

March 19, 1970
Passed on File

SENATE FILE 1301

By COMMITTEE ON CITIES AND TOWNS
(Committee on Cities and Towns)

Passed Senate, Date.....3-31-70..... Passed House, Date.....4-3-70.....

Vote: Ayes.....57..... Nays.....0..... Vote: Ayes.....93..... Nays.....1.....

Approved.....April 13, 1970.....

A BILL FOR *See for H. 1344 4/3*

1 An Act relating to municipal parking facilities, to authorize
2 cities and towns to issue revenue refunding bonds to refund
3 revenue and revenue refunding bonds, or to refund such out-
4 standing bonds and also improve a municipal parking system.
5 *Be It Enacted by the General Assembly of the State of Iowa:*
6 Section 1. Chapter three hundred ninety (390), Code 1966,
7 is hereby amended by adding the following new section:
8 "Cities and towns are hereby authorized to issue from time
9 to time negotiable interest bearing revenue refunding bonds to
10 refund at a lower, the same or a higher rate or rates of inter-
11 est a like or greater principal amount of outstanding revenue
12 or revenue refunding bonds theretofore issued pursuant to the
13 provisions of this chapter, except that the principal amount
14 of such revenue refunding bonds may exceed the principal amount
15 of the bonds to be refunded to the extent necessary to pay any
16 premium due on the call of the bonds to be refunded or to fund
17 interest thereon in arrears or to become due during the follow-
18 ing six months, and a single issue of revenue refunding bonds
19 may be authorized and delivered to refund outstanding bonds
20 and to also provide funds for improving a municipal parking
21 system. All such revenue refunding bonds shall comply with
22 the pertinent provisions of this chapter and may be made sub-
23 ject to redemption prior to maturity in such manner and upon
24 such terms, with or without premium, as is stated on the face
25 thereof. Such revenue refunding bonds shall be payable from

1 the same sources as the bonds to be refunded, as provided in
2 section three hundred ninety point nine (390.9) of the Code,
3 and shall not constitute a general obligation of any such city
4 or town or be payable in any manner by taxation. Such revenue
5 refunding bonds may be issued in exchange for the outstanding
6 obligations to be refunded or such revenue refunding bonds
7 may be sold and the proceeds thereof applied to the payment
8 of such outstanding obligations."

EXPLANATION

Under present Iowa law there is no authority for the refunding of parking meter revenue bonds. This bill would grant the authority to the cities and towns who have revenue bonds outstanding to call in the present bonds and reissue a like or greater amount at the same or higher interest rate. The parking meter revenue bonds do not constitute a general obligation of the city or town and are paid off by revenues derived from the parking meters or lot.