

February 14, 1961.
Passed on File.

Senate File 242

By VAN EATON, WILEY, LYNES, NYSTROM,
GILMOUR, SCOTT, PRENTIS and O'MALLEY.

Passed Senate, Date 2-24-61 Passed House, Date 4-26-61

Vote: Ayes 42 Nays 0 Vote: Ayes 90 Nays 0

Approved 5-3-61
Senate Concurred - 4/27/61 49, 0

A BILL FOR

An Act to add a new section to chapter three hundred ninety-four (394), Code 1958, to authorize the issuance by cities and towns of refunding bonds payable only out of the net earnings of municipally owned sewage works and facilities and providing for the sale of such refunding bonds or their exchange for the bonds or obligations to be refunded.

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

1 Section 1. Chapter three hundred ninety-four (394), Code
2 1958, is hereby amended by adding thereto a new section
3 reading as follows:
4 "Cities and towns are hereby authorized to issue from
5 time to time negotiable interest bearing refunding bonds to
6 refund at maturity or pursuant to redemption provisions or
7 at any time before maturity with the consent of the holders
8 thereof a like principal amount of outstanding revenue bonds
9 or obligations previously issued by such municipalities
10 pursuant to the provisions of this chapter to pay the cost
11 of acquiring, constructing, equipping, extending or
12 improving works and facilities useful and convenient for
13 the collection, treatment, purification and disposal in a
14 sanitary manner of the liquid and solid waste, sewage and
15 industrial waste of any such city or town. All such
16 refunding bonds shall comply with the pertinent provisions
17 of this chapter and may be made subject to redemption in

18 such manner and upon such terms, with or without premium,
19 as is stated on the face thereof. Such refunding bonds
20 shall be payable only from the net earnings of such works
21 and facilities and shall not constitute a general obligation
22 of any such city or town or be payable in any manner by
23 taxation. Such refunding bonds may be issued in exchange
24 for the outstanding bonds or obligations to be refunded or
25 such refunding bonds may be sold and the proceeds thereof
26 applied to the payment of such outstanding bonds or
27 obligations.”

1 Sec. 2. This Act being deemed of immediate importance
2 shall take effect and be in full force from and after its passage
3 and publication in the Sioux City Journal, a newspaper
4 published in Sioux City, Iowa, and in The Anthon Herald, a
5 newspaper published in Anthon, Iowa.

SENATE FILE 242

1 Amend Senate File 242, section two (2), by inserting in
2 line five (5) after the word "Iowa" the words ", without
3 expense to the state".

Filed and adopted
April 26, 1961.

Senate Concurred
4/27

SMITH of O'Brien.