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SENATE FILE 526
BY COMMITTEE ON CITIES

Passed Senate, Date 6-12-75 (1967) Passed House, Date 17-75 (2596)
Vote: Ayes 41 Nays 3 Vote: Ayes 90 Nays 2
Approved 7-19-75

*Motion to reconsider lost 6-12 (1991)
" " " ruled out of
order 6-12
(1991)*

*Repassed Senate as amended by House
6-18-75 (2160)*

A BILL FOR

An Act relating to city government by modifying provisions
for officers' bonds, federal agreements, annexation and
severance, forms of city government, compensation and
removal of officers, passage of ordinances and amendments,
the mayor's right to veto, adoption of codes by reference,
city utility and city budgets, essential and general
corporate purpose bonds, special assessments, revenue
bonds and pledge orders, and providing for liens for
service charges and restricted residence districts.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section sixty-four point thirteen (64.13),
2 Code 1975, is amended to read as follows:

3 64.13 MUNICIPAL OFFICERS. The bonds of all municipal
4 officers who are required to give bonds shall each be in such
5 penal sum as may be provided by law or as the council shall
6 from time to time prescribe by ordinance; but the ~~bonds-of~~
7 ~~mayers-shall-not-be-in-less-sum-than-five-hundred-dollars~~
8 each council may provide for a surety bond running to the
9 city and covering all city officers and employees not other-
10 wise covered and conditioned as specified for bonds in sec-
11 tion sixty-four point two (64.2) of the Code.

12 Sec. 2. Section sixty-four point nineteen (64.19), subsec-
13 tion five (5), Code 1975, is amended to read as follows:

14 5. By the ~~mayer~~ council, or as ~~may-be~~ provided by
15 ordinance, in case of city officers.

16 Sec. 3. Section sixty-four point nineteen (64.19), Code
17 1975, is amended by striking subsection six (6).

18 Sec. 4. Section sixty-four point twenty-three (64.23),
19 subsection six (6), Code 1975, is amended to read as follows:

20 6. For officers of cities, and officers not otherwise
21 provided for, ~~when-both-bond-and-oath-are-required,~~ in the
22 office of the officer or clerk of the body approving the bond,
23 or in cities, as otherwise provided by ordinance.

24 Sec. 5. Section sixty-four point twenty-three (64.23),
25 Code 1975, is amended by striking subsection seven (7).

26 Sec. 6. Section three hundred sixty-four point five
27 (364.5), Code 1975, is amended by adding the following new
28 unnumbered paragraph:

29 NEW UNNUMBERED PARAGRAPH. A city may enter into an agree-
30 ment with the federal government acting through any of its
31 authorized agencies, and may carry out provisions of the
32 agreement as necessary to meet federal requirements to obtain
33 the funds or cooperation of the federal government or its
34 agencies for the planning, construction, rehabilitation, or
35 extension of a public improvement.

1 Sec. 7. Section three hundred sixty-eight point four
2 (368.4), Code 1975, is amended to read as follows:

3 368.4 ANNEXING MORATORIUM. A city, following notice and
4 hearing, may by resolution agree with another city or cities
5 to refrain from annexing specifically described territory
6 for a period not to exceed ten years and, following notice
7 and hearing, may by resolution extend the agreement for
8 subsequent periods not to exceed ten years each. If such
9 an agreement is in force, the board shall dismiss a petition
10 or plan which violates the terms of the agreement.

11 Sec. 8. Section three hundred sixty-eight point seven
12 (368.7), unnumbered paragraph two (2), Code 1975, is amended
13 to read as follows:

14 An application for annexation under this section must be
15 approved by resolution of the council which receives the
16 application. If the territory is within the urbanized area
17 of a city other than the city to which the request for
18 annexation is directed, the application must also be approved
19 by the board. ~~The application must also be approved by the~~
20 ~~council which receives the application.~~ Upon receiving the
21 required approval, ~~the territory becomes a part of the ad-~~
22 ~~joining city~~ the council shall file a copy of the map and
23 resolution with the board. The annexation is completed when
24 the board has filed copies of the applicable portions of the
25 proceedings as required in section three hundred sixty-eight
26 point twenty (368.20), subsection two (2) of the Code.

27 Sec. 9. Section three hundred sixty-eight point eight
28 (368.8), Code 1975, is amended to read as follows:

29 368.8 SEVERING TERRITORY. Any territory may be severed
30 upon the unanimous consent of all owners of the territory
31 and ~~approved~~ approval by resolution of the council of the
32 city in which the territory is located. The council shall
33 provide in the resolution for the equitable distribution
34 of assets and equitable distribution and assumption of
35 liabilities of the territory as between the city and the

1 severed territory. The council shall file a copy of the
2 resolution and a map with the board. The severance shall
3 be completed upon-filing when the board has filed copies of
4 the resolution and map as provided in section 368.20,
5 subsection 2.

6 Sec. 10. Section three hundred seventy-two point four
7 (372.4), Code 1975, is amended to read as follows:

8 372.4 MAYOR-COUNCIL FORM. A city governed by the mayor-
9 council form has a mayor and five councilmen elected at large,
10 unless by ordinance a city so governed chooses to have a mayor
11 elected at large and an odd number of councilmen but not less
12 than five, including at least two councilmen elected at large
13 and one councilman elected by and from each ward. The council
14 may, by ordinance, provide for a city manager and prescribe
15 his powers and duties, and as long as the council contains
16 an odd number of councilmen, may change the number of wards,
17 abolish wards, or increase the number of councilmen at large
18 without changing the form.

19 A city governed by the mayor-council form composed of a
20 mayor and a council consisting of two councilmen elected at
21 large, and one councilman from each of four wards, may continue
22 until the form of government is changed as provided in section
23 372.2 or section 372.9. While a city is thus operating with
24 an even number of councilmen, the mayor may vote to break
25 a tie vote on motions not involving ordinances, resolutions
26 or appointments made by the council alone.

27 The mayor shall appoint a councilman as mayor pro tem,
28 and a shall appoint the marshal or chief of police except
29 where an intergovernmental agreement makes other provisions
30 for police protection. Other officers must be selected as
31 directed by the council. The mayor is not a member of the
32 council and may not vote as a member of the council.

33 ~~The council may by ordinance provide for a city manager~~
34 ~~and prescribe his powers, duties, and compensation.~~

35 Sec. 11. Section three hundred seventy-two point five

1 (372.5), unnumbered paragraph three (3), Code 1975, is amended
2 to read as follows:

3 A city governed by the commission form and having a coun-
4 cil composed of a mayor and two councilmen elected at large
5 may continue with a council of three until the form of gov-
6 ernment is changed as provided in section 372.2 or section
7 372.9 or without changing the form, may submit to the voters
8 the question of increasing the council to five members assigned
9 to the five departments as set out in this section.

10 Sec. 12. Section three hundred seventy-two point ten
11 (372.10), unnumbered paragraph one (1), Code 1975, is amended
12 to read as follows:

13 A home rule charter must contain ~~and-is-limited-to~~ pro-
14 visions for:

15 Sec. 13. Section three hundred seventy-two point thirteen
16 (372.13), subsections four (4), seven (7) and eight (8), Code
17 1975, are amended to read as follows:

18 4. Except as otherwise provided by state or city law,
19 the council may appoint ~~and-remove~~ city officers and employees,
20 and prescribe their powers, duties, compensation, and terms.
21 The appointment of a city manager must be made on the basis
22 of his qualifications and not on the basis of political
23 affiliation.

24 7. By ordinance, the council may divide the city into
25 wards based upon population, change the boundaries of wards,
26 eliminate wards or create new wards.

27 8. By ordinance, the council shall prescribe the com-
28 pensation of the mayor, councilmen, and other elected city
29 officers, but ~~an-increase~~ a change in the compensation of
30 the mayor shall not become effective during the term in which
31 the increase is adopted, and the council shall not adopt such
32 an ordinance ~~increasing~~ changing the compensation of the mayor
33 or councilmen during the months of November and December
34 immediately following a regular city election. ~~An-increase~~
35 A change in the compensation of councilmen shall become

1 effective for all councilmen at the beginning of the term
2 of the councilmen elected at the election next following the
3 increase change in compensation.

4 No elected city officer shall receive any other compensa-
5 tion for any other city office or city employment during his
6 term of office, but may be reimbursed for his actual expenses.
7 However, if the mayor pro tem performs the duties of the mayor
8 during his absence or disability for a continuous period of
9 fifteen days or more, the mayor pro tem may be paid for that
10 period such compensation as determined by the council, based
11 upon his performance of the mayor's duties and upon the compen-
12 sation of the mayor.

13 Sec. 14. Chapter three hundred seventy-two (372), Code
14 1975, is amended by adding the following new section:

15 NEW SECTION. Except as otherwise provided by state or
16 city law, all persons appointed to city office may be re-
17 moved by the officer or body making the appointment, but every
18 such removal shall be by written order. The order shall give
19 the reasons, be filed in the office of the city clerk, and
20 a copy shall be sent by certified mail to the person removed
21 who, upon request filed with the clerk within thirty days
22 of the date of mailing the copy, shall be granted a public
23 hearing before the council on all issues connected with the
24 removal. The hearing shall be held within thirty days of
25 the date the request is filed, unless the person removed
26 requests a later date.

27 Sec. 15. Section three hundred eighty point three (380.3),
28 Code 1975, is amended to read as follows:

29 380.3 TWO READINGS CONSIDERATIONS BEFORE ACTION FINAL
30 PASSAGE--HOW WAIVED. A proposed ordinance or amendment must
31 be received considered and placed-on-file voted on for passage
32 at two council meetings prior to the meeting at which it is
33 to be finally acted-upon passed, unless this requirement is
34 suspended by a recorded vote of not less than three-fourths
35 of the council members.

1 However, if a summary of the proposed ordinance or amend-
2 ment is published as provided in section 362.3, prior to
3 its first ~~filing~~ consideration, and copies are available
4 at the time of publication at the office of the city clerk,
5 the ordinance or amendment must be ~~received~~ considered and
6 ~~placed-on-file~~ voted on for passage at one meeting prior to
7 the meeting at which it is to be finally ~~acted-upon~~ passed,
8 unless this requirement is suspended by a recorded vote of
9 not less than three-fourths of the council members.

10 Sec. 16. Section three hundred eighty point five (380.5),
11 Code 1975, is amended to read as follows:

12 380.5 MAYOR. The mayor may sign, veto, or take no action
13 on an ordinance, amendment, or resolution passed by the
14 council. However, the mayor may not veto a measure if the
15 mayor was entitled to vote on the measure at the time of
16 passage.

17 Sec. 17. Section three hundred eighty point ten (380.10),
18 Code 1975, is amended to read as follows:

19 380.10 ADOPTION BY REFERENCE. A city may adopt the pro-
20 visions of any statewide or nationally recognized standard
21 code or portions of any such code by an ordinance which
22 identifies the code by subject matter, source and date, and
23 incorporates the provisions by reference without setting them
24 forth in full. Such code or portion must be adopted only
25 after notice and hearing in the manner provided in section
26 380.8.

27 Sec. 18. Section three hundred eighty-four point two
28 (384.2), unnumbered paragraph one (1), Code 1975, is amended
29 to read as follows:

30 Except as otherwise provided for special charter cities,
31 a city's fiscal year shall be as provided in section 24.2,
32 subsection 4. All city property taxes must be certified by
33 a city to the county auditor on or before the fifteenth day
34 of March of each year, unless otherwise provided by state
35 law. However, municipal utilities, if not supported by

1 taxation or the proceeds of outstanding indebtedness payable
2 from taxes may, with the council's consent, choose to operate
3 on a fiscal year which is the calendar year. The receipt
4 by the utility of payments from other governmental funds for
5 public fire protection, street lighting or other public use
6 of the utility's services shall not be deemed support by
7 taxation. After notice and hearing in the same manner as
8 required for the city's regular budget under section three
9 hundred eighty-four point sixteen (384.16) of the Code, the
10 utility budget must be approved by resolution of the council
11 not later than twenty days prior to the beginning of the
12 calendar year for which the budget applies.

13 Sec. 19. Section three hundred eighty-four point sixteen
14 (384.16), subsection two (2), Code 1975, is amended to read
15 as follows:

16 2. Not less than twenty days before the date that a budget
17 must be certified to the county auditor and not less than
18 ten days before the date set for the hearing, the clerk shall
19 provide make available a sufficient number of copies of the
20 detailed budget to meet reasonable-demands the requests of
21 taxpayers and organizations, and have them available for
22 distribution at the offices of the mayor and clerk and at
23 the city library, if any, or have a copy posted at one of
24 the three places designated by ordinance for posting notices
25 if there is no library.

26 Sec. 20. Section three hundred eighty-four point twenty-
27 four (384.24), subsection three (3), Code 1975, is amended
28 by adding the following new paragraphs:

29 NEW PARAGRAPH. The reconstruction and improvement of dams
30 already owned.

31 NEW PARAGRAPH. The reconstruction, extension, and improve-
32 ment of an airport already owned.

33 NEW PARAGRAPH. The rehabilitation and improvement of parks
34 already owned, including the removal, replacement and planting
35 of trees thereon.

1 NEW PARAGRAPH. The rehabilitation and improvement of area
2 television translator systems already owned.

3 NEW PARAGRAPH. The aiding in the planning, undertaking,
4 and carrying out of urban renewal projects under the authority
5 of chapter four hundred three (403) of the Code, and all of
6 the purposes set out in section four hundred three point
7 twelve (403.12) of the Code. However, bonds issued for this
8 purpose are subject to the right of petition for an elec-
9 tion as provided in section three hundred eighty-four point
10 twenty-six (384.26) of the Code, without limitation on the
11 amount of the bond issue or the size of the city, and the
12 council shall include notice of the right of petition in the
13 notice required under section three hundred eighty-four point
14 twenty-five (384.25), subsection two (2) of the Code.

15 Sec. 21. Section three hundred eighty-four point twenty-
16 four (384.24), subsection four (4), paragraphs d and g, Code
17 1975, are amended to read as follows:

18 d. The acquisition, construction, reconstruction, and
19 improvement of dams at the time of acquisition.

20 g. ~~The aiding in the planning, undertaking, and carrying~~
21 ~~out of urban renewal projects under the authority of chapter~~
22 ~~403, and all of the purposes set out in section 403.12~~ The
23 acquisition, construction, reconstruction, and improvement
24 of airports at the time of establishment.

25 Sec. 22. Section three hundred eighty-four point twenty-
26 six (384.26), Code 1975, is amended by adding the following
27 new subsection:

28 NEW SUBSECTION. a. Notwithstanding the provisions of
29 subsection two (2) of this section, a council may, in lieu
30 of calling an election, institute proceedings for the issuance
31 of bonds for a general corporate purpose by causing a notice
32 of the proposal to issue the bonds, including a statement
33 of the amount and purpose of the bonds, together with the
34 maximum rate of interest which the bonds are to bear, and
35 the right to petition for an election, to be published at

1 least once in a newspaper of general circulation within the
2 city at least ten days prior to the meeting at which it is
3 proposed to take action for the issuance of the bonds subject
4 to the following limitations:

5 (1) In cities having a population of five thousand or less,
6 in an amount of not more than twenty-five thousand dollars.

7 (2) In cities having a population of more than five thou-
8 sand and not more than seventy-five thousand, in an amount
9 of not more than seventy-five thousand dollars.

10 (3) In cities having a population in excess of seventy-
11 five thousand, in an amount of not more than one hundred fifty
12 thousand dollars.

13 b. If at any time before the date fixed for taking action
14 for the issuance of the bonds, a petition is filed with the
15 clerk of the city in the manner provided by section three
16 hundred sixty-two point four (362.4) of the Code, asking that
17 the question of issuing the bonds be submitted to the qualified
18 electors of the city, the council shall either by resolution
19 declare the proposal to issue the bonds to have been abandoned
20 or shall direct the county commissioner of elections to call
21 a special election upon the question of issuing the bonds.
22 Notice of the election and its conduct shall be in the manner
23 provided in the preceding subsections of this section.

24 c. If no petition is filed, or if a petition is filed
25 and the proposition of issuing the bonds is approved at an
26 election, the council may proceed with the authorization and
27 issuance of the bonds.

28 Sec. 23. Section three hundred eighty-four point fifty-
29 nine (384.59), subsection three (3), Code 1975, is amended
30 to read as follows:

31 3. The amount to be assessed against each lot, which shall
32 include the assessment for the default fund, if any, and the
33 amount of deficiency, if any, which may be subsequently
34 assessed against each lot under section 384.63. ~~No special~~
35 ~~assessment against any lot shall be more than ten percent~~

1 ~~in-excess-of-the-estimated-cost,-as-provided-in-the-preliminary~~
2 ~~schedule-required-under-section-384-47.~~

3 Sec. 24. Section three hundred eighty-four point sixty-
4 two (384.62), unnumbered paragraph two (2), Code 1975, is
5 amended to read as follows:

6 Special assessments for the construction or repair of
7 underground connections for private property for gas, water,
8 sewers, or electricity may be assessed to each lot for the
9 actual cost of each connection for that lot, and the twenty-
10 five percent limitation does not apply. Such connections
11 shall not be installed to service railway right of way without
12 written agreement with the railway company owning or leasing
13 the right of way.

14 Sec. 25. Section three hundred eighty-four point eighty-
15 two (384.82), subsection one (1), Code 1975, is amended by
16 adding the following new unnumbered paragraph:

17 NEW UNNUMBERED PARAGRAPH. A city may deliver its revenue
18 bonds to the federal government or any agency thereof which
19 has loaned the city money for sanitary or solid waste projects,
20 water projects or other projects for which the government
21 has a loan program.

22 Sec. 26. Section three hundred eighty-four point eighty-
23 three (384.83), subsection five (5), Code 1975, is amended
24 to read as follows:

25 5. Revenue bonds and pledge orders issued pursuant to
26 this division are negotiable instruments.

27 Sec. 27. Section three hundred eighty-four point eighty-
28 four (384.84), subsection one (1), Code 1975, is amended by
29 adding the following new unnumbered paragraph:

30 NEW UNNUMBERED PARAGRAPH. All rates or charges for the
31 services of sewer systems, sewage treatment, solid waste
32 collection, solid waste disposal, or any of these, if not
33 paid as provided by ordinance of council, or resolution of
34 trustees, shall constitute a lien upon the premises served
35 by any of these services and may be certified to the county

1 auditor and collected in the same manner as taxes.

2 Sec. 28. Chapter four hundred fourteen (414), Code 1975,
3 is amended by adding the following new section:

4 NEW SECTION. RESTRICTED RESIDENCE DISTRICTS. A city may,
5 and upon petition of sixty percent of the owners of the real
6 estate in the district sought to be affected who are resi-
7 dents of the city shall, designate and establish, after notice
8 and hearing, restricted residence districts within the city
9 limits.

10 In the ordinance designating and establishing a restricted
11 residence district, the city may establish reasonable rules
12 for the use and occupancy of buildings of all kinds within
13 the district, and provide that no building or other structure,
14 except residences, schoolhouses, churches, and other similar
15 structures, shall be erected, altered, repaired, or occupied
16 without first securing from the city council a permit to be
17 issued under reasonable rules as may be provided in the
18 ordinance. An ordinance and rules passed under this section
19 shall not conflict with applicable building and housing codes.

20 A building or structure erected, altered, repaired, or
21 used in violation of an ordinance passed under this section
22 shall be deemed a nuisance.

23 When a city has proceeded under the other provisions of
24 this chapter, this section shall no longer be in effect for
25 the city.

26 EXPLANATION

27 This bill makes a number of changes in procedures and re-
28 quirements for cities under the City Code of Iowa.
29 Coordinating amendments are inserted with regard to officers'
30 surety bonds. The power to meet federal requirements for
31 funding is reinstated into the law. The bill requires notice,
32 hearing and a resolution, and permits extensions for agreements
33 not to annex, and requires approval and filing of voluntary
34 annexations and severances.

35 The bill also provides for making certain changes within

1 forms of government, modifies the law on compensation changes
2 for elected city officials, makes specific provisions for
3 dismissing city officials, amends procedures for adoption
4 of ordinances and amendments, removes the mayor's right to
5 veto if the mayor was entitled to vote on a measure, and
6 limits the adoption of codes by reference to only those of
7 recognized status. It modifies budgeting procedures for
8 municipal utilities and for cities, and regulates bond issues
9 for dams, airports, parks, TV translator systems and urban
10 renewal, adding a reverse referendum option for urban renewal
11 bonds and for limited amounts of general corporate purpose
12 bonds. An inconsistent limitation in the special assessment
13 division is eliminated, and a provision is restored to the
14 effect that the 25% limit on special assessments does not
15 apply in the case of underground utility connections.
16 Provisions are added to permit cities to offer their bonds
17 to the federal government to cover loans made by it, to make
18 pledge orders negotiable, and to provide for a lien on the
19 premises for unpaid charges for sewer service or solid waste
20 disposal service so as to support revenue bonds. The
21 provisions of chapter 415 of the Code, relating to restricted
22 residence districts, which were formerly to be repealed, are
23 reenacted as a new section in the city zoning chapter.

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H-4295

1 Amend S.F. 526 as amended and passed by the
2 Senate as follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "Section 1. Section four hundred nineteen
6 point one (419.1), subsection two (2), paragraph
7 (a), Code 1975, is amended to read as follows:

8 2. "Project" means all or any part of, or
9 any interest in, (a) any land, buildings or
10 improvements, whether or not in existence at the
11 time of issuance of the bonds issued under
12 authority of this chapter, which shall be suitable
13 for the use of any voluntary nonprofit hospital,
14 clinic or health care facility as defined in
15 section 135C.1, subsection 8, or of any private
16 college or university, whether for the establish-
17 ment or maintenance of such college or university,
18 or of any industry or industries for the man-
19 ufacturing, processing or assembling of any
20 agricultural or manufactured products, even
21 though such processed products may require
22 further treatment before delivery to the ultimate
23 consumer, or of any commercial enterprise engaged
24 in storing, warehousing, or distributing or
25 selling products of agriculture, mining or
26 industry including but not limited to barge
27 facilities and river-front improvements useful
28 and convenient for the handling and storage
29 of goods and products or

30 Sec. 2. Section four hundred nineteen
31 point seven (419.7), Code 1975, is amended to
32 read as follows:

33 419.7 APPLICATION OF PROCEEDS LIMITED. The
34 proceeds from the sale of any bonds, issued under
35 authority of this chapter, shall be applied only
36 for the purpose for which the bonds were issued
37 and if, for any reason, any portion of such
38 proceeds shall not be needed for the purpose for
39 which the bonds were issued, such unneeded portion
40 of said proceeds shall be applied to the payment
41 of the principal or the interest on said bonds.
42 The cost of any project shall be deemed to include
43 the actual cost of acquiring a site or the cost of
44 the construction of any part of a project which
45 may be constructed including architects' and
46 engineers' fees, the purchase price of any part
47 of a project that may be acquired by purchase,
48 all expenses in connection with the authorization,
49 sale and issuance of the bonds to finance such
50 acquisition, an amount to be held as a bond reserve

1 fund, and the interest on such bonds for a reason-
2 able time prior to construction, during con-
3 struction and for not exceeding six months after
4 completion of construction, and with respect to
5 any health care facility or voluntary nonprofit
6 hospital the cost of retiring any existing in-
7 debtedness of such health care facility or
8 voluntary nonprofit hospital which the governing
9 body of the municipality determines to be
10 reasonably necessary in connection with the
11 issuance of the bonds.

12 Sec. 3. Chapter twenty-eight E (28E), Code
13 1975, is amended by adding the following new
14 section:

15 NEW SECTION. TRANSIT POLICY--JOINT
16 AGREEMENT--CITY DEBT.

17 1. It is the public policy of this state
18 to encourage the establishment or acquisition of
19 urban mass transit systems and the equipment,
20 maintenance and operation thereof by public
21 agencies in cooperation with, and with the assist-
22 ance of the urban mass transportation adminis-
23 tration of the United States department of
24 transportation, pursuant to the provisions of the
25 Urban Mass Transportation Act of 1964, as amended,
26 title forty-nine (49), sections one thousand six
27 hundred one (1601) et seq., United States Code,
28 which requires unification or official coordin-
29 ation of local mass transportation services on
30 an area-wide basis as a condition of such
31 assistance.

32 2. An agreement between one or more cities
33 and other public agencies for this purpose may be
34 made and carried out without an election and
35 the agency created thereby may jointly exercise
36 through a board of trustees as provided by the
37 agreement all the rights, powers, privileges
38 and immunities of cities related to the provision
39 of mass transportation services, except the
40 authority to incur bonded indebtedness.

41 3. A city which is a party in a joint transit
42 agency may issue general corporate purpose bonds
43 for the support of a capital program for the
44 joint agency in the following manner:

45 a. The council shall give notice and conduct
46 a hearing on the proposal in the manner set forth
47 in section three hundred eighty-four point twenty-
48 five (384.25) of the Code. However, the notice
49 must be published at least ten days prior to the
50 hearing, and if a petition valid under section

1 three hundred sixty-two point four (362.4) of the
2 Code is filed with the clerk of the city prior
3 to the hearing, asking that the question of
4 issuing the bonds be submitted to the qualified
5 electors of the city, the council shall either
6 by resolution declare the proposal abandoned or
7 shall direct the county commissioner of elections
8 to call a special election to vote upon the
9 question of issuing the bonds. Notice of the
10 election and its conduct shall be in the manner
11 provided in section three hundred eighty-four
12 point twenty-six (384.26) of the Code.

13 b. If no petition is filed, or if a
14 petition is filed and the proposition of issuing
15 bonds is approved at the election, the council
16 may proceed with the authorization and issuance
17 of the bonds.

18 An agreement may provide for full or partial
19 payment from transit revenues to the cities for
20 meeting debt service on such bonds.

21 This subsection shall be construed as
22 granting additional power without limiting the
23 power already existing in cities, and as providing
24 an alternative independent method for the carrying
25 out of any project for the issuance and sale of
26 bonds for the financing of a city's share of a
27 capital expenditures project of a joint transit
28 agency, and no further proceedings with respect to
29 the authorization of the bonds shall be required.

30 Sec. _____. Chapter twenty-eight G (28G),
31 Code 1975, is repealed.

32 Sec. 4. Chapter seventy-five (75), Code
33 1975, is amended by adding the following new
34 section:

35 NEW SECTION. MAXIMUM INTEREST RATES. Unless
36 otherwise provided by law, the maximum rates of
37 interest on all bonds issued by a city shall be
38 as follows:

39 1. General obligation bonus or other
40 evidences of indebtedness payable from general
41 taxation may bear interest at a rate not ex-
42 ceeding seven percent per annum.

43 2. Revenue bonds or obligations, the
44 principal and interest of which are to be paid
45 solely and only from the revenue derived from
46 the operations of the project for which the bonds
47 or obligations are issued, may bear interest
48 at a rate not exceeding seven and one-half per-
49 cent per annum. This subsection shall not apply
50 to revenue bonds issued pursuant to chapter four

1 hundred nineteen (419) of the Code.
 2 3. Special assessment bonds or certificates,
 3 the principal and interest of which are payable
 4 from special assessments levied against benefited
 5 property may bear interest at a rate not exceeding
 6 seven percent per annum."
 7 2. Renumber sections and correct internal
 8 references in accordance with this amendment.
 9 3. Title page, line 2 by inserting after
 10 the word "for" the following:
 11 "municipal support of industrial projects,
 12 joint transit agencies, interest rates for city
 13 bonds,"

H-4295 FILED, *Sen. Journal* BY RINAS of Linn
 JUNE 14, 1975 CLARK of LEE
 HARVEY of Scott
 LIPSKY of Linn
 JUNKER of Woodbury
 CONNORS of Polk
 MILLER of Cerro Gordo

Senate File 526

H-4288

1 Amend Senate File 526 as amended and passed
 2 by the Senate as follows:
 3 1. Page 6, by ~~striking~~ lines 10 through 16.

H-4288 FILED BY BITTLE of Polk
 JUNE 13, 1975 CLARK of Lee
 CUSACK of Scott

H-4308

Senate File 526

1 Amend the Rinas, et al, amendment H-4295 to
 2 Senate File 526, page 1, line 13, by inserting af-
 3 ter the word "any" the words "recreational facil-
 4 ity".

H-4308 FILED BY WOODS of Polk
 JUNE 14, 1975

H-4299

1 Amend the Rinas, et al amendment H-4295, to
 2 Senate File 526, as passed by the Senate, as
 3 follows:
 4 Page 4, by inserting after line 6 the following
 5 new section:
 6 "Sec. ____ . NEW SECTION. The provisions of section
 7 four hundred nineteen point one (419.1), Code 1975,
 8 shall apply to those cities which approved, prior to
 9 July 1, 1975, issuance of industrial revenue bonds
 10 for retail outlets."

H-4299 FILED BY KOGLER of Mahaska
 JUNE 14, 1975

H-4289

1 Amend Senate File 526, as amended and passed by
2 the Senate, as follows:

3 1. Page 4, line 16, insert after the second comma
4 the word "six (6),".

5 2. Page 4, insert after line 23 the following:

6 "6. Immediately Within fifteen days following
7 a regular or special meeting of the council, the clerk
8 shall ~~prepare a condensed statement~~ cause the minutes
9 of the proceedings of the council, including the total
10 expenditure from each city fund, ~~and cause the state-~~
11 ~~ment~~ ment to be published in a newspaper of general
12 circulation in the city. The statement publication
13 shall include a list of all claims allowed and a sum-
14 mary of all receipts, and shall show the gross amount
15 of the claim, the name of the person receiving a
16 warrant, and the reason for issuing the warrant.
17 However, if a salary warrant is issued to a person
18 regularly employed by the municipality, such name
19 and reason shall be published once annually showing
20 the gross amount of the annual salary. Also, matters
21 discussed in closed session pursuant to section twenty-
22 eight A point three (28A.3) of the Code shall not
23 be published until entered on the public minutes.
24 However, in cities having more than one hundred fifty
25 thousand population the council shall each month print
26 in pamphlet form a detailed itemized statement of
27 all receipts and disbursements of the city, and a
28 summary of its proceedings during the preceding month,
29 and furnish copies to the city library, the daily
30 newspapers of the city, and to persons who apply at
31 the office of the city clerk, and the pamphlet shall
32 constitute publication as required. Failure by the
33 clerk to make publication is a misdemeanor. The
34 provisions of this subsection are applicable in cities
35 in which a newspaper is published, or in cities of
36 two hundred population or over, but in all other
37 cities, posting the statement in three public places
38 in the city which have been permanently designated
39 by ordinance is sufficient compliance with this
40 subsection."

H-4289 FILED - *Hutchins* - 6-13-75 BY HUTCHINS of Guthrie
JUNE 13, 1975 BRUNOW of Appanoose

H-4300

1 Amend Senate File 526 as amended and passed by
2 the Senate as follows:

3 Page 11, by striking all of lines 2 through 25.

H-4300 FILED - *Harvey* - 6-14-75 BY HARVEY of Scott
JUNE 14, 1975

H-4301

- 1 Amend the Rinas, et al amendment H-4295, to
2 Senate File 526, as follows:
3 1. Page 1, by striking all of lines 33 through
4 50.
5 2. Page 2, by striking all of lines 1 through
6 11.

H-4301 FILED - *Withdrawn 6/17 (2544)* BY HARVEY of Scott
JUNE 14, 1975

H-4304

- 1 Amend the title page, to Senate File 526, as
2 follows:
3 1. Line 2, by inserting after the word "for"
4 the following: "administrative agencies,".

H-4304 FILED - *Adopted 6/17/75* BY HARVEY of Scott
JUNE 14, 1975
ADOPTED, JUNE 17, 1975 (2596)

S-4161

- 1 Amend Senate File 526, as follows:
2 Page 7, by inserting after line 25 the
3 following:
4 1. Page 7, line 14, strike the words "subsection
5 two (2), Code 1975, is" and insert in lieu thereof
6 the words "subsections two (2) and three (3), Code
7 1975, are".
8 2. Page 7, insert after line 25 the following:
9 "3. The council shall set a time and place
10 for public hearing on the budget before the final
11 certification date and shall publish notice before
12 the hearing as provided in section 362.3. A summary
13 of the proposed budget shall be included in the
14 notice. Proof of publication must be filed with the
15 county auditor."

S-4161 FILED & ADOPTED (1966) BY LOWELL L. JUNKINS
JUNE 12, 1975

S-4158

- 1 Amend Senate File 526, page 2, line 10, by inserting
2 after the period the following new sentence: "A city
3 following recommendation by the county planning and
4 zoning commission and following board of supervisors
5 approval that an annexation plan does not meet the
6 planned land use and economic needs of the county
7 shall refrain from annexing specifically described
8 territory for a period determined by the board of
9 supervisors of the county."

S-4158 FILED & LOST (1965) BY JAMES V. GALLAGHER
JUNE 12, 1975

S-4155

1 Amend Senate File 526 as follows:

2 1. Page 11, by inserting after line 1 the
3 following:

4 "Sec. _____. Section three hundred ninety-two
5 point one (392.1), Code 1975, is amended to read as
6 follows:

7 392.1 ESTABLISHMENT BY ORDINANCE. If the
8 council wishes to establish an administrative agency,
9 it shall do so by an ordinance which indicates the
10 title, powers, and duties of the agency, the method
11 of appointment or election, qualifications, compen-
12 sation, and term of members, and other appropriate
13 matters relating to the agency. The title of an
14 administrative agency must be appropriate to its
15 function. The council may not delegate to an
16 administrative agency any of the powers, authorities,
17 and duties prescribed in division V of chapter 384
18 or in chapter 388, except that the council may
19 delegate to an administrative agency power to
20 establish and collect charges, and dispense the
21 moneys received for the use of a city facility,
22 including a city enterprise, as defined in section
23 384.24, so long as there are no revenue bonds or
24 pledge orders outstanding which are payable from
25 the revenues of the city enterprise. Except as
26 otherwise provided in this chapter, the council
27 may delegate rule-making authority to the agency
28 for matters within the scope of the agency's
29 powers and duties, and may prescribe penalties
30 for violation of agency rules which have been
31 adopted by ordinance. Rules governing the use by
32 the public of any city facility must be made
33 readily available to the public."

34 2. By renumbering the sections.

S-4155 FILED & ADOPTED (1964)
JUNE 12, 1975

BY ELIZABETH SHAW

S-4157

1 Amend Senate File 526, as follows:

2 Page 7, by inserting after line 25 the
3 following:

4 1. Page 7, line 14, strike the words "subsection
5 two (2), Code 1975, is" and insert in lieu thereof
6 the words "subsections two (2) and three (3), Code
7 1975, are".

8 2. Page 7, insert after line 25 the following:

9 "3. The council shall set a time and place for
10 public hearing on the budget before the hearing
11 as provided in section 362.3. A summary of the proposed
12 budget shall be included in the notice. Proof of
13 publication must be filed with the county auditor."

S-4157 FILED & ADOPTED, (1965)
RECONSIDERED & WITHDRAWN (1966)
JUNE 12, 1975

BY LOWELL L. JUNKINS

S-3831

1 Amend Senate File 526, page 3, by inserting after
2 line 5 the following, and renumbering sections and
3 correcting internal references in accordance with
4 this amendment:

5 "Sec. . Section three hundred sixty-eight point
6 nineteen (368.19), unnumbered paragraph one (1), Code
7 1975, is amended to read as follows:

8 The committee shall approve or disapprove the
9 petition or plan as amended, within ninety days of
10 the final hearing, and shall file its decision for
11 record and promptly notify the parties to the
12 proceeding of its decision. If a petition or plan
13 is approved, the board shall set a date within ninety
14 days for a special election on the proposal and the
15 county commissioner of elections shall conduct the
16 election. In a case of incorporation or
17 discontinuance, qualified voters of the territory
18 or city may vote, and the proposal is authorized if
19 a majority of those voting approves it. In a case
20 of annexation or severance, qualified voters ~~of the~~
21 ~~territory~~ of any township in which a part of the
22 territory is located, and of the city may vote, and
23 the proposal is authorized if a majority of the total
24 number of persons voting approves it. In a case of
25 consolidation, qualified voters of each city to be
26 consolidated may vote, and the proposal is authorized
27 only if it receives a favorable majority vote in each
28 city. The county commissioner of elections shall
29 publish notice of the election as provided in section
30 368.15, and shall conduct the election in the same
31 manner as other special city elections."

S-3831 FILED - *Ordered out of order* BY JAMES V. GALLAGHER
MAY 16, 1975 *6/12 (1961)*

S-3995

1 Amend Senate File 526, page 6, by striking
2 lines 10 through 16.

S-3995 FILED - *Lost 6/12 (1963)* BY PHILIP B. HILL
JUNE 2, 1975

S-4164

1 Amend Senate File 526, page 6, line 14, by
2 striking the words "the mayor" and inserting in
3 lieu thereof the words "a mayor elected to that
4 office by the council".

S-4164 FILED
JUNE 12, 1975

BY PHILIP B. HILL
CLIFTON C. LAMBORN
KEVIN KELLY

S-4027

1 Amend Senate File 526 as follows:

2 1. Page 1, by inserting before line 1 the
3 following:

4 "Sec. ____ Chapter twenty-eight E (28E), Code
5 1975, is amended by adding the following new section:
6 NEW SECTION. TRANSIT POLICY--JOINT AGREEMENT--
7 CITY DEBT.

8 1. It is the public policy of this state to
9 encourage the establishment or acquisition of urban
10 mass transit systems and the equipment, maintenance
11 and operation thereof by public agencies in cooperation
12 with, and with the assistance of the urban mass
13 transportation administration of the United States
14 department of transportation, pursuant to the provi-
15 sions of the Urban Mass Transportation Act of 1964,
16 as amended, title forty-nine (49), sections one
17 thousand six hundred one (1601) et seq., United States
18 Code, which requires unification or official
19 coordination of local mass transportation services
20 on an area-wide basis as a condition of such
21 assistance.

22 2. An agreement between one or more cities and
23 other public agencies for this purpose may be made
24 and carried out without an election and the agency
25 created thereby may jointly exercise through a board
26 of trustees as provided by the agreement all the
27 rights, powers, privileges and immunities of cities
28 related to the provision of mass transportation
29 services, except the authority to incur bonded
30 indebtedness.

31 3. A city which is a party in a joint transit
32 agency may issue general corporate purpose bonds for
33 the support of a capital program for the joint agency
34 in the following manner:

35 a. The council shall give notice and conduct a
36 hearing on the proposal in the manner set forth in
37 section three hundred eighty-four point twenty-five
38 (384.25) of the Code. However, the notice must be
39 published at least ten days prior to the hearing,
40 and if a petition valid under section three hundred
41 sixty-two point four (362.4) of the Code is filed
42 with the clerk of the city prior to the hearing,
43 asking that the question of issuing the bonds be
44 submitted to the qualified electors of the city, the
45 council shall either by resolution declare the proposal
46 abandoned or shall direct the county commissioner
47 of elections to call a special election to vote upon
48 the question of issuing the bonds. Notice of the
49 election and its conduct shall be in the manner
50 provided in section three hundred eighty-four point

1 twenty-six (384.26) of the Code.

2 b. If no petition is filed, or if a petition is
3 filed and the proposition of issuing bonds is approved
4 at the election, the council may proceed with the
5 authorization and issuance of the bonds.

6 An agreement may provide for full or partial payment
7 from transit revenues to the cities for meeting debt
8 service on such bonds.

9 This subsection shall be construed as granting
10 additional power without limiting the power already
11 existing in cities, and as providing an alternative
12 independent method for the carrying out of any project
13 for the issuance and sale of bonds for the financing
14 of a city's share of a capital expenditures project
15 of a joint transit agency, and no further proceedings
16 with respect to the authorization of the bonds shall
17 be required.

18 Sec. ____ Chapter twenty-eight G (28G), Code 1975,
19 is repealed."

20 2. Renumber sections and correct internal
21 references in accordance with this amendment.

22 3. Amend the title, line 2, by inserting after
23 the word "for" the words "joint transit agencies,".

S-4027 FILED - *Repealed out of order*
JUNE 3, 1975 *6/12 (1959)* BY EARL M. WILLITS

S-4009

1 Amend Senate File 526 as follows:

2 1. Page 9, line 6 by striking the word "an"
3 and inserting in lieu thereof the words "a
4 cumulative".

5 2. Page 9, line 8 by striking the word "an"
6 and inserting in lieu thereof the words "a
7 cumulative".

8 3. Page 9, line 11 by striking the word
9 "an" and inserting in lieu thereof the words
10 "a cumulative".

S-4009 FILED - *Lost 6/12 (1963)* BY RAY TAYLOR
JUNE 2, 1975

S-4023

1 Amend the Junkins amendment, S-3999 to Senate File
2 526 as follows:

3 1. Page 1, line 16, insert before the word
4 "warrant" the word "salary".

5 2. Page 1, line 19, strike the word "warrants"
6 and insert in lieu thereof the words "annual salary".

7 3. Page 1, line 22, insert before the word
8 "minutes" the word "public".

S-4023 FILED
JUNE 3, 1975

BY W. R. RABEDEAUX

S-4183

1 Amend Senate File 526, as follows:

2 1. Page 2, line 4, by inserting after the word "city"
3 the word ", county".

4 2. Page 3, by inserting before line 6 the following
5 new section:

6 "Sec. ____ . Section three hundred sixty-eight point
7 nineteen (~~368.19~~), Code 1975, is amended to read as
8 follows:

9 368.19 TIME LIMIT. The committee shall approve or
10 disapprove the petition or plan as amended, within
11 ninety days of the final hearing, and shall file its
12 decision for record and promptly notify the parties to the
13 proceeding of its decision. If a petition or plan is
14 approved, the board shall set a date within ninety days for
15 a special election on the proposal and the county commissioner
16 of elections shall conduct the election. In a case of
17 incorporation or discontinuance, qualified voters of
18 the territory or city may vote, and the proposal is
19 authorized if a majority of those voting approves it.
20 In a case of annexation or severance, qualified voters of
21 the territory, township and of the city may vote, and the
22 proposal is authorized if a majority of the total number
23 of persons voting approves it. In a case of consolidation,
24 qualified voters of each city to be consolidated may vote,
25 and the proposal is authorized only if it receives a
26 favorable majority vote in each city. The county commissioner
27 of elections shall publish notice of the election as provided
28 in section 368.15, and shall conduct the election in
29 the same manner as other special city elections.

30 The costs of an incorporation election shall be borne by
31 the initiating petitioners if the election fails, but if
32 the proposition is approved the cost shall become a charge
33 of the new city."

34 3. Page 3, by inserting after line 5 the following new
35 section:

36 "Sec. ____ . Section three hundred sixty-eight point
37 seventeen (~~368. 17~~), subsection four (4), Code 1975, is
38 amended by striking the subsection and inserting in lieu
39 thereof the following:

40 4. An annexation unless the territory is adjoining the
41 city to which it will be annexed, and the committee finds
42 that the municipal corporation is capable of extending
43 into such territory within a period of five years from the
44 date of annexation, all necessary municipal services and
45 benefits which have not formerly been provided to the
46 territory, including but not limited to water and water
47 mains, sewage facilities, streets, street lighting, fire
48 protection, police protection, and snow removal."

S-4183 FILED
JUNE 12, 1975

BY JAMES V. GALLAGHER
W. R. RABEDAUX

S-4016

1 Amend the Junkins amendment, S-3999, to Senate File
2 526, page 1, line 11, by inserting after the period
3 the following sentence: "Notwithstanding the pro-
4 visions of Section six hundred eighteen point eleven
5 (618.11) of the Code the rate for such publication
6 shall not exceed the lowest display rate which said
7 newspaper charges their largest volume advertiser."

S-4016 FILED
JUNE 3, 1975

BY FORREST V. SCHWENGELS

SENATE FILE 526

S-4255

1 Amend S-4253, the House Amendment to Senate
2 File 526 as amended and passed by the Senate, on
3 page 4, by inserting after line 6 the following new
4 section:
5 "Sec. . . NEW SECTION. The provisions of
6 section four hundred nineteen point one (419.1),
7 Code 1975, shall apply to those cities which
8 approved, prior to July 1, 1975, issuance of
9 industrial revenue bonds for retail outlets."

S-4255 FILED & LOST (2162)
JUNE 18, 1975

BY BASS VAN GILST

SENATE FILE 526

S-4001

1 Amend Senate File 526, page 11, by inserting
2 after line 1 the following:
3 "Sec. 28. Section three hundred eighty four point
4 ninety five (384.95), subsection one (1), Code 1975,
5 is amended to read as follows:
6 1. "Public Improvement" means any building or
7 construction work, either within or outside the
8 corporate limits of a city, to be paid for in whole
9 or in part by the use of funds of the city, regard-
10 less of sources, including a building or improvement
11 constructed or operated jointly with any other public
12 or private agency, but excluding urban renewal and
13 low rent housing projects, industrial aid projects
14 authorized under chapter 419, emergency-work, or work
15 performed by employees of a city where the estimated
16 total cost of a public improvement including labor
17 and materials does not exceed the sum of twenty-five
18 thousand dollars, work performed pursuant to a federal
19 job assistance program, or work connected with a city
20 electrical utility."

S-4001 FILED - *Revised out of order*
JUNE 2, 1975 *6/12 (1964)*

BY JAMES W. GRIFFIN, SR.

S-4253

1 Amend S.F. 526 as amended and passed by the
2 Senate as follows:

3 1. Page 1, by inserting before line 1 the
4 following:

5 "Section 1. Section four hundred nineteen
6 point one (419.1), subsection two (2), paragraph
7 (a), Code 1975, is amended to read as follows:

8 2. "Project" means all or any part of, or
9 any interest in, (a) any land, buildings or
10 improvements, whether or not in existence at the
11 time of issuance of the bonds issued under
12 authority of this chapter, which shall be suitable
13 for the use of any voluntary nonprofit hospital,
14 clinic or health care facility as defined in
15 section 135C.1, subsection 8, or of any private
16 college or university, whether for the establish-
17 ment or maintenance of such college or university,
18 or of any industry or industries for the man-
19 ufacturing, processing or assembling of any
20 agricultural or manufactured products, even
21 though such processed products may require
22 further treatment before delivery to the ultimate
23 consumer, or of any commercial enterprise engaged
24 in storing, warehousing, or distributing or
25 selling products of agriculture, mining or
26 industry including but not limited to barge
27 facilities and river-front improvements useful
28 and convenient for the handling and storage
29 of goods and products or

30 Sec. 2. Section four hundred nineteen
31 point seven (419.7), Code 1975, is amended to
32 read as follows:

33 419.7 APPLICATION OF PROCEEDS LIMITED. The
34 proceeds from the sale of any bonds, issued under
35 authority of this chapter, shall be applied only
36 for the purpose for which the bonds were issued
37 and if, for any reason, any portion of such
38 proceeds shall not be needed for the purpose for
39 which the bonds were issued, such unneeded portion
40 of said proceeds shall be applied to the payment
41 of the principal or the interest on said bonds.
42 The cost of any project shall be deemed to include
43 the actual cost of acquiring a site or the cost of
44 the construction of any part of a project which
45 may be constructed including architects' and
46 engineers' fees, the purchase price of any part
47 of a project that may be acquired by purchase,
48 all expenses in connection with the authorization,
49 sale and issuance of the bonds to finance such
50 acquisition, an amount to be held as a bond reserve

1 fund, and the interest on such bonds for a reason-
2 able time prior to construction, during con-
3 struction and for not exceeding six months after
4 completion of construction, and with respect to
5 any health care facility or voluntary nonprofit
6 hospital the cost of retiring any existing in-
7 debtedness of such health care facility or
8 voluntary nonprofit hospital which the governing
9 body of the municipality determines to be
10 reasonably necessary in connection with the
11 issuance of the bonds.

12 Sec. 3. Chapter twenty-eight E (28E), Code
13 1975, is amended by adding the following new
14 section:

15 NEW SECTION. TRANSIT POLICY--JOINT
16 AGREEMENT--CITY DEBT.

17 1. It is the public policy of this state
18 to encourage the establishment or acquisition of
19 urban mass transit systems and the equipment,
20 maintenance and operation thereof by public
21 agencies in cooperation with, and with the assist-
22 ance of the urban mass transportation adminis-
23 tration of the United States department of
24 transportation, pursuant to the provisions of the
25 Urban Mass Transportation Act of 1964, as amended,
26 title forty-nine (49), sections one thousand six
27 hundred one (1601) et seq., United States Code,
28 which requires unification or official coordin-
29 ation of local mass transportation services on
30 an area-wide basis as a condition of such
31 assistance.

32 2. An agreement between one or more cities
33 and other public agencies for this purpose may be
34 made and carried out without an election and
35 the agency created thereby may jointly exercise
36 through a board of trustees as provided by the
37 agreement all the rights, powers, privileges
38 and immunities of cities related to the provision
39 of mass transportation services, except the
40 authority to incur bonded indebtedness.

41 3. A city which is a party in a joint transit
42 agency may issue general corporate purpose bonds
43 for the support of a capital program for the
44 joint agency in the following manner:

45 a. The council shall give notice and conduct
46 a hearing on the proposal in the manner set forth
47 in section three hundred eighty-four point twenty-
48 five (384.25) of the Code. However, the notice
49 must be published at least ten days prior to the
50 hearing, and if a petition valid under section

1. three hundred sixty-two point four (362.4) of the
2. Code is filed with the clerk of the city prior
3. to the hearing, asking that the question of
4. issuing the bonds be submitted to the qualified
5. electors of the city, the council shall either
6. by resolution declare the proposal abandoned or
7. shall direct the county commissioner of elections
8. to call a special election to vote upon the
9. question of issuing the bonds. Notice of the
10. election and its conduct shall be in the manner
11. provided in section three hundred eighty-four
12. point twenty-six (384.26) of the Code.

13. b. If no petition is filed, or if a
14. petition is filed and the proposition of issuing
15. bonds is approved at the election, the council
16. may proceed with the authorization and issuance
17. of the bonds.

18. An agreement may provide for full or partial
19. payment from transit revenues to the cities for
20. meeting debt service on such bonds.

21. This subsection shall be construed as
22. granting additional power without limiting the
23. power already existing in cities, and as providing
24. an alternative independent method for the carrying
25. out of any project for the issuance and sale of
26. bonds for the financing of a city's share of a
27. capital expenditures project of a joint transit
28. agency, and no further proceedings with respect to
29. the authorization of the bonds shall be required.

30. Sec. . Chapter twenty-eight G (28G),
31. Code 1975, is repealed.

32. Sec. 4. Chapter seventy-five (75), Code
33. 1975, is amended by adding the following new
34. section:

35. NEW SECTION. MAXIMUM INTEREST RATES. Unless
36. otherwise provided by law, the maximum rates of
37. interest on all bonds issued by a city shall be
38. as follows:

39. 1. General obligation bonds or other
40. evidences of indebtedness payable from general
41. taxation may bear interest at a rate not ex-
42. ceeding seven percent per annum.

43. 2. Revenue bonds or obligations, the
44. principal and interest of which are to be paid
45. solely and only from the revenue derived from
46. the operations of the project for which the bonds
47. or obligations are issued, may bear interest
48. at a rate not exceeding seven and one-half per-
49. cent per annum. This subsection shall not apply
50. to revenue bonds issued pursuant to chapter four

1 hundred nineteen (419) of the Code.

2 3. Special assessment bonds or certificates,
3 the principal and interest of which are payable
4 from special assessments levied against benefited
5 property may bear interest at a rate not exceeding
6 seven percent per annum."

7 2. Page 3, by striking lines 7 and inserting in
8 lieu thereof the following:

9 "(372.4), Code 1975, as amended by Acts of the
10 Sixty-sixth General Assembly, 1975 Session, House
11 File seven hundred twenty-three (723), section
12 thirteen (13), is amended to read as follows:".

13 3. Page 3, by striking lines 19 through 26 and
14 inserting in lieu thereof the following:

15 "However, a city governed, on the effective date
16 of this section, by the mayor-council form composed
17 of a mayor and a council consisting of two council-
18 men elected at large, and one councilman from each
19 of four wards, or a special charter city governed,
20 on the effective date of this section, by the mayor-
21 council form composed of a mayor and a council
22 consisting of two councilmen elected at large and
23 one councilman elected from each of eight wards,
24 may continue until the form of government is
25 changed as provided in section 372.2 or section
26 372.9. While a city is thus operating with an
27 even number of councilmen, the mayor may vote to
28 break a tie vote on motions not involving ordinances,
29 resolutions or appointments made by the council
30 alone, and in a special charter city operating with
31 ten councilmen under this section, the mayor may
32 vote to break a tie vote on all measures."

33 4. Page 4, line 16, insert after the second
34 comma the word "six (6),".

35 5. Page 4, insert after line 23 the following:

36 "6. Immediately Within fifteen days following a
37 regular or special meeting of the council, the clerk
38 shall prepare-a-condensed-statement cause the
39 minutes of the proceedings of the council, including
40 the total expenditure from each city fund, and
41 cause-the-statement to be published in a newspaper
42 of general circulation in the city. The statement
43 publication shall include a list of all claims allowed
44 and a summary of all receipts, and shall show the
45 gross amount of the claim. Matters discussed in closed
46 session pursuant to section twenty-eight A point
47 three (28A.3) of the Code shall not be published until
48 entered on the public minutes. However, in cities
49 having more than one hundred fifty thousand population
50 the council shall each month print in pamphlet form

1 a detailed itemized statement of all receipts and
2 disbursements of the city, and a summary of its pro-
3 ceedings during the preceding month, and furnish
4 copies to the city library, the daily newspapers
5 of the city, and to persons who apply at the office
6 of the city clerk, and the pamphlet shall constitute
7 publication as required. Failure by the clerk to
8 make publication is a misdemeanor. The provisions
9 of this subsection are applicable in cities in
10 which a newspaper is published, or in cities of two
11 hundred population or over, but in all other cities,
12 posting the statement in three public places in the
13 city which have been permanently designated by
14 ordinance is sufficient compliance with this
15 subsection."

16 6. Title page, line 2 by inserting after the
17 word "for" the following:
18 "administrative agencies, municipal support of
19 industrial projects, joint transit agencies,
20 interest rates for city bonds,".

21 7. Renumber sections and correct internal
22 references in accordance with this amendment.

S-4253 FILED
JUNE 18, 1975

RECEIVED FROM THE HOUSE

Senate concurred 6/18/75

H-4319

1 Amend Senate File 526, as amended and passed by
2 the Senate, as follows:
3 1. Page 4, line 16, insert after the second comma
4 the word "six (6),".
5 2. Page 4, insert after line 23 the following:
6 "6. Immediately Within fifteen days following a
7 regular or special meeting of the council, the clerk
8 shall prepare-a-condensed-statement cause the minutes
9 of the proceedings of the council, including the total
10 expenditure from each city fund, and-cause-the-statement
11 to be published in a newspaper of general circulation in
12 the city. The statement publication shall include a
13 list of all claims allowed and a summary of all receipts,
14 and-shall-show-the-gross-amount-of-the-claim. Matters
15 discussed in closed session pursuant to section twenty-
16 eight A point three (28A.3) of the Code shall not be
17 published until entered on the public minutes. However,
18 in cities having more than one hundred fifty thousand
19 population the council shall each month print in pamphlet
20 form a detailed itemized statement of all receipts and
21 disbursements of the city, and a summary of its pro-
22 ceedings during the preceding month, and furnish copies
23 to the city library, the daily newspapers of the city,
24 and to persons who apply at the office of the city clerk,
25 and the pamphlet shall constitute publication as required.
26 Failure by the clerk to make publication is a misdemeanor.
27 The provisions of this subsection are applicable in cities
28 in which a newspaper is published, or in cities of two
29 hundred population or over, but in all other cities, posting
30 the statement in three public places in the city which have
31 been permanently designated by ordinance is sufficient
32 compliance with this subsection."

H-4319 FILED, ADOPTED BY HUTCHINS of Guthrie
JUNE 17, 1975 *amended by 4319* BRUNOW of Appanoose

H-4320

1 Amend amendment H-4319, to Senate File 526, as
2 follows:

3 Page 1, by striking line 14 and inserting in lieu
4 thereof the following:

5 "and shall show the gross amount of the claim.
6 Matters".

H-4320 FILED, ADOPTED (2596) BY HUTCHINS of Guthrie
JUNE 17, 1975

H-4321

1 Amend Senate File 526, as amended and passed by
2 the House, as follows:

3 1. Page 3, by striking line 7 and inserting in
4 lieu thereof the following:

5 "(372.4), Code 1975, as amended by Acts of the
6 Sixty-sixth General Assembly, 1975 Session, House
7 File seven hundred twenty-three (723), section
8 thirteen (13), is amended to read as follows:".

9 2. Page 3, by striking lines 19 through 26 and
10 inserting in lieu thereof the following:

11 "However, a city governed, on the effective date
12 of this section, by the mayor-council form composed
13 of a mayor and a council consisting of two councilmen
14 elected at large, and one councilman from each of four
15 wards, or a special charter city governed, on the
16 effective date of this section, by the mayor-council
17 form composed of a mayor and a council consisting of
18 two councilmen elected at large and one councilman
19 elected from each of eight wards, may continue until
20 the form of government is changed as provided in
21 section 372.2 or section 372.9. While a city is
22 thus operating with an even number of councilmen, the
23 mayor may vote to break a tie vote on motions not
24 involving ordinances, resolutions or appointments
25 made by the council alone, and in a special charter
26 city operating with ten councilmen under this
27 section, the mayor may vote to break a tie vote
28 on all measures."

H-4321 FILED, ADOPTED (2595) BY RINAS of Linn
JUNE 17, 1975

S-4008

1 Amend Senate File 526 as follows:

2 1. Page 1, insert after line 25 the following:
3 "Sec. _____. Section three hundred sixty-two point
4 two (362.2), Code 1975, is amended by adding the
5 following subsection:

6 NEW SUBSECTION. "Eligible elector" means the same
7 as it is defined in section thirty-nine point three
8 (39.3), subsection one (1), of the Code.

9 Sec. _____. Section three hundred sixty-two point
10 four (362.4), Code 1975, is amended to read as follows:

11 362.4 PETITION OF VOTERS. If a petition of voters
12 is authorized by the city code, the petition is valid
13 if signed by voters eligible electors of the city
14 equal in number to ten percent of the persons who
15 voted at the last preceding regular city election,
16 but not less than ten persons, unless otherwise
17 provided by state law."

18 2. Page 3, insert after line 5 the the following:

19 "Sec. _____. Section three hundred sixty-eight point
20 fourteen (368.14), unnumbered paragraph one (1), Code
21 1975, is amended to read as follows:

22 If a petition is not dismissed, the board shall
23 direct the appointment of local representatives to
24 serve with board members as a committee to consider
25 the proposal. Each local representative is entitled
26 to receive from the state his actual and necessary
27 expenses spent in performance of committee duties.
28 Two board members and one local representative, or
29 if the number of local representatives exceeds one,
30 two board members and at least one-half of the
31 appointed local representatives, are required for
32 a quorum of the committee. A local representative
33 must be a qualified veter elector of the territory
34 or city he represents, and must be selected as follows:

35 Sec. _____. Section three hundred seventy-two point
36 two (372.2), subsection one (1), Code 1975, is amended
37 to read as follows:

38 1. Voters Eligible electors of the city, equal
39 in number to at least twenty-five percent of the
40 persons who voted at the last regular city election,
41 may petition the mayor to adopt a different form of
42 city government."

43 3. Page 4, insert after line 9 the following:

44 "Sec. _____. Section three hundred seventy-two point
45 nine (372.9), subsection one (1), paragraph b, Code
46 1975, is amended to read as follows:

47 b. Voters Eligible electors of the city equal
48 in number to at least twenty-five percent of the
49 persons who voted at the last regular city election
50 petitioning the council to appoint a charter commission

1 to prepare a proposed charter. The council shall,
2 within thirty days of the filing of a valid petition,
3 appoint a charter commission composed of not less
4 than five nor more than fifteen members. The charter
5 commission shall, within six months of its appointment,
6 prepare and file with the council a proposed charter."
7 4. Page 5, insert after line 26 the following: .
8 "Sec. _____. Section three hundred seventy-six point
9 four (376.4), unnumbered paragraphs one (1) and four
10 (4), Code 1975, are amended to read as follows:
11 A-veter An eligible elector of a city may become
12 a candidate for an elective city office by filing
13 with the city clerk a valid petition requesting that
14 his name be placed on the ballot for that office.
15 The petition must be filed not more than sixty-five
16 days nor less than forty days before the date of the
17 election, and must be signed by ~~voters~~ eligible
18 electors equal in number to at least two percent of
19 those who voted to fill the same office at the last
20 last regular city election, but not less than ten
21 persons. Nomination petitions shall be filed not
22 later than five o'clock p.m. on the last day for
23 filing.
24 The petition must include the affidavit of at least
25 one ~~veter~~ eligible elector other than the petitioners
26 and the individual for whom the petition is being
27 filed, stating the affiant's knowledge, information,
28 and belief as to the residence of the petitioners."
29 5. Renumber sections and correct internal
30 references in accordance with this amendment.
31 6. Amend the title, line 1, by inserting after
32 the word "by" the words "correcting references to
33 electors,".

S-3999

1 Amend Senate File 526 as follows:

- 2 1. Page 4, line 16, insert after the second comma
3 the word "six (6)".
- 4 2. Page 4, insert after line 23 the following:
5 "6. Immediately Within fifteen days following
6 a regular or special meeting of the council, the clerk
7 shall prepare-a-condensed-statement cause the minutes
8 of the proceedings of the council, including the total
9 expenditure from each city fund, and cause the state-
10 ment to be published in a newspaper of general
11 circulation in the city. The statement publication
12 shall include a list of all claims allowed and a sum-
13 mary of all receipts, and shall show the gross amount
14 of the claim, the name of the person receiving a
15 warrant, and the reason for issuing the warrant.
16 However, if a warrant is issued to a person regularly
17 employed by the municipality, such name and reason
18 shall be published once annually showing the gross
19 amount of the warrants. Also, matters discussed in
20 closed session pursuant to section twenty-eight A
21 point three (28A.3) of the Code shall not be published
22 until entered on the minutes. However, in cities
23 having more than one hundred fifty thousand population
24 the council shall each month print in pamphlet form
25 a detailed itemized statement of all receipts and
26 disbursements of the city, and a-summary-of its
27 proceedings during the preceding month, and furnish
28 copies to the city library, the daily newspapers of
29 the city, and to persons who apply at the office of
30 the city clerk, and the pamphlet shall constitute
31 publication as required. Failure by the clerk to
32 make publication is a misdemeanor. The provisions
33 of this subsection are applicable in cities in which
34 a newspaper is published, or in cities of two hundred
35 population or over, but in all other cities, posting
36 the statement in three public places in the city which
37 have been permanently designated by ordinance is
38 sufficient compliance with this subsection."
- 39 3. Page 7, line 14, strike the words "subsection
40 two (2), Code 1975, is" and insert in lieu thereof
41 the words "subsections two (2) and three (3), Code
42 1975, are".
- 43 4. Page 7, insert after line 25 the following:
44 "3. The council shall set a time and place for
45 public hearing on the budget before the final
46 certification date and shall publish notice before
47 the hearing as provided in section 362.3. A summary
48 of the proposed budget shall be included in the notice.
49 Proof of publication must be filed with the county
50 auditor."

Page 2

- 1 5. Amend the title, line 3, by inserting after
2 the second comma the words "publication of council
3 minutes,".

S-3999 FILED *Filed out of order*
JUNE 2, 1975 *6/2 (1962)*

BY LOWELL L. JUNKINS

AN ACT

RELATING TO CITY GOVERNMENT BY CORRECTING REFERENCES TO ELECTORS, MODIFYING PROVISIONS FOR ADMINISTRATIVE AGENCIES, MUNICIPAL SUPPORT OF INDUSTRIAL PROJECTS, JOINT TRANSIT AGENCIES, INTEREST RATES FOR CITY BONDS, OFFICERS' BONDS, FEDERAL AGREEMENTS, ANNEXATION AND SEVERANCE, FORMS OF CITY GOVERNMENT, COMPENSATION AND REMOVAL OF OFFICERS, PASSAGE OF ORDINANCES AND AMENDMENTS, THE MAYOR'S RIGHT TO VETO, ADOPTION OF CODES BY REFERENCE, CITY UTILITY AND CITY BUDGETS, ESSENTIAL AND GENERAL CORPORATE PURPOSE BONDS, SPECIAL ASSESSMENTS, REVENUE BONDS AND PLEDGE ORDERS, AND PROVIDING FOR LIENS FOR SERVICE CHARGES AND RESTRICTED RESIDENCE DISTRICTS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. Section four hundred nineteen point one (419.1), subsection two (2), paragraph (a), Code 1975, is amended to read as follows:

2. "Project" means all or any part of, or any interest in, (a) any land, buildings or improvements, whether or not in existence at the time of issuance of the bonds issued under authority of this chapter, which shall be suitable for the use of any voluntary nonprofit hospital, clinic or health care facility as defined in section 135C.1, subsection 8, or of any private college or university, whether for the establishment or maintenance of such college or university, or of any industry or industries for the manufacturing, processing or assembling of any agricultural or manufactured products, even though such processed products may require further treatment before delivery to the ultimate consumer, or of any commercial enterprise engaged in storing, warehousing, or distributing ~~or-selling~~ products of agriculture, mining or industry including but not limited to barge facilities and river-front improvements useful and

convenient for the handling and storage of goods and products or

Sec. 2. Section four hundred nineteen point seven (419.7), Code 1975, is amended to read as follows:

419.7 APPLICATION OF PROCEEDS LIMITED. The proceeds from the sale of any bonds, issued under authority of this chapter, shall be applied only for the purpose for which the bonds were issued and if, for any reason, any portion of such proceeds shall not be needed for the purpose for which the bonds were issued, such unneeded portion of said proceeds shall be applied to the payment of the principal or the interest on said bonds. The cost of any project shall be deemed to include the actual cost of acquiring a site or the cost of the construction of any part of a project which may be constructed including architects' and engineers' fees, the purchase price of any part of a project that may be acquired by purchase, all expenses in connection with the authorization, sale and issuance of the bonds to finance such acquisition, an amount to be held as a bond reserve fund, and the interest on such bonds for a reasonable time prior to construction, during construction and for not exceeding six months after completion of construction, and with respect to any health care facility or voluntary nonprofit hospital the cost of retiring any existing indebtedness of such health care facility or voluntary nonprofit hospital which the governing body of the municipality determines to be reasonably necessary in connection with the issuance of the bonds.

Sec. 3. Chapter twenty-eight E (28E), Code 1975, is amended by adding the following new section:

NEW SECTION. TRANSIT POLICY--JOINT AGREEMENT--CITY DEBT.

1. It is the public policy of this state to encourage the establishment or acquisition of urban mass transit systems and the equipment, maintenance and operation thereof by public agencies in cooperation with, and with the assistance of the urban mass transportation administration of the United States department of transportation, pursuant to the provisions of the Urban Mass Transportation Act of 1964, as amended, title

forty-nine (49), sections one thousand six hundred one (1601) et seq., United States Code, which requires unification or official coordination of local mass transportation services on an area-wide basis as a condition of such assistance.

2. An agreement between one or more cities and other public agencies for this purpose may be made and carried out without an election and the agency created thereby may jointly exercise through a board of trustees as provided by the agreement all the rights, powers, privileges and immunities of cities related to the provision of mass transportation services, except the authority to incur bonded indebtedness.

3. A city which is a party in a joint transit agency may issue general corporate purpose bonds for the support of a capital program for the joint agency in the following manner:

a. The council shall give notice and conduct a hearing on the proposal in the manner set forth in section three hundred eighty-four point twenty-five (384.25) of the Code. However, the notice must be published at least ten days prior to the hearing, and if a petition valid under section three hundred sixty-two point four (362.4) of the Code is filed with the clerk of the city prior to the hearing, asking that the question of issuing the bonds be submitted to the qualified electors of the city, the council shall either by resolution declare the proposal abandoned or shall direct the county commissioner of elections to call a special election to vote upon the question of issuing the bonds. Notice of the election and its conduct shall be in the manner provided in section three hundred eighty-four point twenty-six (384.26) of the Code.

b. If no petition is filed, or if a petition is filed and the proposition of issuing bonds is approved at the election, the council may proceed with the authorization and issuance of the bonds.

An agreement may provide for full or partial payment from transit revenues to the cities for meeting debt service on such bonds.

This subsection shall be construed as granting additional

power without limiting the power already existing in cities, and as providing an alternative independent method for the carrying out of any project for the issuance and sale of bonds for the financing of a city's share of a capital expenditures project of a joint transit agency, and no further proceedings with respect to the authorization of the bonds shall be required.

Sec. 4. Chapter twenty-eight G (28G), Code 1975, is repealed.

Sec. 5. Chapter seventy-five (75), Code 1975, is amended by adding the following new section:

NEW SECTION. MAXIMUM INTEREST RATES. Unless otherwise provided by law, the maximum rates of interest on all bonds issued by a city shall be as follows:

1. General obligation bonds or other evidences of indebtedness payable from general taxation may bear interest at a rate not exceeding seven percent per annum.

2. Revenue bonds or obligations, the principal and interest of which are to be paid solely and only from the revenue derived from the operations of the project for which the bonds or obligations are issued, may bear interest at a rate not exceeding seven and one-half percent per annum. This subsection shall not apply to revenue bonds issued pursuant to chapter four hundred nineteen (419) of the Code.

3. Special assessment bonds or certificates, the principal and interest of which are payable from special assessments levied against benefited property may bear interest at a rate not exceeding seven percent per annum.

Sec. 6. Section sixty-four point thirteen (64.13), Code 1975, is amended to read as follows:

64.13 MUNICIPAL OFFICERS. The bonds of all municipal officers who are required to give bonds shall each be in such penal sum as may be provided by law or as the council shall from time to time prescribe by ordinance; but the ~~bonds of mayors shall not be in less sum than five hundred dollars~~ each council may provide for a surety bond running to the city and covering all city officers and employees not other-

wise covered and conditioned as specified for bonds in section sixty-four point two (64.2) of the Code.

Sec. 7. Section sixty-four point nineteen (64.19), subsection five (5), Code 1975, is amended to read as follows:

5. By the mayer council, or as may-be provided by ordinance, in case of city officers.

Sec. 8. Section sixty-four point nineteen (64.19), Code 1975, is amended by striking subsection six (6).

Sec. 9. Section sixty-four point twenty-three (64.23), subsection six (6), Code 1975, is amended to read as follows:

6. For officers of cities, and officers not otherwise provided for, when-both-bond-and-oath-are-required, in the office of the officer or clerk of the body approving the bond, or in cities, as otherwise provided by ordinance.

Sec. 10. Section sixty-four point twenty-three (64.23), Code 1975, is amended by striking subsection seven (7).

Sec. 11. Section three hundred sixty-two point two (362.2), Code 1975, is amended by adding the following new subsection:

NEW SUBSECTION. "Eligible elector" means the same as it is defined in section thirty-nine point three (39.3), subsection one (1), of the Code.

Sec. 12. Section three hundred sixty-two point four (362.4), Code 1975, is amended to read as follows:

362.4 PETITION OF VOTERS. If a petition of the voters is authorized by the city code, the petition is valid if signed by voters eligible electors of the city equal in number to ten percent of the persons who voted at the last preceding regular city election, but not less than ten persons, unless otherwise provided by state law.

Sec. 13. Section three hundred sixty-four point five (364.5), Code 1975, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A city may enter into an agreement with the federal government acting through any of its authorized agencies, and may carry out provisions of the agreement as necessary to meet federal requirements to obtain the funds or cooperation of the federal government or its

agencies for the planning, construction, rehabilitation, or extension of a public improvement.

Sec. 14. Section three hundred sixty-eight point four (368.4), Code 1975, is amended to read as follows:

368.4 ANNEXING MORATORIUM. A city, following notice and hearing, may by resolution agree with another city or cities to refrain from annexing specifically described territory for a period not to exceed ten years and, following notice and hearing, may by resolution extend the agreement for subsequent periods not to exceed ten years each. If such an agreement is in force, the board shall dismiss a petition or plan which violates the terms of the agreement.

Sec. 15. Section three hundred sixty-eight point seven (368.7), unnumbered paragraph two (2), Code 1975, is amended to read as follows:

An application for annexation under this section must be approved by resolution of the council which receives the application. If the territory is within the urbanized area of a city other than the city to which the request for annexation is directed, the application must also be approved by the board. ~~The application must also be approved by the council which receives the application.~~ Upon receiving the required approval, ~~the territory becomes a part of the adjoining city~~ the council shall file a copy of the map and resolution with the board. The annexation is completed when the board has filed copies of the applicable portions of the proceedings as required in section three hundred sixty-eight point twenty (368.20), subsection two (2) of the Code.

Sec. 16. Section three hundred sixty-eight point eight (368.8), Code 1975, is amended to read as follows:

368.8 SEVERING TERRITORY. Any territory may be severed upon the unanimous consent of all owners of the territory and approved approval by resolution of the council of the city in which the territory is located. The council shall provide in the resolution for the equitable distribution of assets and equitable distribution and assumption of liabilities of the territory as between the city and the

severed territory. The council shall file a copy of the resolution and a map with the board. The severance shall be completed upon-filing when the board has filed copies of the resolution and map as provided in section 368.20, subsection 2.

Sec. 17. Section three hundred sixty-eight point fourteen (368.14), unnumbered paragraph one (1), Code 1975, is amended to read as follows:

If a petition is not dismissed, the board shall direct the appointment of local representatives to serve with board members as a committee to consider the proposal. Each local representative is entitled to receive from the state his actual and necessary expenses spent in performance of committee duties. Two board members and one local representative, or if the number of local representatives exceeds one, two board members and at least one-half of the appointed local representatives, are required for a quorum of the committee. A local representative must be a qualified veter elector of the territory or city he represents, and must be selected as follows:

Sec. 18. Section three hundred seventy-two point two (372.2), subsection one (1), Code 1975, is amended to read as follows:

1. Veters Eligible electors of the city, equal in number to at least twenty-five percent of the persons who voted at the last regular city election, may petition the mayor to adopt a different form of city government.

Sec. 19. Section three hundred seventy-two point four (372.4), Code 1975, as amended by Acts of the Sixty-sixth General Assembly, 1975 Session, House File seven hundred twenty-three (723), section thirteen (13), is amended to read as follows:

372.4 MAYOR-COUNCIL FORM. A city governed by the mayor-council form has a mayor and five councilmen elected at large, unless by ordinance a city so governed chooses to have a mayor elected at large and an odd number of councilmen but not less than five, including at least two councilmen elected at large

and one councilman elected by and from each ward. The council may, by ordinance, provide for a city manager and prescribe his powers and duties, and as long as the council contains an odd number of councilmen, may change the number of wards, abolish wards, or increase the number of councilmen at large without changing the form.

However, a city governed, on the effective date of this section, by the mayor-council form composed of a mayor and a council consisting of two councilmen elected at large, and one councilman from each of four wards, or a special charter city governed, on the effective date of this section, by the mayor-council form composed of a mayor and a council consisting of two councilmen elected at large and one councilman elected from each of eight wards, may continue until the form of government is changed as provided in section 372.2 or section 372.9. While a city is thus operating with an even number of councilmen, the mayor may vote to break a tie vote on motions not involving ordinances, resolutions or appointments made by the council alone, and in a special charter city operating with ten councilmen under this section, the mayor may vote to break a tie vote on all measures.

The mayor shall appoint a councilman as mayor pro tem, and a shall appoint the marshal or chief of police except where an intergovernmental agreement makes other provisions for police protection. Other officers must be selected as directed by the council. The mayor is not a member of the council and may not vote as a member of the council.

~~The council may by ordinance provide for a city manager and prescribe his powers, duties, and compensation.~~

Sec. 20. Section three hundred seventy-two point five (372.5), unnumbered paragraph three (3), Code 1975, is amended to read as follows:

A city governed by the commission form and having a council composed of a mayor and two councilmen elected at large may continue with a council of three until the form of government is changed as provided in section 372.2 or section 372.9 or without changing the form, may submit to the voters

the question of increasing the council to five members assigned to the five departments as set out in this section.

Sec. 21. Section three hundred seventy-two point nine (372.9), subsection one (1), paragraph b, Code 1975, is amended to read as follows:

b. Voters Eligible electors of the city equal in number to at least twenty-five percent of the persons who voted at the last regular city election petitioning the council to appoint a charter commission to prepare a proposed charter. The council shall, within thirty days of the filing of a valid petition, appoint a charter commission composed of not less than five nor more than fifteen members. The charter commission shall, within six months of its appointment, prepare and file with the council a proposed charter.

Sec. 22. Section three hundred seventy-two point ten (372.10), unnumbered paragraph one (1), Code 1975, is amended to read as follows:

A home rule charter must contain ~~and-is-limited-to~~ provisions for:

Sec. 23. Section three hundred seventy-two point thirteen (372.13), subsections four (4), six (6), seven (7) and eight (8), Code 1975, are amended to read as follows:

4. Except as otherwise provided by state or city law, the council may appoint ~~and-remove~~ city officers and employees, and prescribe their powers, duties, compensation, and terms. The appointment of a city manager must be made on the basis of his qualifications and not on the basis of political affiliation.

6. Immediately Within fifteen days following a regular or special meeting of the council, the clerk shall ~~prepare a-condensed-statement~~ cause the minutes of the proceedings of the council, including the total expenditure from each city fund, ~~and-cause-the-statement~~ to be published in a newspaper of general circulation in the city. The ~~statement publication~~ shall include a list of all claims allowed and a summary of all receipts, and shall show the gross amount of the claim. Matters discussed in closed session pursu-

ant to section twenty-eight A point three (28A.3) of the Code shall not be published until entered on the public minutes. However, in cities having more than one hundred fifty thousand population the council shall each month print in pamphlet form a detailed itemized statement of all receipts and disbursements of the city, and a summary of its proceedings during the preceding month, and furnish copies to the city library, the daily newspapers of the city, and to persons who apply at the office of the city clerk, and the pamphlet shall constitute publication as required. Failure by the clerk to make publication is a misdemeanor. The provisions of this subsection are applicable in cities in which a newspaper is published, or in cities of two hundred population or over, but in all other cities, posting the statement in three public places in the city which have been permanently designated by ordinance is sufficient compliance with this subsection.

7. By ordinance, the council may divide the city into wards based upon population, change the boundaries of wards, eliminate wards or create new wards.

8. By ordinance, the council shall prescribe the compensation of the mayor, councilmen, and other elected city officers, but ~~an-increase~~ a change in the compensation of the mayor shall not become effective during the term in which the increase is adopted, and the council shall not adopt such an ordinance ~~increasing~~ changing the compensation of the mayor or councilmen during the months of November and December immediately following a regular city election. ~~An-increase~~ A change in the compensation of councilmen shall become effective for all councilmen at the beginning of the term of the councilmen elected at the election next following the ~~increase~~ change in compensation.

No elected city officer shall receive any other compensation for any other city office or city employment during his term of office, but may be reimbursed for his actual expenses. However, if the mayor pro tem performs the duties of the mayor during his absence or disability for a continuous period of

fifteen days or more, the mayor pro tem may be paid for that period such compensation as determined by the council, based upon his performance of the mayor's duties and upon the compensation of the mayor.

Sec. 24. Chapter three hundred seventy-two (372), Code 1975, is amended by adding the following new section:

NEW SECTION. Except as otherwise provided by state or city law, all persons appointed to city office may be removed by the officer or body making the appointment, but every such removal shall be by written order. The order shall give the reasons, be filed in the office of the city clerk, and a copy shall be sent by certified mail to the person removed who, upon request filed with the clerk within thirty days of the date of mailing the copy, shall be granted a public hearing before the council on all issues connected with the removal. The hearing shall be held within thirty days of the date the request is filed, unless the person removed requests a later date.

Sec. 25. Section three hundred seventy-six point four (376.4), unnumbered paragraphs one (1) and four (4), Code 1975, are amended to read as follows:

~~A-voter~~ An eligible elector of a city may become a candidate for an elective city office by filing with the city clerk a valid petition requesting that his name be placed on the ballot for that office. The petition must be filed not more than sixty-five days nor less than forty days before the date of the election, and must be signed by ~~voters~~ eligible electors equal in number to at least two percent of those who voted to fill the same office at the last regular city election, but not less than ten persons. Nomination petitions shall be filed not later than five o'clock p.m. on the last day for filing.

The petition must include the affidavit of at least one ~~voter~~ eligible elector other than the petitioners and the individual for whom the petition is being filed, stating the affiant's knowledge, information, and belief as to the residence of the petitioners.

Sec. 26. Section three hundred eighty point three (380.3), Code 1975, is amended to read as follows:

380.3 TWO READINGS CONSIDERATIONS BEFORE ACTION FINAL PASSAGE--HOW WAIVED. A proposed ordinance or amendment must be ~~received~~ considered and ~~placed-on-file~~ voted on for passage at two council meetings prior to the meeting at which it is to be finally ~~acted-upon~~ passed, unless this requirement is suspended by a recorded vote of not less than three-fourths of the council members.

However, if a summary of the proposed ordinance or amendment is published as provided in section 362.3, prior to its first ~~filing~~ consideration, and copies are available at the time of publication at the office of the city clerk, the ordinance or amendment must be ~~received~~ considered and ~~placed-on-file~~ voted on for passage at one meeting prior to the meeting at which it is to be finally ~~acted-upon~~ passed, unless this requirement is suspended by a recorded vote of not less than three-fourths of the council members.

Sec. 27. Section three hundred eighty point five (380.5), Code 1975, is amended to read as follows:

380.5 MAYOR. The mayor may sign, veto, or take no action on an ordinance, amendment, or resolution passed by the council. However, the mayor may not veto a measure if the mayor was entitled to vote on the measure at the time of passage.

Sec. 28. Section three hundred eighty point ten (380.10), Code 1975, is amended to read as follows:

380.10 ADOPTION BY REFERENCE. A city may adopt the provisions of any statewide or nationally recognized standard code or portions of any such code by an ordinance which identifies the code by subject matter, source and date, and incorporates the provisions by reference without setting them forth in full. Such code or portion must be adopted only after notice and hearing in the manner provided in section 380.8.

Sec. 29. Section three hundred eighty-four point two (384.2), unnumbered paragraph one (1), Code 1975, is amended

to read as follows:

Except as otherwise provided for special charter cities, a city's fiscal year shall be as provided in section 24.2, subsection 4. All city property taxes must be certified by a city to the county auditor on or before the fifteenth day of March of each year, unless otherwise provided by state law. However, municipal utilities, if not supported by taxation or the proceeds of outstanding indebtedness payable from taxes may, with the council's consent, choose to operate on a fiscal year which is the calendar year. The receipt by the utility of payments from other governmental funds for public fire protection, street lighting or other public use of the utility's services shall not be deemed support by taxation. After notice and hearing in the same manner as required for the city's regular budget under section three hundred eighty-four point sixteen (384.16) of the Code, the utility budget must be approved by resolution of the council not later than twenty days prior to the beginning of the calendar year for which the budget applies.

Sec. 30. Section three hundred eighty-four point sixteen (384.16), subsections two (2) and three (3), Code 1975, are amended to read as follows:

2. Not less than twenty days before the date that a budget must be certified to the county auditor and not less than ten days before the date set for the hearing, the clerk shall provide make available a sufficient number of copies of the detailed budget to meet reasonable-demands the requests of taxpayers and organizations, and have them available for distribution at the offices of the mayor and clerk and at the city library, if any, or have a copy posted at one of the three places designated by ordinance for posting notices if there is no library.

3. The council shall set a time and place for public hearing on the budget before the final certification date and shall publish notice before the hearing as provided in section 362.3. A summary of the proposed budget shall be included in the notice. Proof of publication must be filed

with the county auditor.

Sec. 31. Section three hundred eighty-four point twenty-four (384.24), subsection three (3), Code 1975, is amended by adding the following new paragraphs:

NEW PARAGRAPH. The reconstruction and improvement of dams already owned.

NEW PARAGRAPH. The reconstruction, extension, and improvement of an airport already owned.

NEW PARAGRAPH. The rehabilitation and improvement of parks already owned, including the removal, replacement and planting of trees thereon.

NEW PARAGRAPH. The rehabilitation and improvement of area television translator systems already owned.

NEW PARAGRAPH. The aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter four hundred three (403) of the Code, and all of the purposes set out in section four hundred three point twelve (403.12) of the Code. However, bonds issued for this purpose are subject to the right of petition for an election as provided in section three hundred eighty-four point twenty-six (384.26) of the Code, without limitation on the amount of the bond issue or the size of the city, and the council shall include notice of the right of petition in the notice required under section three hundred eighty-four point twenty-five (384.25), subsection two (2) of the Code.

Sec. 32. Section three hundred eighty-four point twenty-four (384.24), subsection four (4), paragraphs d and g, Code 1975, are amended to read as follows:

d. The acquisition, construction, reconstruction, and improvement of dams at the time of acquisition.

~~g. The aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter 403, and all of the purposes set out in section 403.12~~ The acquisition, construction, reconstruction, and improvement of airports at the time of establishment.

Sec. 33. Section three hundred eighty-four point twenty-six (384.26), Code 1975, is amended by adding the following

new subsection:

NEW SUBSECTION. a. Notwithstanding the provisions of subsection two (2) of this section, a council may, in lieu of calling an election, institute proceedings for the issuance of bonds for a general corporate purpose by causing a notice of the proposal to issue the bonds, including a statement of the amount and purpose of the bonds, together with the maximum rate of interest which the bonds are to bear, and the right to petition for an election, to be published at least once in a newspaper of general circulation within the city at least ten days prior to the meeting at which it is proposed to take action for the issuance of the bonds subject to the following limitations:

(1) In cities having a population of five thousand or less, in an amount of not more than twenty-five thousand dollars.

(2) In cities having a population of more than five thousand and not more than seventy-five thousand, in an amount of not more than seventy-five thousand dollars.

(3) In cities having a population in excess of seventy-five thousand, in an amount of not more than one hundred fifty thousand dollars.

b. If at any time before the date fixed for taking action for the issuance of the bonds, a petition is filed with the clerk of the city in the manner provided by section three hundred sixty-two point four (362.4) of the Code, asking that the question of issuing the bonds be submitted to the qualified electors of the city, the council shall either by resolution declare the proposal to issue the bonds to have been abandoned or shall direct the county commissioner of elections to call a special election upon the question of issuing the bonds. Notice of the election and its conduct shall be in the manner provided in the preceding subsections of this section.

c. If no petition is filed, or if a petition is filed and the proposition of issuing the bonds is approved at an election, the council may proceed with the authorization and issuance of the bonds.

Sec. 34. Section three hundred eighty-four point fifty-

nine (384.59), subsection three (3), Code 1975, is amended to read as follows:

3. The amount to be assessed against each lot, which shall include the assessment for the default fund, if any, and the amount of deficiency, if any, which may be subsequently assessed against each lot under section 384.63. ~~No special assessment against any lot shall be more than ten percent in excess of the estimated cost, as provided in the preliminary schedule required under section 384.47.~~

Sec. 35. Section three hundred eighty-four point sixty-two (384.62), unnumbered paragraph two (2), Code 1975, is amended to read as follows:

Special assessments for the construction or repair of underground connections for private property for gas, water, sewers, or electricity may be assessed to each lot for the actual cost of each connection for that lot, and the twenty-five percent limitation does not apply. Such connections shall not be installed to service railway right of way without written agreement with the railway company owning or leasing the right of way.

Sec. 36. Section three hundred eighty-four point eighty-two (384.82), subsection one (1), Code 1975, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. A city may deliver its revenue bonds to the federal government or any agency thereof which has loaned the city money for sanitary or solid waste projects, water projects or other projects for which the government has a loan program.

Sec. 37. Section three hundred eighty-four point eighty-three (384.83), subsection five (5), Code 1975, is amended to read as follows:

5. Revenue bonds and pledge orders issued pursuant to this division are negotiable instruments.

Sec. 38. Section three hundred eighty-four point eighty-four (384.84), subsection one (1), Code 1975, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. All rates or charges for the

services of sewer systems, sewage treatment, solid waste collection, solid waste disposal, or any of these, if not paid as provided by ordinance of council, or resolution of trustees, shall constitute a lien upon the premises served by any of these services and may be certified to the county auditor and collected in the same manner as taxes.

Sec. 39. Section three hundred ninety-two point one (392.1), Code 1975, is amended to read as follows:

392.1 ESTABLISHMENT BY ORDINANCE. If the council wishes to establish an administrative agency, it shall do so by an ordinance which indicates the title, powers, and duties of the agency, the method of appointment or election, qualifications, compensation, and term of members, and other appropriate matters relating to the agency. The title of an administrative agency must be appropriate to its function. The council may not delegate to an administrative agency any of the powers, authorities, and duties prescribed in division V of chapter 384 or in chapter 388, except that the council may delegate to an administrative agency power to establish and collect charges, and dispense the moneys received for the use of a city facility, including a city enterprise, as defined in section 384.24, so long as there are no revenue bonds or pledge orders outstanding which are payable from the revenues of the city enterprise. Except as otherwise provided in this chapter, the council may delegate rule-making authority to the agency for matters within the scope of the agency's powers and duties, and may prescribe penalties for violation of agency rules which have been adopted by ordinance. Rules governing the use by the public of any city facility must be made readily available to the public.

Sec. 40. Chapter four hundred fourteen (414), Code 1975, is amended by adding the following new section:

NEW SECTION. RESTRICTED RESIDENCE DISTRICTS. A city may, and upon petition of sixty percent of the owners of the real estate in the district sought to be affected who are residents of the city shall, designate and establish, after notice and hearing, restricted residence districts within the city

limits.

In the ordinance designating and establishing a restricted residence district, the city may establish reasonable rules for the use and occupancy of buildings of all kinds within the district, and provide that no building or other structure, except residences, schoolhouses, churches, and other similar structures, shall be erected, altered, repaired, or occupied without first securing from the city council a permit to be issued under reasonable rules as may be provided in the ordinance. An ordinance and rules passed under this section shall not conflict with applicable building and housing codes.

A building or structure erected, altered, repaired, or used in violation of an ordinance passed under this section shall be deemed a nuisance.

When a city has proceeded under the other provisions of this chapter, this section shall no longer be in effect for the city.

ARTHUR A. NEU
President of the Senate

DALE M. COCHRAN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 526, Sixty-sixth General Assembly.

Approved July 19, 1975

ROBERT D. RAY
Governor

CLARK R. RASMUSSEN
Secretary of the Senate