

March 13, 1969

SENATE FILE 472

Passed on File

*Iowa Development 3-17
Rec - do pass 3-19
Iowa Iowa Development 3-28
Pass as amended 4-2*

By WALSH, BENDA, O'MALLEY,
THORSEN, DENMAN, KOSEK,
STANLEY, LANGE, LAVERTY,
POTGETER, CLARKE, POTTER,
COLEMAN and NICHOLSON
(Van Drie, Miller of Page,
Sorg, Milligan, Alt, Gannon,
Skinner, Caffrey, Huff and
Nolting)

Passed Senate, Date *3-26-69* Passed House, Date *4-22-69*

Vote: Ayes *46* Nays *10* Vote: Ayes *69* Nays *51*

Approved *May 8⁸, 1969*

Motion to reconsider tabled 3-26

Passed Senate as amended by House 5-6; 49-1 - Motion to reconsider tabled.

A BILL FOR

Motion to reconsider filed 4-22. Lost 5-5

- 1 An Act to provide for aviation authorities.
- 2 *Be It Enacted by the General Assembly of the State of Iowa:*
- 3 Section 1. This Act shall be known and may be cited as
- 4 the "Aviation Authority Act".
- 5 Sec. 2. **Definitions.** The following terms whenever used,
- 6 or referred to, in this Act shall have the following meanings,
- 7 except in those instances where the context clearly indicates
- 8 otherwise:
- 9 1. The term "authority" shall mean any aviation authority
- 10 created pursuant to the provisions of this Act.
- 11 2. The term "board" shall mean the governing body of an
- 12 authority.
- 13 3. The term "municipality" shall mean any county, city,
- 14 and town of this state, and any political subdivision of any
- 15 state whose borders are at any point coterminous with those of
- 16 this state and whose laws shall permit the entry of and sub-
- 17 mission by such political subdivision to an authority created
- 18 and operating pursuant to the provisions of this Act.
- 19 4. The term "member municipality" shall mean any munici-
- 20 pality which shall join in the creation of an aviation author-

1 ity as provided herein.

2 5. The term "state" shall mean the state of Iowa.

3 6. The term "state government" shall mean and include the
4 state, the governor of the state, and any department thereof,
5 or corporation, agency, or instrumentality heretofore or here-
6 after created, designated, or established by the state, exclu-
7 sive of counties, cities, or towns.

8 7. The term "federal government" shall mean and include
9 the United States of America, the president of the United States
10 of America, and any department of, or corporation, agency, or
11 instrumentality heretofore or hereafter created, designated, or
12 established by the United States of America.

13 8. The term "aviation facilities" shall mean and include
14 airports, buildings, structures, terminal buildings, or space,
15 hangars, lands, warehouses, or other aviation facilities of any
16 kind or nature, or any other facilities of any kind or nature
17 related to or connected with said airports and other aviation
18 facilities which an authority is authorized by law to construct,
19 acquire, own, lease, or operate, including but not limited to
20 parking facilities, restaurants, and related facilities together
21 with all fixtures, equipment, and property, real or personal,
22 tangible or intangible, necessary, appurtenant, or incidental
23 thereto.

24 9. The term "person" shall mean any individual, firm, part-
25 nership, corporation, company, association, or joint stock asso-
26 ciation, and includes any trustee, receiver, assignee, or simi-
27 lar representative thereof.

28 **Sec. 3. Creation.** Two or more municipalities may under the
29 provisions of this Act enter into an agreement creating an au-
30 thority in the manner and for the purposes hereinafter provided.
31 Such authority so created shall be a joint public instrumental-
32 ity and public body corporate to be known as ".....
33 Airport Authority", and which is hereby authorized to exercise
34 its jurisdiction, powers, and duties as herein set forth.

35 **Sec. 4. Legislative Findings and Declaration of Policy.**

1 The state is on the threshold of rapid growth in its popula-
2 tion, economic, and social development. In order to foster
3 and encourage said growth and the development of the educa-
4 tional, agricultural, commercial, and industrial resources
5 of the state, aviation facilities should be built in certain
6 areas of the state. Aviation facilities are essential for the
7 cultural, social, and economic well-being of the people of the
8 state. There exist, in the state, deficits in air transporta-
9 tion which impede and will increasingly impede the development
10 of these common interests to their fullest potential. Con-
11 certified governmental actions is needed to aid in avoiding the
12 serious air traffic conditions and congestion found elsewhere
13 in the United States, to alleviate deficiencies in air trans-
14 portation, to coordinate and balance airports and other avia-
15 tion facilities and facilities related thereto, and to other-
16 wise provide a sounder basis for the development of air traffic
17 patterns, control, and growth. The development of airport
18 authorities through the combined efforts of municipalities
19 within the state is a reasonable and sound approach to the
20 aforesaid needs and problems. Accordingly, it is the public
21 policy of this state, as a matter of public health, safety,
22 convenience, and welfare, to promote the establishment of air-
23 port authorities, encourage participation therein by the muni-
24 cipalities in the state, facilitate the accomplishment of their
25 purposes, and bring about solutions for the aforesaid needs and
26 problems.

27 **Sec. 5. Committee.** Each authority shall have a committee
28 whose duties shall consist of electing board members, as here-
29 inafter provided, and advising the board on all matters with
30 respect to the needs and operation of the authority. Committee
31 membership shall be established in the following manner: Each
32 member municipality shall appoint one person for each fifty
33 thousand of its population or fraction thereof as shown in the
34 last certified federal census to a committee which shall be
35 known as the airport authority committee. In the computation

1 of such population, a member county shall include only that
2 portion thereof residing in the unincorporated areas of that
3 county. Members of such a committee shall be appointed by
4 the governing body of the member municipality they represent
5 for a term of six years and may succeed themselves if re-
6 appointed. Each member of such committee shall qualify by
7 taking an oath to faithfully perform the duties of his office.
8 To be eligible for appointment as a member, each appointee
9 must be a resident of the member municipality he represents
10 and be willing to serve on the board if elected. However, no
11 official or employee of any member municipality is eligible
12 for such appointment. Within forty-five days after any va-
13 cancy occurs on such committee by death, resignation, change
14 of residence or removal of any member, or from any other
15 cause, the successor of such member shall be appointed in the
16 same manner as his predecessor was appointed and shall serve
17 for the unexpired term of his predecessor. The committee
18 shall elect one of its members as chairman, who shall hold
19 office for two years, and it shall also elect one of its mem-
20 bers as secretary, who shall hold office for two years. Each
21 committee member and officer shall serve until his successor
22 is duly appointed and qualified unless he becomes disqualified
23 for such membership, in which event his position shall be
24 deemed vacant. In no event shall a salary be paid to a com-
25 mittee member, however, each committee member shall be reim-
26 bursed for actual expenses incurred by him in the performance
27 of his duties.

28 **Sec. 6. Board.** Each authority shall have a board and said
29 board shall be the governing body of the authority exercising
30 all of the rights, duties, and powers conferred by this Act
31 upon the authority. Board membership shall be established in
32 the following manner: Committee members shall elect in sepa-
33 rate ballots from among their membership seven persons, pro-
34 vided, however, that the maximum number of municipalities is
35 represented on said board. Committee members elected to the

1 board shall resign from the committee. Where a committee con-
2 sists of less than seven members such committee shall elect
3 sufficient nonmembers to the board so that the board consists
4 of seven persons. However, no official or employee of any mem-
5 ber municipality is eligible for election to the board. The
6 term of the two persons first so elected shall be for five years,
7 of the next three persons so elected for three years, and of
8 the next two persons so elected for one year. Thereafter, as
9 those terms expire, the terms of successors shall be for five
10 years. Each member of the board shall qualify by taking an
11 oath to faithfully perform the duties of his office. Within
12 forty-five days after any vacancy occurs on the board by death,
13 resignation, change of residence or removal of any member, or
14 from any other cause, the successor of such member shall be
15 elected in the same manner as his predecessor was elected and
16 shall serve for the unexpired term of his predecessor. The
17 board shall elect one of its members as chairman who shall hold
18 office for two years, and it shall also elect one of its mem-
19 bers as secretary, who shall hold office for two years, and it
20 shall also elect one of its members as treasurer, who shall hold
21 office for two years and who shall execute an adequate surety
22 bond in a penal sum to be fixed from time to time by the author-
23 ity, conditioned upon the faithful performance of the duties of
24 his office, the premium on which shall be paid by the authority.
25 Board members and officers shall serve until a successor is duly
26 elected and qualified. In no event shall a salary be paid to
27 a board member, however, each board member shall be reimbursed
28 for actual expenses incurred by him in the performance of his
29 duties. All actions by an authority shall require the affirm-
30 ative vote of a majority of the board of an authority as it may
31 exist at the time.

32 **Sec. 7. Creation of an authority.**

33 1. Whenever the governing body of any municipality shall
34 desire to participate in the creation of an authority it shall
35 adopt a resolution signifying its intention to do so and shall

1 publish said resolution at least one time in a newspaper of
2 general circulation in such municipality giving notice of a
3 hearing to be held on the question of the municipality's entry
4 into such authority. Such resolution shall be published at
5 least fourteen days prior to the date of hearing, and shall
6 contain therein the following information:

7 a. Intention to join in the creation of an authority pur-
8 suant to the provisions of this Act.

9 b. The names of other municipalities which have expressed
10 their intention to join in the creation of the authority.

11 c. Number of committee members to be appointed from such
12 municipality.

13 d. Name of authority.

14 e. Place, date, and time of hearing.

15 2. After the hearing, and if in the best interests of the
16 municipality, the municipality shall enact an ordinance autho-
17 rizing the joining of the authority.

18 Sec. 8.

19 1. Whenever an authority has been created by two or more
20 municipalities, any one or more of such municipalities may
21 withdraw therefrom but no municipality shall be permitted to
22 withdraw from any authority after any obligations thereof have
23 been incurred unless in the opinion of the authority satisfac-
24 tory provision has been made by the withdrawing municipality
25 for the payment of its portion of such outstanding obligations.

26 Whenever an authority has been created by two or more munici-
27 palities, any municipality not having joined in the original
28 agreement may subsequently join in the authority.

29 2. Any municipality wishing to withdraw from or to become
30 a member of an existing authority shall

1 term is in excess of three years shall be entered by the author-
2 ity until after publication of notice of the terms of the
3 proposed lease once in the county in which said property is
4 located, in the manner provided by section six hundred eigh-
5 teen point fourteen (618.14) of the Code, together with the
6 date, time, and place of a public hearing which shall be held

1 8. To borrow money, make and issue negotiable bonds, certi-
2 ficates, refunding bonds, and other obligations (herein called
3 "bonds") and notes of an authority and to secure the payment of
4 such bonds or any part thereof by a pledge of any or all of an
5 authority's revenues, rates, fees, rentals, or other charges,
6 and any other funds which it has a right to, or may hereafter
7 have the right to pledge for such purposes (hereafter sometimes
8 referred to as "revenues"), and to mortgage its property as se-
9 curity for the payment of such bonds; and in general, to provide
10 for the security of said bonds and the rights and remedies of
11 the holders thereof. Such bonds may be issued to finance either
12 one or more or a combination of aviation facilities and the rev-
13 enues of any one or more aviation facilities may, subject to any
14 prior rights of bondholders, be pledged for any one or more or a
15 combination of aviation facilities. Any revenues from existing
16 aviation facilities theretofore constructed or acquired pursuant
17 to this Act or existing acts, or existing aviation facilities
18 constructed or acquired by an authority from any source may be
19 pledged for any one or more or a combination of aviation facil-
20 ities financed under this Act, regardless of whether or not
21 such existing aviation facilities are then being improved or
22 financed by the proceeds of the bonds to be issued to finance
23 the one or more or the combination of aviation facilities for
24 which such revenues of such existing aviation facilities are
25 to be pledged.

26 9. To make contracts of every kind and nature and to exe-
27 cute all instruments necessary or convenient for the carrying
28 on of its business.

29 10. Without limitation of the foregoing, to borrow money
30 and accept grants, contributions or loans from, and to enter
31 into contracts, leases, or other transactions with, municipal,
32 county, state, or federal government.

33 11. To have the power of eminent domain, such power to be
34 exercised in the manner provided by law for municipal corpora-
35 tions of this state.

1 12. To pledge, hyothecate, or otherwise encumber all or
2 any part of the revenues, rates, fees, rentals, or other
3 charges or receipts of an authority as security for all or any
4 of the obligations issued by an authority.

5 13. To pledge, mortgage, hyothecate, or otherwise encumber
6 all or any part of the property, real or personal, of the au-
7 thority as security for all or any of the obligations issued
8 by an authority.

9 14. To employ technical experts necessary to assist an
10 authority in carrying out or exercising any powers granted
11 hereby, including but not limited to architects, engineers,
12 attorneys, fiscal advisors, fiscal agents, investment bankers,
13 and aviation consultants.

14 15. To do all acts and things necessary or convenient for
15 the promotion of its business and the general welfare of an
16 authority, in order to carry out the powers granted to it by
17 this Act or any other laws. An authority shall have no power
18 at any time or in any manner to pledge the taxing power of the
19 state or any political subdivision or agency thereof, nor shall
20 any of the obligations issued by an authority be deemed to be
21 an obligation of the state or any political subdivision or
22 agency thereof secured by and payable from ad valorem taxes
23 thereof, nor shall the state or any political subdivision of or
24 agency thereof be liable for the payment of principal or of
25 interest on such obligations except from the special funds
26 provided for in this Act.

27 **Sec. 10. Purposes and powers—bonds and notes.**

28 1. The bonds issued by an authority pursuant to this Act
29 shall be authorized by resolution of the board thereof and shall
30 be either term or serial bonds, shall bear such date or dates,
31 mature at such time or times, not exceeding forty years from
32 their respective dates, bear interest at such rate or rates,
33 not exceeding eight per centum per annum payable semiannually,
34 be in such denominations, be in such form, either coupon or
35 fully registered, shall carry such registration, exchangeability

1 and interchangeability privileges, be payable in such medium
2 of payment and at such place or places, within or without the
3 state, be subject to such terms of redemption and be entitled
4 to such priorities on the revenues, rates, fees, rentals, or
5 other charges or receipts of the authority as such resolution
6 or any resolution subsequent thereto may provide. The bonds
7 shall be executed either by manual or facsimile signature by
8 such officers as an authority shall determine, provided that
9 such bonds shall bear at least one signature which is manually
10 executed thereon, and the coupons attached to such bonds shall
11 bear the facsimile signature or signatures of such officer or
12 officers as shall be designated by an authority and the bonds
13 shall have the seal of the authority, affixed, imprinted, re-
14 produced, or lithographed thereon, all as may be prescribed in
15 such resolution or resolutions. Said bonds shall be sold at
16 public sale at such price or prices as the authority shall de-
17 termine to be in the best interests of the authority provided
18 that such bonds shall not be sold at less than the par value
19 thereof, plus accrued interest and provided that the net inter-
20 est cost shall not exceed eight per centum per annum. Pending
21 the preparation of definitive bonds, interim certificates or
22 temporary bonds may be issued to the purchaser or purchasers
23 of such bonds, and may contain such terms and conditions as
24 the authority may determine.

25 2. An authority shall have the power, at any time and from
26 time to time after the issuance of bonds thereof shall have been
27 authorized, to borrow money for the purposes for which such bonds
28 are to be issued in anticipation of the receipts of the proceeds
29 of the sale of such bonds and within the authorized maximum
30 amount of such bond issue. Any such loan shall be paid within
31 three years after the date of the initial loan. Bond anticipa-
32 tion notes shall be issued for all moneys so borrowed under the
33 provisions of this section, and such notes may be renewed from
34 time to time, but all such renewal notes shall mature within
35 the time above limited for the payment of the initial loan.

1 Such notes shall be authorized by resolution of the board and
2 shall be in such denomination or denominations, shall bear in-
3 terest at such rate or rates not exceeding the maximum rate
4 permitted by the resolution authorizing the issuance of the
5 bonds, shall be in such form and shall be executed in such
6 manner, all as such authority shall prescribe. Such notes
7 shall be sold at public sale or, if such notes shall be renewal
8 notes, they may be exchanged for notes then outstanding on such
9 terms as the board shall determine. The board may, in its dis-
10 cretion, retire any such notes from the revenues derived from
11 its aviation facilities or from such other moneys of the au-
12 thority which are lawfully available therefor or from a com-
13 bination of each, in lieu of retiring them by means of bond
14 proceeds; provided, however, that before the retirement of such
15 notes by any means other than the issuance of bonds it shall
16 amend or repeal the resolution authorizing the issuance of the
17 bonds, in anticipation of the proceeds of the sale of which
18 such notes shall have been issued, so as to reduce the autho-
19 rized amount of the bond issue by the amount of the notes so
20 retired. Such amendatory or repealing resolution shall take
21 effect upon its passage.

22 3. Any such resolution or resolutions authorizing any bonds
23 hereunder may contain provisions which shall be part of the
24 contract with the holders of such bonds, as to:

25 a. The pledging of all or any part of the revenues, rates,
26 fees, rentals, or other charges or receipts of an authority
27 derived by an authority from all or any of its aviation facil-
28 ities.

29 b. The construction, improvement, operation, extensions,
30 enlargement, maintenance, repair, or lease of such aviation
31 facilities and the duties of an authority with reference
32 thereto.

33 c. Limitations on the purposes to which the proceeds of
34 the bonds, then or thereafter to be issued, or of any loan or
35 grant by the federal government or the state government or the

1 county or any municipality therein, may be applied.

2 d. The fixing, charging, establishing, and collecting of
3 rates, fees, rentals, or other charges for use of the services
4 and facilities of the aviation facilities of an authority, or
5 any part thereof.

6 e. The setting aside of reserves or sinking funds or repair
7 and replacement funds or other funds and the regulation and
8 disposition thereof.

9 f. Limitations on the issuance of additional bonds.

10 g. The terms and provisions of any deed of trust, mortgage,
11 or indenture securing the bonds or under which the same may be
12 issued.

13 h. Any other or additional agreements with the holders of
14 the bonds as are customary and proper and which in the judgment
15 of an authority will make said bonds more marketable.

16 4. An authority may enter into any deeds of trust, mort-
17 gages, indentures, or other agreements, with any bank or trust
18 company or any other lender within or without the state as
19 security for such bonds, and may assign and pledge all or any
20 of the revenues, rates, fees, rentals, or other charges or re-
21 cepts of an authority thereunder. Such deeds of trust, mort-
22 gages, indentures, or other agreements, may contain such pro-
23 visions as may be customary in such instruments, or, as an
24 authority may authorize, including, but without limitation,
25 provisions as to:

26 a. The construction, improvement, operation, leasing, main-
27 tenance, and repair of the aviation facilities and duties of an
28 authority with reference thereto.

29 b. The application of funds and the safeguarding and invest-
30 ment of funds on hand or on deposit.

31 c. The appointment of consulting engineers or architects
32 and approval thereof by the holders of the bonds.

33 d. The rights and remedies of said trustee and the holders
34 of the bonds.

35 e. The terms and provisions of the bonds or the resolution

1 authorizing the issuance of the same.

2 Any of the bonds issued pursuant to this Act are, and are
3 hereby declared to be, negotiable instruments, and shall have
4 all the qualities and incidents of negotiable instruments.

5 **Sec. 11. Funds of an authority.** Moneys of an authority
6 shall be paid to the treasurer of the authority who shall not
7 comingle said moneys with any other moneys, but shall deposit
8 them in a separate account or accounts. The moneys in said
9 accounts shall be paid out on check of the treasurer on requi-
10 sition of the chairman of the authority, or of such other per-
11 son, or persons, as the authority may authorize to make such
12 requisition. Notwithstanding the aforementioned provisions an
13 authority is hereby authorized, and shall have the right, to
14 deposit any of its rates, fees, rentals, or other charges, re-
15 cepts or income with any bank or trust company within the
16 state and to deposit the proceeds of any bonds issued hereunder
17 with any bank or trust company within the state, all as may be
18 provided in any agreement with the holders of bonds issued here-
19 under.

20 **Sec. 12. Transfer of existing facilities to authority.**

21 1. Any municipality, airport commission, authority, or per-
22 son may, and they are hereby authorized to sell, lease, lend,
23 grant, or convey to the authority, any aviation facilities or
24 any part or parts thereof, or any interest in real or personal
25 property, which are within or without geographical boundaries
26 of one or more of the municipal members and which may be used
27 by an authority in the construction, improvement, maintenance,
28 leasing, or operation of any aviation facilities. Any munici-
29 pality, airport commission, authority, or person is addition-
30 ally authorized hereby to transfer, assign, and set over to an
31 authority any contract or contracts which may have been awarded
32 by said municipality, airport commission, authority, or person
33 for the construction of aviation facilities not begun or, if
34 begun, not completed.

35 2. The proposed action of an authority, and the proposed

1 agreement to acquire, shall be approved by the governing body
2 of the owner of the aviation facilities. Whenever the govern-
3 ing body of any municipality, airport commission, or authority,
4 shall desire to sell, lease, lend, grant, or convey to the au-
5 thority, any aviation facilities or any part of parts thereof,
6 as aforesaid, it shall adopt a resolution signifying its inten-
7 tion to do so and shall publish said resolution at least one
8 time in a newspaper of general circulation in said municipality
9 and in a newspaper or newspapers, if necessary, of general cir-
10 culation of the area served by said airport commission or au-
11 thority giving notice of a hearing to be held on the question
12 of said sale, lease, loan, grant, or conveyance. Such resolu-
13 tion shall be published at least fourteen days prior to the
14 date of hearing. After the hearing and if in the public inter-
15 est, said municipality shall enact an ordinance authorizing
16 said sale, lease, loan, grant, or conveyance and said airport
17 commission or authority shall pass a resolution authorizing
18 said sale, lease, loan, grant, or conveyance.

19 3. An owner, transferring existing facilities to an author-
20 ity under the provisions of this section must notify the au-
21 thority of and make provision in the transfer documents for,
22 where necessary, existing rights, liens, securities, and rights
23 of reentry belonging to the state and federal government.

24 4. This section, without reference to any other law, shall
25 be deemed complete authority for the acquisition by agreement,
26 of aviation facilities as defined in this article, any provi-
27 sion of other laws to the contrary notwithstanding, and no pro-
28 ceedings or other actions shall be required except as herein
29 prescribed.

30 Sec. 13. Award of contract. All contracts entered into by
31 an authority for the construction, reconstruction, and improve-
32 ment of aviation facilities shall be entered into pursuant to
33 and shall comply with chapter twenty-three (23) of the Code.
34 However, where an authority determines an emergency exists, it
35 may enter into contracts obligating the authority for not in

1 excess of twenty-five thousand dollars per emergency without
2 regard to the requirements of chapter twenty-three (23) of the
3 Code, and the authority may proceed with the necessary action
4 as expeditiously as possible to the extent necessary to resolve
5 such emergency.

6 **Sec. 14. Acquisition of lands and property.** An authority
7 shall have the power to acquire, within or without the geo-
8 graphical boundaries of the member municipalities, by purchase
9 or eminent domain proceedings, either the fees or such rights,
10 title, interest, or easement in such lands and property, in-
11 cluding but not limited to air rights and avigation easements,
12 as the authority may deem necessary for any of the purposes of
13 this Act. The right of eminent domain herein conferred shall
14 be exercised by the authority in the manner provided by law,
15 as though the authority were a municipal corporation.

16 **Sec. 15. Use of aviation facilities.** The use of aviation
17 facilities and the services and facilities thereof, by an au-
18 thority and the operation of its business shall be subject to
19 the rules and regulations, from time to time, adopted by the
20 authority and applicable federal laws and regulations; pro-
21 vided, however, that an authority shall not be authorized to
22 do anything which will impair the security of the holders of
23 the obligations of the authority or violate any agreements
24 with them or for their benefit.

25 **Sec. 16. Tax for purposes of an authority.** The governing
26 body of a municipality after joining an authority and after
27 determination by the authority pursuant to planning studies
28 may by ordinance provide for the assessment of an annual levy
29 not to exceed two and one-half mills upon all the taxable
30 property in such municipality for a period not to exceed forty
31 years as shall be agreed by the member municipalities or for
32 such longer time as any revenue bonds of an authority shall be
33 outstanding or until such municipality withdraws from the au-
34 thority, whichever is sooner. Such tax may be levied in ex-
35 cess of any millage tax limitation imposed by statute. Such

1 ordinance shall be enacted only after publication of notice
2 and hearing in the manner prescribed in section seven (7)
3 hereof. Upon such enactment, a copy thereof shall be certi-
4 fied to the authority. An authority shall have the power to
5 enforce the collection of such levy by mandamus or other ap-
6 propriate remedy and such levy shall be collected in the manner
7 other taxes are collected and allocated and paid to the author-
8 ity for the exclusive and proper use of the authority, includ-
9 ing but not limited to the purchase of land, and the acquiring,
10 establishing, constructing, enlarging, operating, and maintain-
11 ing of aviation facilities. In addition to the purposes listed
12 above, moneys in said fund may be pledged to the payment of the
13 principal, interest, and redemption premium, if any, on bonds
14 of the authority. Money paid to the authority pursuant to this
15 section shall be deposited by the authority in a special trust
16 fund to be called the "..... Authority Capital Reserve
17 Fund". Member municipalities may, in addition, deposit money
18 from current operating funds in the capital reserve fund pur-
19 suant to agreement for the purpose of providing initial funds
20 to the authority to be used for funding studies, plans, and
21 other expenses of an authority pending receipt of funds from
22 the annual levy herein authorized. Any such money so deposited
23 shall be considered a gift and is not repayable.

24 **Sec. 17. Exemption from taxation.** The effectuation of the
25 authorized purposes of an authority shall be in all respects
26 for the benefit of the people of the state and the member muni-
27 cipalities, for the increase of their commerce and prosperity,
28 and for the improvement of their welfare, health, and living
29 conditions, and since an authority will be performing essential
30 governmental functions in effectuating such purposes, an author-
31 ity shall not be required to pay any taxes or assessments of
32 any kind or nature whatsoever upon any property required or used
33 by it for such purposes, or any rates, fees, rentals, receipts,
34 or incomes at any time received by it, and the bonds issued by
35 an authority, their transfer and the income therefrom (including

1 any profits made on the sale thereof) shall at all times be
2 free from taxation of any kind by the state, or any political
3 subdivision or taxing agency or instrumentality thereof.

4 **Sec. 18. Act complete and additional authority.** The powers
5 conferred by this Act shall be in addition and supplemental to
6 any other law and this Act shall not be construed so as to re-
7 peal any other law, except to the extent of any conflict between
8 the provisions of this Act and the provisions of any other law,
9 in which event the provisions of this Act shall be controlling
10 and shall, to the extent of any such conflict, supersede the
11 provisions of any other law. This Act is intended to and shall
12 provide an alternative and complete method for the exercise of
13 the powers granted by this Act, and the aviation facilities au-
14 thorized by this Act may be constructed, acquired, or improved
15 and bonds or other obligations issued pursuant to this Act upon
16 compliance with the provisions of this Act without regard to or
17 necessity for compliance with the limitations or restrictions
18 contained in any other law. No approval of the qualified elec-
19 tors or qualified freeholders of the state, or of any other
20 political subdivision or taxing unit or agency thereof, or of
21 the member municipalities shall be required for the issuance
22 of any bonds by an authority pursuant to this Act.

23 **Sec. 19. Cooperation between municipalities and authorities.**
24 The effectuation of the authorized purposes of an authority
25 being in all respects for the benefit of the people of the state
26 and the member municipalities, each member municipality is hereby
27 authorized to aid and cooperate with an authority in carrying
28 out any authorized purposes of the authority. Each member muni-
29 cipality is hereby authorized to enter into cooperation agree-
30 ments for the making of a loan, gift, grant, or contribution to
31 the authority for the carrying out of its authorized purposes.
32 Each member municipality is hereby further authorized to grant
33 and convey to an authority real or personal property, of any
34 kind or nature, or any interest therein, for the carrying out
35 of its authorized purposes. Each member municipality is, further

1 and additionally, authorized to covenant in any such coopera-
2 tion agreement made pursuant to this section to pay all or any
3 part of the costs of operation and maintenance of the aviation
4 facilities of an authority from moneys derived from ad valorem
5 taxation or from any other available funds of the municipality.
6 Any such cooperation agreement may be made and entered into
7 pursuant to this Act for such time or times not exceeding forty
8 years as shall be agreed by the parties thereto or for such
9 longer time as any revenue bonds of an authority, including
10 refundings thereof, remain outstanding and unpaid and may con-
11 tain such other details, terms, provisions, and conditions as
12 shall be agreed upon by the parties thereto. Any such coopera-
13 tion agreement may be made and entered into for the benefit of
14 the holders of any revenue bonds of an authority as well as the
15 parties thereto and shall be enforceable in any court of com-
16 petent jurisdiction by the holders of any such revenue bonds
17 or of the coupons appertaining thereto.

18 **Sec. 20. Eligibility as investments and security for public**
19 **funds.** Notwithstanding the provisions of any other law or laws,
20 all bonds issued by an authority pursuant to this Act shall be
21 and constitute legal investments for banks, savings banks,
22 trustees, executors, and all other fiduciaries, and all such
23 bonds shall be and constitute securities eligible for deposit
24 for the securing of all state, municipal, and other public funds.

25 **Sec. 21.** This Act being deemed of immediate importance shall
26 be in full force and effect from and after its passage and pub-
27 lication in The Cedar Rapids Gazette, a newspaper published at
28 Cedar Rapids, Iowa, and in The Des Moines Register, a newspaper
29 published in Des Moines, Iowa.

EXPLANATION OF SENATE FILE 472

The state is on the threshold of rapid growth in its population, economic, and social development. In order to foster and encourage said growth and the development of the educational, agricultural, commercial, and industrial resources of the state, aviation facilities should be built in certain areas of the state. Aviation facilities are essential for the cultural, social,

and economic well-being of the people of the state. There exists, in the state, deficits in air transportation which impede and will increasingly impede the development of these common interests to their fullest potential. Concerted governmental action is needed to aid in avoiding the serious air traffic conditions and congestion found elsewhere in the United States, to alleviate deficiencies in air transportation, to coordinate and balance airports and other aviation facilities and facilities related thereto, and to otherwise provide a sounder basis for the development of air traffic patterns, control, and growth. The development of airport authorities through the combined efforts of municipalities within the state is a reasonable and sound approach to the aforesaid needs and problems. Accordingly, this bill declares that it is the public policy of this state, as a matter of public health, safety, convenience, and welfare, to promote the establishment of airport authorities; it encourages participation therein by the municipalities in the state, facilitates the accomplishment of their purposes and provides solutions for the aforesaid needs and problems.

HOUSE AMENDMENT TO SENATE FILE 472

- 1 Amend Senate File 472 as follows:
- 2 1. Page 15, line twenty-six (26), strike the word
- 3 "article" and substitute the word "Act".
- 4 2. Page 16, line twenty-nine (29), by striking the
- 5 words "two and one-half mills" and inserting in lieu
- 6 thereof the words "one mill".
- 7 3. Page 16, line thirty-four (34), by inserting after
- 8 the period the following: "A county which is a member
- 9 municipality may levy such tax only upon the property
- 10 in the unincorporated area of such county."

*Senate
concerned
5-6*

-
- 1 Amend Senate File 472, page 2, by striking line 35.
 - 2 By striking from page 3, lines 1 through 26.
 - 3 Further amend Senate File 472 by renumbering the
 - 4 remaining sections.

Filed - *adopted 3-26*
March 25, 1969

By RIGLER

-
- 1 Amend Senate File 472 as follows:
 - 2 1. Page 15, line twenty-six (26), strike the word "article"
 - 3 and substitute the word "Act".
 - 4 2. Page 16, line thirty-four (34), by inserting after the
 - 5 period the following: "A county which is a member municipality
 - 6 may levy such tax only upon the property in the unincorporated
 - 7 area of such county."

*Adopted
4-22*

Filed - *adopted 4-22*
April 2, 1969

COMMITTEE ON IOWA DEVELOPMENT
WILLIAM P. WINKELMAN, Chairman

- 1 Amend Senate File 472 as follows:
- 2 Page 16, line twenty-nine (29), by striking the words
- 3 "two and one-half mills" and inserting in lieu thereof the
- 4 words "one mill".

Filed - *Adopted 4-22*
April 8, 1969

ROORDA of Jasper

- 1 Amend Senate File 472 as follows:
- 2 1. Page eleven (11), line six (6), by inserting after
- 3 the period the following:
- 4 "However, no bond shall be issued if any part of the
- 5 principal or interest thereof is payable by tax levy unless
- 6 authorized by a vote of the qualified electors of the member
- 7 municipalities, pursuant to the requirements of section
- 8 seventy-five point one (75.1) of the Code, at a general or
- 9 special election."
- 10 2. Page 16, line thirty-five (35), by inserting after the
- 11 word "statute" the following:
- 12 "if authorized by majority vote of the qualified electors
- 13 of the municipality at a general or special election".

*Lost
4-22*

Filed - *Withdrawn 4-22*
April 16, 1969

SCHROEDER of Pottawattamie
FISCHER of Grundy
DEN HERDER of Sioux
KRUSE of O'Brien
~~ROORDA of Jasper~~ *Withdrawn 4-22*
BRINCK of Lee
EDGINGTON of Franklin
KLEIN of Winnebago
CAMP of Clinton
WALTER of Pottawattamie
CHRISTENSEN of Clarke-Union
LANGLAND of Winneshiek
RADL of Linn

1 Amerd Senate File 472, page 16, line thirty (30), by striking
2 the word "forty" and inserting in lieu thereof the word "twenty".

Filed and lost
April 22, 1969

BRINCK of Lee

1 Amend Senate File 472 as follows: Page 2, line thirty-
2 four (34), by inserting after the period the following:
3 "Municipalities which intend to create such an
4 airport authority shall submit their proposals to the
5 Iowa Aeronautics Commission, and said Commission, prior
6 to approving or disapproving each such proposal, shall
7 give consideration to the economic need for such an
8 airport authority at the location proposed by the
9 municipalities. No such airport authority shall be
10 established without receiving the written approval of
11 the Iowa Aeronautics Commission."

Filed
April 25, 1969

TIEDEN of Clayton