

CHAPTER 247**PROPERTY TAX FOR MUNICIPAL TRANSIT SYSTEMS***H.F. 700*

AN ACT raising the city transit property tax levy limit.

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

Section 1. Section 384.12, subsection 10, Code 1991, is amended to read as follows:

10. A tax for the operation and maintenance of a municipal transit system, and for the creation of a reserve fund for the system, in an amount not to exceed fifty-four ninety-five cents per thousand dollars of assessed value each year, when the revenues from the transit system are insufficient for such purposes, but proceeds of the tax may not be used to pay interest and principal on bonds issued for the purposes of the transit system.

Approved June 6, 1991

CHAPTER 248**ADMINISTRATION OF STATE FAIR AND OTHER FAIRS***S.F. 452*

AN ACT relating to the administration of fairs, and providing for effective dates.

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

Section 1. Section 173.1, subsections 2, 3, and 4, Code 1991, are amended to read as follows:

2. ~~One director~~ Two directors from each congressional district and ~~three directors at large~~, to be elected at a convention as provided in section 173.2.

3. A president and vice president to be elected by the state fair board from the ~~nine~~ elected directors.

4. ~~A secretary and a treasurer to be elected by the board, and who shall be nonvoting members who shall serve as a nonvoting member.~~

Sec. 2. Section 173.1, Code 1991, is amended by adding the following new subsection:

NEW SUBSECTION. 5. A secretary to be elected by the board who shall serve as a nonvoting member.

Sec. 3. Section 173.4, Code 1991, is amended to read as follows:

173.4 VOTING POWER.

On all questions arising for determination by the convention, each member present shall be entitled to but one vote, and no proxies shall be recognized by the convention. However, a member who is also a ~~board director at large~~ or a board congressional director shall not be entitled to vote for a ~~successor to each of the three directors at large~~ or a successor to each congressional director on the board.

Sec. 4. Section 173.5, Code 1991, is amended by striking the section and inserting in lieu thereof the following:

173.5 DUTIES OF THE CONVENTION.

1. The convention shall establish staggered terms of office for the elected directors. Notwithstanding section 173.6, the convention may establish terms of office for initial elected directors for more or less than two years.

2. The convention shall elect a successor to each of the two district directors on the board whose term expires at noon on the day following the adjournment of the convention.

Sec. 5. Section 173.6, Code 1991, is amended to read as follows:

173.6 TERMS OF OFFICE.

The term of the president and vice president of the board shall be one year ~~and that of a director two years~~. ~~No~~ A person shall not hold the office of president for more than three consecutive years, plus any portion of a year in which the person was first elected by the board to fill a vacancy.

PARAGRAPH DIVIDED. A member of the board who is a director, elected as provided in section 173.1, shall serve a term of two years. The term of a director shall begin at noon on the day following the adjournment of the convention at which the director was elected and shall continue until a successor is elected and qualified as provided in this chapter. However, a person elected as a director pursuant to section 173.1 shall not serve for more than five consecutive terms. A director who has ever served five consecutive terms is again eligible to serve for an additional five consecutive terms after not serving as a director for at least one term.

Sec. 6. Section 173.7, Code 1991, is amended to read as follows:

173.7 VACANCIES.

If, after the adjournment of the convention, a vacancy occurs in the office of any member of the board elected by the convention the board shall fill the ~~same, and the vacancy by election~~. The elected member so elected shall qualify at once and serve until noon of the day following the adjournment of the next convention. If, by that time, the member elected by the board will not have completed the full term for which the member's predecessor was elected, said the convention shall elect a member to serve out for the unexpired portion of such the term. The member so elected by the convention shall qualify at the same time as other members elected by the convention.

Sec. 7. Section 173.11, subsection 3, Code 1991, is amended by striking the subsection.

Sec. 8. Section 173.14, subsection 4, Code 1991, is amended to read as follows:

4. Appoint, as the president deems necessary, security personnel as the president deems necessary and peace officers qualified according to standards adopted by the board.

Sec. 9. Section 174.2, unnumbered paragraph 3, Code 1991, is amended to read as follows:

No salary or compensation of any kind shall be paid to the president, vice president, treasurer, or to ~~any~~ a director of the association for such duties. However, the president, vice president, treasurer, or a director of the association may be reimbursed for actual expenses incurred by carrying out duties under this chapter or chapter 173, including, but not limited to attending the convention provided under section 173.2. A person claiming expenses under this paragraph shall be reimbursed to the same extent that a state employee is entitled to be reimbursed for expenses.

Sec. 10. ELECTION OF MEMBERS TO THE IOWA STATE FAIR BOARD.

1. Notwithstanding chapter 173, a convention which meets pursuant to section 173.2 is not required to elect new directors in 1991, unless this Act becomes effective in that year.

2. The convention shall meet as early as determined practicable by the Iowa state fair board after the effective date of this section. The convention shall elect ten directors to the Iowa state fair board as provided in this Act who shall serve for staggered terms as determined by the convention.

3. The convention shall provide for staggered terms of office for directors elected pursuant to this Act. A limit shall be placed on the number of terms that original directors may serve on or after the effective date of this Act. At the time of the first election held pursuant to this Act, an original director who has served for the longest consecutive period shall not be eligible to serve for the next term. At each subsequent election, the original director who has served for the longest period shall not serve for the next term. A person who was an original director is again eligible to serve for an additional five consecutive terms after not serving as a director for at least one term, as provided in section 173.6.

As used in this subsection "original director" means a person who was elected as a director pursuant to section 173.1, and who served as a director immediately prior to the first election held pursuant to this Act.

Sec. 11. EFFECTIVE DATE.

1. Except as provided in subsection 2, this Act takes effect upon the date that five congressional districts are legally established pursuant to chapter 42, and according to the 1990 United States census.

2. Section 173.11, subsection 3, section 173.14, subsection 4, and section 174.2, unnumbered paragraph 3, as amended by this Act, take effect July 1, 1991. Section 10, subsection 1, of this Act also takes effect July 1, 1991.

Approved June 7, 1991

CHAPTER 249

INVESTMENT OF PUBLIC FUNDS

H.F. 707

AN ACT relating to the investment by the state and political subdivisions of bond proceeds and sinking funds in tax-exempt bonds or money market funds.

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

Section 1. Section 452.10, Code 1991, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. For the purpose of avoiding the complexity and administrative burdens associated with the required rebate of arbitrage profits to the United States treasury pursuant to section 148 of the Internal Revenue Code, as defined in section 422.3, the treasurer of state and the treasurer or other designated financial officer of each political subdivision may invest the proceeds of public bonds or obligations and funds being accumulated for the payment of principal and interest or reserves in tax-exempt bonds, as defined and permitted by section 148 of the Internal Revenue Code and applicable federal regulations under that section, and in tax-exempt money market funds, including but not limited to funds issued by an unincorporated investment company or investment trust registered under the federal Investment Company Act of 1940, having assets in excess of five hundred million dollars and having an average maturity in compliance with the federal securities exchange commission regulations for registered money market funds.

Sec. 2. Section 453.9, Code 1991, is amended by adding the following new unnumbered paragraph after unnumbered paragraph 1:

NEW UNNUMBERED PARAGRAPH. For the purpose of avoiding the complexity and administrative burdens associated with the required rebate of arbitrage profits to the United States treasury pursuant to section 148 of the Internal Revenue Code, as defined in section 422.3, the treasurer of state and the treasurer or other designated financial officer of each political subdivision may invest the proceeds of public bonds or obligations and funds being accumulated for the payment of principal and interest or reserves in tax-exempt bonds, as defined and permitted by section 148 of the Internal Revenue Code and applicable federal regulations under that section, and in tax-exempt money market funds, including but not limited to funds issued by an unincorporated investment company or investment trust registered under the federal Investment Company Act of 1940, having assets in excess of five hundred million