

February 27, 1963.

Passed on File.

Highway 2/27

Senate File 320

By DYKHOUSE, O'MALLEY,
FISHER and BROWN.

Passed Senate, Date.....

Passed House, Date.....

Vote: Ayes..... Nays.....

Vote: Ayes..... Nays.....

Approved.....

A BILL FOR

An Act to provide for the advance purchase of primary road right-of-way and authorizing payment for such purchase by the issuance of anticipatory primary road warrants.

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

1 Section 1. Section three hundred six point thirteen (306.13),
2 Code 1962, is hereby amended by adding thereto the following:
3 "The state highway commission shall have the authority, sub-
4 ject to approval by the executive council to purchase or condemn
5 real property or rights therein if such condemnation is necessary
6 for the improvement of the primary road system. Such condem-
7 nation shall be done only for the purpose of eliminating costly
8 delays in construction, reducing hardship to owners of such
9 property, and eliminating economic waste occasioned by the im-
10 provement of such property immediately before its acquisition for
11 highway uses. When a purchase or condemnation is authorized by
12 the commission and approved by the executive council and the
13 funds to pay for the property or rights therein are not available
14 in the primary road fund, the property may be paid for as pro-
15 vided in section three hundred thirteen point four (313.4), of
16 the Code. Entire lots, tracts, or access may be acquired even
17 though only a portion of said lots, tracts, or access may be
18 necessary for the highway, if in the judgment of the state high-
19 way commission the interest of the public will be served by

20 securing the additional real property.”

1 Sec. 2. Section three hundred thirteen point four (313.4),
2 Code 1962, is hereby amended by adding thereto the following new
3 subsections:

4 1. “If the state highway commission finds that the public
5 interest will be served by the acquisition of real property nec-
6 essary for future right-of-way purposes for construction of pri-
7 mary roads that is not included in any current year construction
8 program, the commission shall so notify the executive council and
9 request approval of the purchase or condemnation and issuance of
10 anticipatory warrants to be issued for payment of the advanced
11 right-of-way. Such notice and request shall contain a descrip-
12 tion of the real property or various tracts of real property to
13 be secured, an estimate of the cost thereof, and the year that
14 primary road funds will be available to redeem warrants used to
15 purchase the property.

16 2. “The executive council may approve the state highway com-
17 mission’s request in the whole, in part or deny it.

18 3. “If the executive council approves the highway commis-
19 sion’s request for funds to enable the commission to purchase
20 rights-of-way in advance, the executive council shall so notify
21 the treasurer of the state, specifying the amount approved.

22 4. “When so notified by the executive council, the treasurer
23 of state shall issue anticipatory warrants in the amount approved
24 for immediate payment of advanced purchase of right-of-way
25 claims only.

26 5. “The principal amount of the warrants outstanding and
27 unpaid shall not exceed at any one time the sum of seven million
28 (7,000,000) dollars.

29 6. "The date of payment shall be in the year stated by the
30 state highway commission in its request to the executive council,
31 but in no case shall the life of the warrant be over ten (10)
32 years.

33 7. "Such warrants shall bear interest from date at a rate not
34 to exceed four (4) percent, which interest shall be payable at
35 the end of each year, or for such shorter period as said warrants
36 may remain unpaid.

37 8. "Warrants shall, subject to the limitations of this sec-
38 tion be issued in such individual and gross amounts and in such
39 form as the executive council and the highway commission shall
40 approve.

41 Each warrant issued under the provisions of this section shall
42 have printed on the face thereof the words: "This warrant shall
43 be an obligation of the primary road fund for the advance pur-
44 chase of right-of-way."

45 9. "Such warrants shall be offered by the treasurer of state
46 at public sale and shall be sold at a price not less than par
47 plus accrued interest to the date when the treasurer of state
48 shall actually receive payment for said warrants and make deliv-
49 ery of the same to the purchaser.

50 10. "When anticipatory warrants are to be offered for sale,
51 the treasurer of state shall publish notice once a week for two
52 (2) or more successive weeks in at least two (2) daily news-
53 papers in the state, one of which shall be in Des Moines. The
54 last notice shall be published ten (10) days before the time of
55 the sale of said warrants. Such notice shall contain a statement
56 of the amount of such warrants to be offered for sale, the time

57 and place of sale, and any further information which may be
58 deemed pertinent.

59 11. "Sealed bids may be received at any time before the call
60 for open bids. After the sealed bids are on file, the executive
61 council shall call for open bids. After all of the open bids
62 have been received, the substance of the best bid shall be re-
63 corded in the minutes of the secretary of the executive council.
64 The secretary of the executive council shall then in the presence
65 of the executive council open all sealed bids that may have been
66 filed and shall note the substance of the best sealed bids.

67 12. "Any or all bids may be rejected and the sale may be
68 advertised anew in the same manner, or the anticipatory warrants
69 or any portion thereof may thereafter be sold at private sale to
70 any one or more of such bidders or other person. However, pref-
71 erence shall be given to individuals residing in Iowa, corpora-
72 tions organized under the laws of the state of Iowa, and resident
73 partnerships insofar as possible to do so. In case of a private
74 sale, the said warrants shall be sold upon terms not less favor-
75 able to the public than the most favorable bid made by a bona
76 fide and responsible bidder at the last advertised sale.

77 13. "No commission shall be paid directly or indirectly in
78 connection with the sale of any anticipatory warrant. No expense
79 shall be contracted or paid in connection with such sale other
80 than the expenses incurred in publishing notice of the sale of
81 the warrants.

82 14. "Nothing contained in this section shall be deemed to
83 prevent the redemption of any warrant issued under provisions of
84 this section before the due date designated on the warrant. No
85 contract for the construction of a highway utilizing property

86 acquired with funds derived from the sale of anticipatory war-
87 rants shall be let until such anticipatory warrants as were
88 issued to acquire such property have been redeemed at par plus
89 interest.

90 15. "Said warrants and all interest thereon shall be payable
91 by the treasurer of state solely from the primary road fund.

92 16. "All funds which are derived from the sale of said war-
93 rants shall be applied exclusively to the payment of advance
94 right-of-way claims."