

Small Business and Commerce: Gronstal, Chair; Groninga and Hummel.

Do Pass 3/22 (p 1231)

FILED MAR

SENATE FILE 2285

BY COMMITTEE ON SMALL BUSINESS AND ECONOMIC DEVELOPMENT

Approved 3/2 (p 640)

Passed Senate, Date 3-7-84 (p. 715) Passed House, Date 5-27-84 (p. 1360)

Vote: Ayes 45 Nays 0 Vote: Ayes 98 Nays 0

Approved April 19, 1984 (p. 1235)

A BILL FOR

1 An Act permitting the deposit of a credit union certified
2 share draft as security on a bid for a contract for a
3 public improvement.

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

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S. 2285

1 Section 1. Section 18.37, Code 1983, is amended to read
2 as follows:

3 18.37 DEPOSIT WITH BID OR YEARLY BOND. Each A bidder
4 ~~must~~ shall deposit with the director at the time ~~he~~ the bidder
5 files ~~his~~ a bid, a certified check or credit union certified
6 share draft payable to the state treasurer for an amount to
7 be fixed in the specifications, either covering all classes
8 or items, or separate checks or drafts for each bid in case
9 ~~he~~ the bidder makes more than one bid~~,-or-in~~. In lieu of
10 checks or share drafts the bidder may furnish a yearly bond
11 in an amount to be established by the director. Checks or
12 share drafts deposited by unsuccessful bidders, and by
13 successful bidders when they have entered into the contract,
14 shall be returned to them.

15 Sec. 2. Section 18.43, Code 1983, is amended to read as
16 follows:

17 18.43 DUTY TO ENTER INTO CONTRACT--FORFEITURE. Each A
18 successful bidder ~~must~~ shall within ten days after the award,
19 enter into a contract in accordance with ~~his~~ the bid~~,-and~~
20 ~~unless~~. Unless this is done, or the delay is for reasons
21 satisfactory to the director, the certified check or credit
22 union certified share draft submitted with the bid shall be
23 forfeited to the state. The specifications on which the bid
24 is made ~~shall~~ constitute a part of the contract.

25 Sec. 3. Section 23.18, Code 1983, is amended to read as
26 follows:

27 23.18 BIDS REQUIRED--PROCEDURE. When the estimated total
28 cost of construction, erection, demolition, alteration or
29 repair of any a public improvement exceeds twenty-five thousand
30 dollars, the municipality shall advertise for bids on the
31 proposed improvement by two publications in a newspaper
32 published in the county in which the work is to be done~~,-the~~
33 ~~first-of-which~~. The first advertisement for bids shall be
34 not less than fifteen days prior to the date set for receiving
35 bids~~,-and~~. The municipality shall let the work to the lowest

1 responsible bidder submitting a sealed proposal. However,
 2 if in the judgment of the municipality bids received are not
 3 acceptable, all bids may be rejected and new bids requested.
 4 ~~All-bids-must~~ A bid shall be accompanied, in a separate
 5 envelope, by a deposit of money or a certified check or credit
 6 union certified share draft in an amount to be named in the
 7 advertisement for bids as security that the bidder will enter
 8 into a contract for the doing of the work. The municipality
 9 shall fix the bid security in an amount equal to at least
 10 five percent, but not more than ten percent of the estimated
 11 total cost of the work. The checks, share drafts or deposits
 12 of money of the unsuccessful bidders shall be returned as
 13 soon as the successful bidder is determined, and the check,
 14 share draft or deposit of money of the successful bidder shall
 15 be returned upon execution of the contract documents. This
 16 section ~~shall~~ does not apply to the construction, erection,
 17 demolition, alteration or repair of any a public improvement
 18 when the contracting procedure for the doing of the work is
 19 provided for in another provision of law.

20 Sec. 4. Section 218.61, Code Supplement 1983, is amended
 21 to read as follows:

22 218.61 PRELIMINARY DEPOSIT. A preliminary deposit of
 23 money, ~~or~~ a certified check upon a solvent bank or a credit
 24 union certified share draft in ~~such~~ the amount as the
 25 commissioner of the department of human services may prescribe,
 26 shall be required as an evidence of good faith, upon all
 27 proposals for the construction of ~~said~~ improvements--which.
 28 The deposit, or certified check or certified share draft shall
 29 be held under the direction of ~~such~~ the commissioner.

30 Sec. 5. Section 262.34, Code 1983, is amended to read
 31 as follows:

32 262.34 IMPROVEMENTS--ADVERTISEMENT FOR BIDS. When the
 33 estimated cost of construction, repairs, or improvement of
 34 buildings or grounds under charge of the state board of regents
 35 exceeds twenty-five thousand dollars, the board shall advertise

1 for bids for the contemplated improvement or construction
2 and shall let the work to the lowest responsible bidder.
3 However, if in the judgment of the board bids received are
4 not acceptable, the board may reject all bids and proceed
5 with the construction, repair, or improvement by such a method
6 as the board may determine. All plans and specifications
7 for repairs or construction, together with bids ~~thereon~~ on
8 the plans or specifications, shall be filed by the board and
9 be open for public inspection. All bids submitted under this
10 section shall be accompanied by a deposit of money, ~~or~~ a
11 certified check or a credit union certified share draft in
12 an amount as the board may prescribe.

13 Sec. 6. Section 357.14, unnumbered paragraph 2, Code 1983,
14 is amended to read as follows:

15 When the completed plans and specifications are on file
16 with the county auditor, the board of supervisors shall
17 advertise for bids and shall ~~cause-notice-to-be-given-by~~
18 ~~publication~~ publish a notice once each week for two consecutive
19 weeks in some newspaper published in the county ~~wherein~~ in
20 which the improvement is to be constructed, setting forth
21 the location and nature of the improvement and the date and
22 place where bids will be received by the board. The last
23 published notice to bidders shall be at least seven days
24 before the time set for receiving bids. Bidders ~~will~~ shall
25 be required to submit certified checks or credit union
26 certified share drafts for five percent of the amount of the
27 bid.

28 Sec. 7. Section 357A.2, unnumbered paragraph 2, Code 1983,
29 is amended to read as follows:

30 There shall be filed with the petition a bond, certified
31 check, credit union certified share draft or cash in an amount
32 and with sureties approved by the auditor, sufficient for
33 the payment of all costs and expenses incurred in the
34 proceedings if the district is not finally established.

35 Sec. 8. Section 358.2, unnumbered paragraph 3, Code 1983,

1 is amended to read as follows:

2 There shall be filed with the petition a bond, certified
3 check, credit union certified share draft or cash in an amount
4 and with sureties approved by the auditor, sufficient for
5 the payment of all costs and expenses incurred in the
6 proceedings if the district is not finally established.

7 Sec. 9. Section 384.97, subsection 5, Code 1983, is amended
8 to read as follows:

9 5. That each bidder shall accompany ~~his~~ the bid with a
10 bid security as defined ~~herein~~ in this subsection and as
11 specified by the governing body, as security that the
12 successful bidder will enter into a contract for the work
13 bid upon and will furnish after the award of contract a
14 corporate surety bond, acceptable to the governing body, for
15 the faithful performance of the contract, in an amount equal
16 to one hundred percent of the amount of the contract. The
17 bidder's security ~~must~~ shall be in an amount fixed by the
18 governing body, and ~~must~~ shall be in the form of a cashier's
19 or certified check drawn on a bank in Iowa or a bank chartered
20 under the laws of the United States, or a certified share
21 draft drawn on a credit union in Iowa or chartered under the
22 law of the United States, or the governing body may provide
23 for a bidder's bond with corporate surety satisfactory to
24 the governing body, ~~which~~. The bid bond shall contain no
25 condition except as provided in this section.

26 Sec. 10. Section 455.40, Code 1983, is amended to read
27 as follows:

28 455.40 ADVERTISEMENT FOR BIDS. The board shall ~~cause~~
29 ~~notice-to-be-given-by-publication~~ publish notice once each
30 week for two consecutive weeks in ~~some~~ a newspaper published
31 in the county ~~wherein-such~~ in which the improvement is located,
32 and ~~such~~ publish additional advertisement and publication
33 elsewhere as ~~it~~ the board may direct, ~~of~~. The notice shall
34 state the time and place of letting the work of construction
35 of ~~said~~ the improvement, specifying the approximate amount

1 of work to be done in each numbered section of the district,
2 the time fixed for the commencement, and the time of the
3 completion ~~thereof~~ of the work, that bids will be received
4 on the entire work and in sections or divisions ~~thereof~~ of
5 the entire work, and that each a bidder will be required to
6 deposit with ~~his~~ the bid cash, ~~or~~ a certified check on and
7 certified by a bank in Iowa, or a certified share draft from
8 a credit union in Iowa payable to the auditor or ~~his~~ the
9 auditor's order, at ~~his~~ the auditor's office, in an amount
10 equal to ten percent of ~~his~~ the bid, in no case to exceed
11 ten thousand dollars. When the estimated cost of the
12 improvement exceeds fifteen thousand dollars, the board may
13 make additional publication for two consecutive weeks in some
14 a contractors journal of general circulation, giving only
15 the type of proposed construction or repairs, estimated amount,
16 date of letting, amount of bidder's bond, and ~~the~~ name and
17 address of the county auditor. All notices shall fix the
18 date to which bids will be received and upon which ~~said~~ the
19 work will be let. ~~Except, however~~ However, when the estimated
20 cost of the improvement is less than twenty-five hundred
21 dollars, the board may let the contract for ~~such~~ the
22 construction without taking bids ~~therefor~~ and without
23 publishing ~~any~~ notice as-above-provided.

24 Sec. 11. Section 455.42, Code 1983, is amended to read
25 as follows:

26 455.42 MANNER OF MAKING BIDS--DEPOSIT. ~~Each~~ A bid shall
27 be in writing, specifying the portion of the work upon which
28 the bid is made, and filed with the auditor, ~~accompanied~~.
29 The bid shall be accompanied with a deposit of cash, or a
30 certified check on and certified by a bank in Iowa or a
31 certified share draft drawn on a credit union in Iowa, payable
32 to the auditor or ~~his~~ the auditor's order at ~~his~~ the auditor's
33 office in a sum equal to ten percent of the amount of the
34 bid, but ~~in-any-event~~ not to exceed ten thousand dollars.
35 However, if the maximum limit on bid deposits would cause

1 a denial of funds or services from the federal government
2 which would otherwise be available, or if the maximum limit
3 would otherwise be inconsistent with the requirements of
4 federal law, the maximum limit may be suspended to the extent
5 necessary to prevent denial of federal funds or services or
6 to eliminate the inconsistency with federal requirements.
7 The checks or share drafts of unsuccessful bidders shall be
8 returned to them, but the checks of successful bidders shall
9 be held as a guarantee that they will enter into contract
10 in accordance with their bids.

11 Sec. 12. Section 455.43, Code 1983, is amended to read
12 as follows:

13 455.43 PERFORMANCE BOND--RETURN OF CHECK. Each A
14 successful bidder ~~shall be~~ is required to execute a bond with
15 sureties approved by the auditor in favor of the county for
16 the use and benefit of the levee or drainage district and
17 all persons entitled to liens for labor or material in an
18 amount not less than seventy-five percent of the contract
19 price of the work to be done, conditioned for the timely,
20 efficient, and complete performance of ~~his~~ the contract, and
21 the payment, as they become due, of all just claims for labor
22 performed and material used in carrying out ~~said~~ the contract.
23 When ~~such~~ a contract is executed and bond approved by the
24 board, the certified check or certified share draft deposited
25 with the bid shall be returned to the bidder.

26 Sec. 13. Section 467D.20, Code 1983, is amended to read
27 as follows:

28 467D.20 BIDS ON WORK. When the estimated total cost of
29 construction, enlargement, alteration or repair of ~~any~~ an
30 internal improvement exceeds five thousand dollars, the
31 conservancy district shall advertise for bids on the proposed
32 improvement by two publications in at least one newspaper
33 of general circulation in the conservancy district, ~~the first~~
34 ~~of which~~. The first advertisement shall be not less than
35 fifteen days prior to the date set for receiving bids, and

1 shall let the work to the lowest responsible bidder submitting
2 a sealed proposal, ~~provided that if,~~ However, if in the
3 judgment of the board, the bids received are not acceptable,
4 all bids may be rejected and new bids requested. All bids
5 ~~must~~ shall be accompanied, in a separate envelope, by a deposit
6 of money, credit union certified share draft or certified
7 check, in an amount to be named in the advertisement for bids,
8 as security that the bidder will enter into a contract in
9 accordance with the terms of ~~his~~ the bid. The board shall
10 fix the bid security in an amount equal to at least five
11 percent, but not more than ten percent of the estimated total
12 cost of the work. The checks or deposits of money of the
13 unsuccessful bidders shall be returned as soon as the
14 successful bidder is determined, and the share draft, check
15 or deposit of money of the successful bidder shall be returned
16 upon execution of the contract documents.

17 Sec. 14. Section 573.4, Code 1983, is amended to read
18 as follows:

19 573.4 DEPOSIT IN LIEU OF BOND. A deposit of money, ~~or~~
20 a certified check on a solvent bank of the county in which
21 the improvement is to be located, a credit union certified
22 share draft, ~~or~~ state or federal bonds, ~~or~~ bonds issued by
23 ~~any~~ a city, school corporation, or county of this state, or
24 bonds issued on behalf of ~~any~~ a drainage or highway paving
25 district of this state, may be received in an amount equal
26 to the amount of the bond and held in lieu of a surety on
27 ~~such~~ the bond, and when so received ~~such~~ the securities shall
28 be held on the terms and conditions applicable to a surety.

29 EXPLANATION

30 This bill provides that a credit union certified share
31 draft may be used for security on a bid for a contract for
32 a public improvement.

33 This bill becomes effective July 1 following enactment.

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SENATE FILE 2285

AN ACT

PERMITTING THE DEPOSIT OF A CREDIT UNION CERTIFIED SHARE
DRAFT AS SECURITY ON A BID FOR A CONTRACT FOR A PUBLIC
IMPROVEMENT.

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

Section 1. Section 18.37, Code 1983, is amended to read as follows:

18.37 DEPOSIT WITH BID OR YEARLY BOND. Each A bidder must shall deposit with the director at the time he the bidder files his a bid, a certified check or credit union certified share draft payable to the state treasurer for an amount to be fixed in the specifications, either covering all classes or items, or separate checks or drafts for each bid in case he the bidder makes more than one bid-or-in. In lieu of checks or share drafts the bidder may furnish a yearly bond in an amount to be established by the director. Checks or share drafts deposited by unsuccessful bidders, and by successful bidders when they have entered into the contract, shall be returned to them.

Sec. 2. Section 18.43, Code 1983, is amended to read as follows:

18.43 DUTY TO ENTER INTO CONTRACT--FORFEITURE. Each A successful bidder must shall within ten days after the award, enter into a contract in accordance with his the bid-and unless. Unless this is done, or the delay is for reasons satisfactory to the director, the certified check or credit union certified share draft submitted with the bid shall be

forfeited to the state. The specifications on which the bid is made shall constitute a part of the contract.

Sec. 3. Section 23.18, Code 1983, is amended to read as follows:

23.18 BIDS REQUIRED--PROCEDURE. When the estimated total cost of construction, erection, demolition, alteration or repair of any a public improvement exceeds twenty-five thousand dollars, the municipality shall advertise for bids on the proposed improvement by two publications in a newspaper published in the county in which the work is to be done, the first-of-which. The first advertisement for bids shall be not less than fifteen days prior to the date set for receiving bids, and. The municipality shall let the work to the lowest responsible bidder submitting a sealed proposal. However, if in the judgment of the municipality bids received are not acceptable, all bids may be rejected and new bids requested. All-bids-must A bid shall be accompanied, in a separate envelope, by a deposit of money or a certified check or credit union certified share draft in an amount to be named in the advertisement for bids as security that the bidder will enter into a contract for the doing of the work. The municipality shall fix the bid security in an amount equal to at least five percent, but not more than ten percent of the estimated total cost of the work. The checks, share drafts or deposits of money of the unsuccessful bidders shall be returned as soon as the successful bidder is determined, and the check, share draft or deposit of money of the successful bidder shall be returned upon execution of the contract documents. This section shall does not apply to the construction, erection, demolition, alteration or repair of any a public improvement when the contracting procedure for the doing of the work is provided for in another provision of law.

Sec. 4. Section 218.61, Code Supplement 1983, is amended to read as follows:

218.61 PRELIMINARY DEPOSIT. A preliminary deposit of money, ~~or~~ a certified check upon a solvent bank ~~or~~ a credit union certified share draft in ~~such~~ the amount as the commissioner of the department of human services may prescribe, shall be required as an evidence of good faith, upon all proposals for the construction of ~~said~~ improvements--~~wherein~~. The deposit, or certified check or certified share draft shall be held under the direction of ~~such~~ the commissioner.

Sec. 5. Section 262.34, Code 1983, is amended to read as follows:

262.34 IMPROVEMENTS--ADVERTISEMENT FOR BIDS. When the estimated cost of construction, repairs, or improvement of buildings or grounds under charge of the state board of regents exceeds twenty-five thousand dollars, the board shall advertise for bids for the contemplated improvement or construction and shall let the work to the lowest responsible bidder. However, if in the judgment of the board bids received are not acceptable, the board may reject all bids and proceed with the construction, repair, or improvement by ~~such~~ a method as the board may determine. All plans and specifications for repairs or construction, together with bids ~~thereon~~ on the plans or specifications, shall be filed by the board and be open for public inspection. All bids submitted under this section shall be accompanied by a deposit of money, ~~or~~ a certified check or a credit union certified share draft in an amount as the board may prescribe.

Sec. 6. Section 357.14, unnumbered paragraph 2, Code 1983, is amended to read as follows:

When the completed plans and specifications are on file with the county auditor, the board of supervisors shall advertise for bids and shall ~~cause notice to be given by publication~~ publish a notice once each week for two consecutive weeks in some newspaper published in the county ~~wherein~~ in which the improvement is to be constructed, setting forth the location and nature of the improvement and the date and

place where bids will be received by the board. The last published notice to bidders shall be at least seven days before the time set for receiving bids. Bidders ~~will~~ shall be required to submit certified checks ~~or~~ credit union certified share drafts for five percent of the amount of the bid.

Sec. 7. Section 357A.2, unnumbered paragraph 2, Code 1983, is amended to read as follows:

There shall be filed with the petition a bond, certified check, credit union certified share draft or cash in an amount and with sureties approved by the auditor, sufficient for the payment of all costs and expenses incurred in the proceedings if the district is not finally established.

Sec. 8. Section 358.2, unnumbered paragraph 3, Code 1983, is amended to read as follows:

There shall be filed with the petition a bond, certified check, credit union certified share draft or cash in an amount and with sureties approved by the auditor, sufficient for the payment of all costs and expenses incurred in the proceedings if the district is not finally established.

Sec. 9. Section 384.97, subsection 5, Code 1983, is amended to read as follows:

5. That each bidder shall accompany ~~his~~ the bid with a bid security as defined ~~herein~~ in this subsection and as specified by the governing body, as security that the successful bidder will enter into a contract for the work bid upon and will furnish after the award of contract a corporate surety bond, acceptable to the governing body, for the faithful performance of the contract, in an amount equal to one hundred percent of the amount of the contract. The bidder's security ~~must~~ shall be in an amount fixed by the governing body, and ~~must~~ shall be in the form of a cashier's or certified check drawn on a bank in Iowa or a bank chartered under the laws of the United States, ~~or a certified share draft drawn on a credit union in Iowa or chartered under the~~

law of the United States, or the governing body may provide for a bidder's bond with corporate surety satisfactory to the governing body, ~~which~~. The bid bond shall contain no condition except as provided in this section.

Sec. 10. Section 455.40, Code 1983, is amended to read as follows:

455.40 ADVERTISEMENT FOR BIDS. The board shall ~~cause notice to be given by publication~~ publish notice once each week for two consecutive weeks in ~~some~~ a newspaper published in the county ~~wherein such~~ in which the improvement is located, and ~~such~~ publish additional advertisement and publication elsewhere as ~~to~~ the board may direct, ~~of~~. The notice shall state the time and place of letting the work of construction of ~~said~~ the improvement, specifying the approximate amount of work to be done in each numbered section of the district, the time fixed for the commencement, and the time of the completion ~~thereof~~ of the work, that bids will be received on the entire work and in sections or divisions ~~thereof~~ of the entire work, and that ~~each~~ a bidder will be required to deposit with ~~his~~ the bid cash, ~~or~~ a certified check on and certified by a bank in Iowa, or a certified share draft from a credit union in Iowa payable to the auditor or ~~his~~ the auditor's order, at ~~his~~ the auditor's office, in an amount equal to ten percent of ~~his~~ the bid, in no case to exceed ten thousand dollars. When the estimated cost of the improvement exceeds fifteen thousand dollars, the board may make additional publication for two consecutive weeks in ~~some~~ a contractors journal of general circulation, giving only the type of proposed construction or repairs, estimated amount, date of letting, amount of bidder's bond, and ~~the~~ name and address of the county auditor. All notices shall fix the date to which bids will be received and upon which ~~said~~ the work will be let. ~~Except, however~~ However, when the estimated cost of the improvement is less than twenty-five hundred dollars, the board may let the contract for ~~such~~ the

construction without taking bids ~~therefor~~ and without publishing any notice ~~as above provided~~.

Sec. 11. Section 455.42, Code 1983, is amended to read as follows:

455.42 MANNER OF MAKING BIDS--DEPOSIT. ~~Each~~ A bid shall be in writing, specifying the portion of the work upon which the bid is made, and filed with the auditor, ~~accompanied~~. The bid shall be accompanied with a deposit of cash, or a certified check on and certified by a bank in Iowa or a certified share draft drawn on a credit union in Iowa, payable to the auditor or ~~his~~ the auditor's order at ~~his~~ the auditor's office in a sum equal to ten percent of the amount of the bid, but ~~in any event~~ not to exceed ten thousand dollars. However, if the maximum limit on bid deposits would cause a denial of funds or services from the federal government which would otherwise be available, or if the maximum limit would otherwise be inconsistent with the requirements of federal law, the maximum limit may be suspended to the extent necessary to prevent denial of federal funds or services or to eliminate the inconsistency with federal requirements. The checks or share drafts of unsuccessful bidders shall be returned to them, but the checks of successful bidders shall be held as a guarantee that they will enter into contract in accordance with their bids.

Sec. 12. Section 455.43, Code 1983, is amended to read as follows:

455.43 PERFORMANCE BOND--RETURN OF CHECK. ~~Each~~ A successful bidder ~~shall be~~ is required to execute a bond with sureties approved by the auditor in favor of the county for the use and benefit of the levee or drainage district and all persons entitled to liens for labor or material in an amount not less than seventy-five percent of the contract price of the work to be done, conditioned for the timely, efficient, and complete performance of ~~his~~ the contract, and the payment, as they become due, of all just claims for labor

performed and material used in carrying out ~~and~~ the contract. When ~~such~~ a contract is executed and bond approved by the board, the certified check or certified share draft deposited with the bid shall be returned to the bidder.

Sec. 13. Section 467D.20, Code 1983, is amended to read as follows:

467D.20 BIDS ON WORK. When the estimated total cost of construction, enlargement, alteration or repair of any an internal improvement exceeds five thousand dollars, the conservancy district shall advertise for bids on the proposed improvement by two publications in at least one newspaper of general circulation in the conservancy district; ~~the first of which~~. The first advertisement shall be not less than fifteen days prior to the date set for receiving bids, and shall let the work to the lowest responsible bidder submitting a sealed proposal; ~~provided that if~~. However, if in the judgment of the board, the bids received are not acceptable, all bids may be rejected and new bids requested. All bids must shall be accompanied, in a separate envelope, by a deposit of money, credit union certified share draft or certified check, in an amount to be named in the advertisement for bids, as security that the bidder will enter into a contract in accordance with the terms of ~~the~~ the bid. The board shall fix the bid security in an amount equal to at least five percent, but not more than ten percent of the estimated total cost of the work. The checks or deposits of money of the unsuccessful bidders shall be returned as soon as the successful bidder is determined, and the share draft, check or deposit of money of the successful bidder shall be returned upon execution of the contract documents.

Sec. 14. Section 573.4, Code 1983, is amended to read as follows:

573.4 DEPOSIT IN LIEU OF BOND. A deposit of money, ~~or~~ a certified check on a solvent bank of the county in which the improvement is to be located, a credit union certified

share draft, ~~or~~ state or federal bonds, ~~or~~ bonds issued by any a city, school corporation, or county of this state, or bonds issued on behalf of any a drainage or highway paving district of this state, may be received in an amount equal to the amount of the bond and held in lieu of a surety on ~~such~~ the bond, and when so received ~~such~~ the securities shall be held on the terms and conditions applicable to a surety.

ROBERT T. ANDERSON
President of the Senate

DONALD D. AVENSON
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2285, Seventieth General Assembly.

K. MARIE THAYER
Secretary of the Senate

Approved April 10, 1984

TERRY E. BRANSTAD
Governor