

CHAPTER 126
PLEDGE ORDERS BY CITIES

S. F. 507

AN ACT permitting cities to issue and sell pledge orders to refund revenue bonds, pledge orders, and other obligations, and taking effect upon publication.

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

Section 1. Section 384.82, subsection 2, Code 1981, is amended to read as follows:

2. A city may issue revenue bonds or pledge orders to refund revenue bonds, pledge orders, and other obligations which are by their terms payable from the net revenues of the same city utility, combined utility system, city enterprise, or combined city enterprise, or from a city utility comprising a part of the combined utility system or a city enterprise comprising a part of the combined city enterprise, at lower, the same, or higher rates of interest. A city may sell refunding revenue bonds or pledge orders at public or private sale in the manner prescribed by chapter 75 and apply the proceeds ~~thereof~~ to the payment of the obligations being refunded, and may exchange refunding revenue bonds or pledge orders in payment and discharge of the obligations being refunded. The principal amount of any refunding revenue bonds or pledge orders may exceed the principal amount of the obligations being refunded to the extent necessary to pay ~~any~~ a premium due on the call of the obligations being refunded and to fund interest accrued and to accrue on the obligations being refunded.

Sec. 2. This Act, being deemed of immediate importance, takes effect from and after its publication in the Urbandale News, a newspaper published in Urbandale, Iowa, and the Linn News-Letter, a newspaper published in Central City, Iowa.

Approved April 30, 1981

I hereby certify that the foregoing Act, Senate File 507, was published in the Urbandale News, Urbandale, Iowa on May 7, 1981 and in the Linn News-Letter, Central City, Iowa on May 6, 1981.

MARY JANE ODELL, *Secretary of State*