

June 20, 1967  
Sifting Committee  
*Gov. Affairs 6-27, Pass 6-28*

By COMMITTEE ON RULES

Passed House, Date 6-23-67 Passed Senate, Date 6-30-67  
Vote: Ayes 73 Nays 0 Vote: Ayes 54 Nays 0  
Approved \_\_\_\_\_

## A BILL FOR

An Act relating to the issuance of bonds by cities and towns for flood expenses.

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

1 Section 1. Chapter three hundred ninety-five (395), Code  
2 1966, is hereby amended by adding thereto the following new  
3 section:

4 "Cities and towns are hereby authorized to issue general  
5 obligation bonds to pay expenses incurred in combating any  
6 flood or resulting from any flood. Such bonds may be issued  
7 for the payment of any purchase, construction, or repair of  
8 any emergency flood-prevention controls or devices utilized  
9 in combating any flood and for any emergency construction or  
10 repairs necessary and resulting from flood damage.

11 "Taxes for the payment of said bonds shall be levied in  
12 accordance with chapter seventy-six (76) of the Code and said  
13 bonds shall be payable through the debt-service fund in not  
14 more than twenty (20) years, and bear interest at a rate not  
15 exceeding five (5) percent per annum, and shall be of such  
16 form as the city or town council shall by resolution provide,  
17 but no city or town shall become so indebted in an amount  
18 which, together with all other indebtedness of said municipi-  
19 pality, shall exceed five (5) percent of the actual value of  
20 the taxable property within said city or town as shown by the  
21 last state and county tax lists previous to incurring such  
22 indebtedness. The indebtedness incurred for the purpose

23 herein provided shall not be considered an indebtedness in-  
24 curred for general or ordinary purposes within the meaning  
25 and application of section four hundred seven point one  
26 (407.1) of the Code, and shall not be charged against or  
27 counted as part of the one and one-fourth (1 1/4) percent  
28 available for general or ordinary purposes until the other  
29 three and three-fourths (3 3/4) percent of the five (5) per-  
30 cent of indebtedness permitted by statute has been exhausted.

31 "This section shall be construed as granting additional  
32 power without limiting the power already existing in cities  
33 and towns.

34 "The provisions of this section shall be applicable to  
35 all municipal corporations regardless of form of government  
36 or manner of incorporation."

#### EXPLANATION

The purpose of this bill is to permit cities and towns to issue general obligation bonds to pay emergency expenses incurred due to combating floods.