisions of this Act in connection with any project or
3 projects and the interest thereon, shall have been paid, such
4 project or extension or section thereof, if then in good condi-
5 tion and repair to the satisfaction of the Iowa state highway
6 commission, shall become part of the state highway system and

7 shall thereafter be maintained under the control and super-
8 vision of the Iowa state highway commission, unless otherwise
9 directed by the state legislature.

1 Sec. 36. 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
4 to powers conferred by other laws, and shall not be regarded
5 as in derogation of any powers now existing; provided however,
6 that the issuance of toll road revenue bonds, or toll road
7 revenue refunding bonds, under the provisions of this Act,
8 need not comply with the requirements of any other law
9 applicable to the issuance of other types of revenue or general
10 obligation bonds.

1 Sec. 37. This Act, being necessary for the welfare of
2 the state and its inhabitants, shall be liberally construed
3 to effect the purposes thereof.

1 Sec. 38. The provisions of this Act are severable, and
2 if any of its provisions shall be held unconstitutional by
3 any court of competent jurisdiction, the decision of such
4 court shall not affect or impair any of the remaining provisions.

1 Sec. 39. There is hereby appropriated from the general
2 fund of the state, not otherwise appropriated, the sum of
3 seventy-five thousand dollars (\$75,000.00) or so much thereof
4 as may be necessary to carry out the proposals
5 of this Act and for compensation and expenses audited according
6 to law. Upon the sale of toll revenue bonds for any project,

7 or projects, any money expended from this appropriation shall
 8 be reimbursed to the general fund from the proceeds of such
 9 bonds without interest.

1 Sec. 40. This Act, being deemed of immediate importance,
 2 shall be in full force and effect from and after its
 3 publication in The Daily Iowan, a newspaper published at Iowa
 4 City, Iowa, and The Daily Reporter, a newspaper published at
 5 Sioux City, Iowa.

1 Amend Senate File 96, Section 4, line 33, by inserting
 2 a period (.) after the word "officers" and by striking the
 3 words "and shall devote full time to the duties of his
 4 office."

5 Further amend Senate File 96, Section 5, line 2 by
 6 inserting after the word "appoint" the following: "and
 7 fix the salary of".

8 Further amend Senate File 96, Section 7, lines 2 and
 9 3 by striking the following: "an annual salary of nine
 10 thousand dollars (\$9,000.00). Each" and inserting in lieu
 11 thereof the following: "twenty dollars (\$20.00) per diem
 12 and each".

Filed
 February 3, 1955.

By VAN EATON.

1 Amend Senate File 96, Section 27, line 2, by striking
 2 the word "of" and inserting in lieu thereof the word "or".
 3 Further amend Senate File 96, Section 30, paragraph 2,
 4 line 15 by striking the word "Authority" and inserting in
 5 lieu thereof the word "authority".

Filed
 February 3, 1955.

By VAN EATON.

1 Amend Senate File 96 by striking all after the enacting
2 clause and inserting in lieu thereof the following:
3 "Section 1. The state highway commission shall have full
4 power and authority and is hereby directed to continue to study,
5 inquire into and examine all pertinent matters relating to the
6 feasibility, possible location, best means and mode of con-
7 struction, possible methods and means of financing other than
8 by placing any financial obligation on the State of Iowa, and
9 methods and means of operation of a toll road or roads across
10 the state and to make a report to the General Assembly convening
11 in 1957, unless sooner convened, and recommendations in connec-
12 tion therewith, and in general to inquire into every matter and
13 thing whatsoever affecting or relating to such proposed toll
14 road or roads. The commission is hereby empowered to employ
15 such expert assistance as may be deemed necessary including
16 engineers to make any and all surveys.
17 Sec 2 The budget and financial control committee is
18 authorized to allocate funds not to exceed the sum of ten thou-
19 sand dollars (\$10,000) from the funds at its disposal for the
20 payment of any extraordinary expenses of the highway commission
21 in making this study and report."
22 Further amend said Senate File 96 by striking from the
23 title all after the words, "An Act" and inserting in lieu
24 thereof the following: "to provide for a continuation of a
25 study of the question of toll road construction in the State of
26 Iowa."

Filed
February 25, 1955.

By PRENTIS.

1 Amend Senate File 96 as follows:
2 1. By striking from line 5, section 5
3 the word "two" and inserting in lieu thereof the word "three".
4 2. By striking from lines 12 to 17
5 of section 9 the following: "If the unit of construction
6 advertised shall be for the construction of a toll road for
7 a distance longer than five miles, such advertisement shall
8 provide for bids on sections of said road not to exceed five
9 miles, as well as in sections of greater length and on the
10 project as a whole." and inserting in lieu thereof the following:
11 "If the unit of construction advertised shall be for the
12 construction of a portion of a toll road of a length longer
13 than five miles, such advertisement shall provide for separate
14 bids on sections of said road not to exceed five miles in
15 length, as well as for bids on sections of a greater length
16 or on that portion of the toll road advertised as a whole."
17 3. By inserting in line 12, section
18 22 following the word "liability" the words "or debt".

Filed
March 14, 1955.

By VAN EATON.

1 Amend Senate File 96 by striking all of section
2 27 and inserting in lieu thereof the following:
3 "Sec. 27. The authority shall each year reimburse each
4 taxing district for the amount in revenue such district would have
5 received from taxation of private real property taken under the
6 provisions of this Act without regard to improvements thereon.
7 Otherwise the authority shall not be required to pay taxes or
8 assessments on any toll road project or on the income therefrom
9 and the bonds issued under the provisions of this Act shall be
10 free from taxation within the state; provided the income from
11 such bonds shall be taxable to the holders thereof."

Filed
March 30, 1955.

By MCFARLANE.

- 1 Amend Senate File 96, section 23, line 17, by
- 2 inserting after the word "stations" the following:
- 3 ", restaurants or other facilities".
- 4 Further amend Senate File 96, section 23, line 30,
- 5 by inserting after the word "purposes," the following:
- 6 "to any one concessionaire shall not exceed twenty (20)
- 7 per cent of such number of similar establishments along
- 8 any toll road, and".

Filed

April 4, 1955.

By VAN EATON.

- 1 Amend Sec. 17 of Senate File 96 by striking from
- 2 line 18 the words "No attorney fee" and inserting in
- 3 lieu thereof the following: "Attorney fees".

Filed

April 5, 1955.

By SHAFF.

- 1 Amend Senate File 96 by striking from line 3 of
- 2 Sec. 40 the following: "The Daily Iowan" and substitute
- 3 in lieu thereof "Iowa City Press-Citizen".

Filed and adopted

April 6, 1955.

By NOLAN.

- 1 Amend Senate File 96 by striking all of section 40.

Filed and lost

April 6, 1955.

By DYKHOUSE.

- 1 1. Amend section 18 of Senate File 96, by striking
- 2 from line 8 thereof the following: "five per cent (5%)",
- 3 and inserting in lieu thereof the following: "four per
- 4 cent (4%)".
- 5 2. Further amend section 18, by striking from line
- 6 33 thereof the following: "five per cent (5%)", and
- 7 inserting in lieu thereof the following: "four per
- 8 cent (4%)".

Filed and adopted

April 6, 1955.

By STUART of Lucas.

- 1 Amend Senate File 96 by inserting after the semi-colon (;)
- 2 in section 8, line 41, the following: "provided, however, that
- 3 the Iowa Toll Road Authority created under this Act shall not
- 4 acquire property rights, rights-of-way, franchises, easements,
- 5 and interests in real estate by grant, purchase, gift, condemnation,
- 6 or otherwise, and shall not issue any toll road revenue bonds or
- 7 incur any debts or liabilities, without the approval of the interim
- 8 committee (or legislature when next convened) and not until an
- 9 adjoining state or states have created a similar toll road authority
- 10 and have acquired similar rights and have the necessary funds to
- 11 complete a similar type or kind of road to a border of Iowa, enabling
- 12 the Iowa toll road to be a continuation of an interstate toll
- 13 road system;".

Filed and lost

April 6, 1955.

By WORMLEY, MCFARLANE and MOLISON.

