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HOUSE FILE 574

By COMMITTEE ON CITIES AND TOWNS

Passed House, Date 5-27-71 Passed Senate, Date _____

Vote: Ayes 93 Nays 2 Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

An Act relating to home rule for cities; establishing the City Code of Iowa which provides for powers and duties of cities including the power to impose penalties by ordinance, city development, organization of city government, city elections, city legislation, city finance including the power to issue bonds, city utilities, and administrative agencies of cities; coordinating the Code of Iowa with the City Code of Iowa; repealing incompatible chapters in Title fifteen (15) and reenacting provisions from Title fifteen (15) which belong in other parts of the Code of Iowa; removing inconsistent references, incorrect provisions, limited grants of power, and restrictions based upon population; and providing for a state housing code and penalties for violation thereof, to be enforced in cooperation with city officials.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I. Definitions and Miscellaneous Provisions

Section 1. Sections one (1) through one hundred ninety-five (195) of this Act, inclusive, are entitled and may be cited as the "City Code of Iowa".

Sec. 2. As used in the City Code of Iowa, unless the context otherwise requires:

1. "City" means a municipal corporation including a town, but not including a county, township, school district, or any special purpose district or authority. When used in relation to land area, "city" includes only the area within the city limits.

2. "Municipal" means pertaining to or characteristic of a city.

3. "Council" means the governing body of a city.

4. "Councilman" means a member of a council, including an alderman.

5. "Clerk" means the recording and record keeping officer of a city regardless of title.

6. "Secretary" of a utility board means the recording and record keeping officer of the utility board regardless of title.

7. "Charter" means the form of government selected by a city as provided in division four (IV) of this Act.

8. "Officer" means a natural person elected or appointed to a fixed term and exercising some portion of the power of a city.

9. "Person" means an individual, firm, partnership, domestic or foreign corporation, company, association or joint stock association, trust, or other legal entity, and includes a trustee, receiver, assignee, or similar representative thereof, but does not include a governmental body.

10. "Governmental body" means the United States of America or an agency thereof, a state, a political subdivision of a state, a school corporation, a public authority, a public district, or any other public body.

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11. "Shall" imposes a duty.

12. "Must" states a requirement.

13. "May" confers a power.

14. "Property", "real property", and "personal property" have the same meaning as provided in section four point one (4.1) of the Code.

15. "Voter" means a person eligible to register to vote, or eligible to vote if registration is not required.

16. "Qualified voter" means a voter who is also registered if registration is required.

17. "Measure" means an ordinance, amendment, resolution, or motion.

18. "Ordinance" means a city law of a general and permanent nature.

19. "Amendment" means a revision or repeal of an existing ordinance or city code.

20. "Resolution" or "motion" means a council statement of policy or a council order for action to be taken, but "motion" does not require a recorded vote.

21. "Recorded vote" means a record, roll call vote.

22. "City utility" means all or part of a waterworks, gasworks, sanitary sewage system, electric light and power plant and system, or heating plant which is owned by a city, including all land, easements, rights-of-way, fixtures, equipment, accessories, improvements, appurtenances, and other property necessary or useful for the operation of the utility.

23. "Administrative agency" means an agency established by a city for any city purpose or for the administration of any city facility, as provided in division nine (IX) of this Act, except a board established to administer a municipal utility, a zoning commission and zoning board of adjustment, or any other agency which is controlled by state law. An administrative agency may be designated as a board, board of trustees, commission, or by another title. If an agency is advisory only, such a designation must be included in its

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title.

Sec. 3. Unless otherwise provided by state law:

1. If notice of an election, hearing, or other official action is required by this Act, the notice must be published at least once, not less than ten nor more than twenty-five days before the date of the election, hearing, or other action.

2. A publication required by this Act must be in a newspaper published at least once weekly and having general circulation in the city. However, if the city has a population of two hundred or less, a publication may be made by posting in three public places in the city which have been permanently designated by ordinance.

Sec. 4. If a petition of the voters is authorized by this Act, the petition is valid if signed by voters of the city equal in number to ten percent of the persons who voted at the last preceding regular city election, but not less than ten persons, unless otherwise provided by state law.

Sec. 5. When used in this section, "contract" means any claim, account, or demand against or agreement with a city, express or implied.

A city officer or employee shall not have an interest, direct or indirect, in any contract or job of work or material or the profits thereof or services to be furnished or performed for his city. A contract entered into in violation of this section is void. The provisions of this section do not apply to:

1. The payment of lawful compensation of a city officer or employee holding more than one city office or position, the holding of which is not incompatible with another public office or is not prohibited by law.

2. The designation of a bank or trust company as a depository, paying agent, or for investment of funds.

3. An employee of a bank or trust company, who serves as treasurer of a city.

4. Contracts made by a city of less than three thousand

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population, upon competitive bid in writing, publicly invited and opened.

5. Contracts in which a city officer or employee has an interest solely by reason of employment, or a stock interest of the kind described in subsection nine (9) of this section, or both, if the contracts are made by competitive bid, publicly invited and opened, and if the remuneration of employment will not be directly affected as a result of the contract and the duties of employment do not directly involve the procurement or preparation of any part of the contract. The competitive bid requirement of this subsection shall not be required for any contract for professional services not customarily awarded by competitive bid.

6. The designation of an official newspaper.

7. A contract in which a city officer or employee has an interest if the contract was made before the time he was elected or appointed, but the contract may not be renewed.

8. Contracts with volunteer firemen or civil defense volunteers.

9. A contract with a corporation in which a city officer or employee has an interest by reason of stockholdings when less than five percent of the outstanding stock of the corporation is owned or controlled directly or indirectly by the officer or employee.

10. A contract made by competitive bid, publicly invited and opened, in which a member of a city board of trustees, commission, or administrative agency has an interest if he is not authorized by law to participate in the awarding of the contract. The competitive bid requirement of this subsection does not apply to any contract for professional services not customarily awarded by competitive bid.

Sec. 6. A measure voted upon is not invalid by reason of conflict of interest in an officer of a city, unless the vote of the officer was decisive to passage of the measure. If a specific majority or unanimous vote of a municipal body

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is required by statute, the majority or vote must be computed on the basis of the number of officers not disqualified by reason of conflict of interest. However, a majority of all members is required for a quorum. For the purposes of this section, the statement of an officer that he declines to vote by reason of conflict of interest is conclusive and must be entered of record.

Sec. 7. A valid measure adopted by a city prior to the effective date of this Act remains valid unless the measure is irreconcilable with this Act.

Sec. 8. This Act, being necessary for the public safety and welfare, shall be liberally construed to effectuate its purposes. If any provision of this Act, or the application of this Act to any person or circumstance is held invalid, except for section nine (9), subsection two (2), of this Act, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Sec. 9.

1. The provisions of this Act take effect on July 1, 1971, except that sections one hundred ninety-six (196) through three hundred fifty-one (351), inclusive, of this Act take effect on July 1, 1973.

2. Between July 1, 1971, and July 1, 1973, a city is not subject to the provisions of sections one (1) through one hundred ninety-five (195), inclusive, of this Act, divisions one (I) through nine (IX) of the City Code of Iowa, unless the council, by resolution, elects to act under and be subject to one or more of the divisions of the City Code of Iowa, in which case conflicting provisions of law are not applicable to that city. Such an election is conclusive until rescinded by the council.

3. On and after July 1, 1973, the provisions of sections one (1) through one hundred ninety-five (195), inclusive,

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of this Act, divisions one (I) through nine (IX) of the City Code of Iowa, are applicable to all cities.

DIVISION II. Powers and Duties of Cities

Sec. 10. A city may, except as expressly limited by the Constitution or a state law, exercise any power and perform any function it deems appropriate to protect and preserve the rights, privileges, and property of the city or of its residents, and to preserve and improve the peace, safety, health, welfare, comfort, and convenience of its residents.

Sec. 11.

1. A power of a city is vested in the city council except as otherwise provided by a state law.

2. The enumeration of a specific power of a city does not limit or restrict the general grant of home rule power conferred by the Constitution. A city may exercise its general powers subject only to limitations expressly imposed by a state or city law.

3. An exercise of a city power is not inconsistent with a state law unless it is irreconcilable with the state law.

Sec. 12. The following are limitations upon the powers of a city:

1. A city council shall exercise a power only by the passage of a motion, a resolution, an amendment, or an ordinance.

2. A city may not provide a penalty in excess of a one hundred dollar fine or in excess of thirty days imprisonment for the violation of an ordinance.

3. A city may not set standards and requirements which are lower or less stringent than those imposed by state law, but may set standards and requirements which are higher or more stringent than those imposed by state law, unless a state law provides otherwise.

4. A city may not levy a tax unless specifically authorized by a state law.

Sec. 13. A city may:

1. Acquire, hold, and dispose of property outside the

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city in the same manner as within.

2. By contract, extend services to persons outside the city.

3. Enact and enforce ordinances relating to city property and city-extended services outside the city.

Sec. 14. A city or a board established to administer a city utility, in the exercise of any of its powers, may act jointly with any public or private agency as provided in chapter twenty-eight E (28E) of the Code.

A city may join with any governmental body to form an organization for promotion of city interests. The organization shall file an annual report with the city finance committee established in section ninety-one (91) of this Act.

Sec. 15. A city shall substantially comply with a procedure established by a state law for exercising a city power. If a procedure is not established by state law, a city may determine its own procedure for exercising the power.

Sec. 16. A city may not dispose of an interest in real property by sale, lease for a term of more than three years, or gift, except in accordance with the following procedure:

1. The council shall set forth its proposal in a resolution and shall publish notice as provided in section three (3) of this Act, of the resolution and of a date, time, and place of a public hearing on the proposal.

2. After the public hearing, the council may make a final determination on the proposal by resolution.

3. A city may not dispose of real property by gift except to a governmental body for a public purpose.

Sec. 17. A city having a population of five thousand or more may by ordinance require a railroad company operating railroad tracks on or across a city street to construct or reconstruct, and maintain, an overpass or underpass to permit the street to pass over or under the tracks, and may establish specifications for the construction or reconstruction of such an overpass or underpass, subject to the following:

1. The requirement may not be enforced until the Iowa

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state commerce commission approves the specifications for a construction or reconstruction, after examination and a determination that the overpass or underpass is necessary for public safety and convenience.

2. The council shall hold a hearing on the matter and shall give not less than twenty days notice of the hearing to the railroad companies involved, served in the same manner as an original notice.

3. A city may not require overpasses or underpasses of the same railroad company to be constructed closer than on every fourth parallel street, nor require a company to construct or contribute to the construction of more than one overpass or underpass each year, nor require the construction of approaches longer than a total of eight hundred feet for a single overpass or underpass.

4. A city which requires construction or reconstruction of an overpass or underpass shall provide for appraisal and assessment of resulting damage to private property, and shall pay the damages assessed, all as provided in chapter four hundred seventy-two (472) of the Code.

5. A city shall pay one-half of all required maintenance costs, and may allocate costs between railroad companies whose tracks are to be crossed by an overpass or underpass.

6. A city may enforce a requirement made as provided in this section by an action in mandamus, to be conducted and enforced as provided in section four hundred seventy-four point twenty-five (474.25) of the Code for actions brought by the Iowa state commerce commission. If the city prevails in the mandamus action, in addition to other remedies it may cause the required construction, reconstruction, or maintenance work to be done, and have judgment for the cost of the work against the companies.

Sec. 18. A city may require a railroad company to provide necessary structures, temporary and permanent, to carry its tracks during and after construction of a diverted channel

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for flood control purposes, subject to the following:

1. The city shall give notice to the railroad company, served in the same manner as an original notice, stating:

a. The nature of the flood control project.

b. The place where the diverted channel will cross the company's right-of-way.

c. The specifications for construction of the diverted channel across the company's right-of-way.

d. Details of the city's requirement for the company to provide the necessary structures where the diverted channel crosses the right-of-way, including a designated period of time for construction, and a requirement that the construction be in a manner which does not interfere with the construction of the diverted channel or the free flow of water.

2. If the company does not comply with the requirement, the city may provide the necessary structures, and the railroad is liable for the cost of the construction, in addition to its liability for assessment for special benefits as other property is assessed. The cost of the construction may be collected by the city from the company by court action.

Sec. 19. A city may require a railroad company to place flagmen, or to construct, maintain, and operate suitable mechanical signal devices or gates, at railroad crossings upon public streets. However, the city or the railroad company may submit the matter to the Iowa state commerce commission for a hearing as provided in sections four hundred seventy-eight point twenty-two (478.22) and four hundred seventy-eight point twenty-three (478.23) of the Code, and the commission's determination as to the necessity for crossing protection, and the type of crossing protection required, may be appealed by either party to the district court. The court's review on appeal is limited to questions relating to jurisdiction, regularity of proceedings, and whether the decision appealed from is arbitrary, unreasonable, or without substantial supporting evidence.

Sec. 20.

1. As used in this section, "property owner" means the contract purchaser if there is one of record, otherwise the record holder of legal title.

2. A city is responsible for the care, supervision, and control of public grounds, streets, sidewalks, alleys, bridges, culverts, overpasses, underpasses, grade crossing separations and approaches, except those lawfully required to be maintained by a railroad company, and the city shall keep all public ways, squares, and commons open, in repair, and free from nuisance, with the following exceptions:

a. Public ways and grounds may be temporarily closed by resolution, and may be vacated by ordinance.

b. The abutting property owner is responsible for the prompt removal of snow, ice, and accumulations from the sidewalks.

c. The abutting property owner may be required by ordinance to maintain all property outside the lot and property lines and inside the curb lines upon the public streets, except that the property owner shall not be required to remove diseased trees or dead wood.

d. A city may serve notice on the abutting property owner, by certified mail to the property owner as shown by the records of the county auditor, requiring him to repair, replace, or reconstruct sidewalks.

e. If the abutting property owner does not perform an action required under this subsection within a reasonable time, a city may perform the required action and assess the costs against the abutting property for collection in the same manner as a property tax.

3. A city may:

a. Require the abatement of a nuisance, public or private, in any reasonable manner.

b. Require the removal of diseased trees or dead wood.

c. Require the removal, repair, or dismantling of a danger-

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ous building or structure.

d. Require the numbering of buildings.

e. Require connection to public drainage systems from abutting property when necessary for public health or safety.

f. Require connection to public sewer systems from abutting property, and require installation of sanitary toilet facilities and removal of other toilet facilities on such property.

g. Require the cutting or destruction of weeds or other growth which constitutes a health, safety, or fire hazard.

h. If the property owner does not perform an action required under this subsection within a reasonable time after notice, a city may perform the required action and assess the costs against the property for collection in the same manner as a property tax. Notice may be in the form of an ordinance or by certified mail to the property owner as shown by the records of the county auditor, and shall state the time within which action is required. However, in an emergency a city may perform any action which may be required under this section without prior notice, and assess the costs as provided in this subsection, after notice to the property owner and hearing.

Sec. 21. If any amount assessed against property under section twenty (20) of this Act will exceed one hundred dollars, a city may permit the assessment to be paid in up to ten annual installments, in the same manner and with the same interest rates provided for assessments against benefited property under part four (4), division seven (VII) of this Act.

Sec. 22. When action is brought against a city for personal injuries alleged to have been caused by its negligence, the city may notify in writing any person by whose negligence it claims the injury was caused. The notice shall state the pendency of the action, the name of the plaintiff, the name and location of the court where the action is pending, a brief

statement of the alleged facts from which the cause arose, that the city believes that the person notified is liable to it for any judgment rendered against the city, and asking the person to appear and defend. A judgment obtained in the suit is conclusive in any action by the city against any person so notified, as to the existence of the defect or other cause of the injury or damage, as to the liability of the city to the plaintiff in the first named action, and as to the amount of the damage or injury. A city may maintain an action against the person notified to recover the amount of the judgment together with all the expenses incurred by the city in the suit.

DIVISION III. City Development

Part 1. Definitions.

Sec. 23. As used in this division, unless the context otherwise requires:

1. "Board" means the city development board established in section thirty (30) of this Act.

2. "Committee" means the board members, and the local representatives appointed as provided in section thirty-five (35) of this Act, to hear and make a decision on a petition or plan for city development.

3. "City development" means an incorporation, discontinuance, or boundary adjustment.

4. "Incorporation" means establishment of a new city.

5. "Discontinuance" means termination of a city.

6. "Boundary adjustment" means annexation, severance, or consolidation.

7. "Annexation" means the addition of territory to a city.

8. "Severance" means the deletion of territory from a city.

9. "Consolidation" means the combining of two or more cities into one city.

10. "Territory" means the land area proposed to be incorporated, annexed, or severed.

11. "Adjoining" means having a common boundary for not

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less than two hundred feet. Land areas may be adjoining although separated by a roadway or waterway.

12. "Urbanized area" means the land area within three miles of the boundaries of a city of fifteen thousand or more population.

Part 2. General Provisions.

Sec. 24. A city may change its name as follows:

1. The council shall propose the name change and shall cause the question to be submitted at the next regular city election.

2. The council shall publish notice, as provided in section three (3) of this Act, of the proposed new name, and of the fact that the question will be submitted at the next regular city election.

3. If a majority of those voting on the question approves the proposed new name, the city clerk shall enter the new name upon the city records and file certified copies of the proceedings, including the council's proposal, proof of publication of notice, and certification of the election result, with the county recorder of each county which contains part of the city, and with the secretary of state. Upon proper filing the name change is complete and effective.

Sec. 25. A city is discontinued if, for a period of six years or more, it has held no city election and has caused no taxes to be levied. If the board receives knowledge of facts which cause an automatic discontinuance under this section, it shall make a determination that the city is discontinued, shall take control of the property of the discontinued city, and shall carry out all necessary procedures as if the city were discontinued under a petition or plan.

Sec. 26. A city may agree with another city or cities to refrain from annexing specifically described territory for a period not to exceed ten years. If such an agreement is in force, the board shall dismiss a petition or plan which violates the terms of the agreement.

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Sec. 27. Territory owned by the state of Iowa may be annexed, but the attorney general must be served with notice of the hearing and a copy of the proposal.

Sec. 28. The right of the state highway commission to control access under the provisions of chapter three hundred six A (306A) of the Code is not affected by an annexation.

Sec. 29. All of the owners of land in a territory adjoining a city may apply in writing to the council of the adjoining city requesting annexation of the territory. The application must contain a map of the territory showing its location in relationship to the city.

If the territory is within the urbanized area of a city other than the city to which the request for annexation is directed, the application must be approved by the board. The application must also be approved by the council which receives the application. Upon receiving the required approval, the territory becomes a part of the adjoining city.

Part 3. City Development Board.

Sec. 30. A city development board is hereby created. The office for planning and programming shall provide office space, staff assistance, and shall budget funds to cover expenses and compensation of the board and committees. The board consists of three members appointed by the governor with the advice and consent of the senate. The initial appointments must be for terms of two, four, and six years. Successive appointments must be for six years, or to fill an unexpired term in case of a vacancy. Members are eligible for reappointment.

Each member is entitled to receive from the state his actual and necessary expenses and forty dollars compensation for each day spent in performance of board duties.

Sec. 31. The board shall conduct studies of city development, and shall submit an annual report to the governor and the general assembly.

The board may establish rules for the performance of its

duties and the conduct of proceedings before it. The board's rules are subject to chapter seventeen A (17A) of the Code, as applicable.

Sec. 32. A petition for incorporation, discontinuance, or boundary adjustment may be filed with the board by a city council, a county board of supervisors, a regional planning authority, or ten percent of the voters of a city or territory, based upon the number of persons who voted for governor at the last preceding general election. Notice of the filing, including a copy of the petition, must be served upon the council of each city for which a discontinuance or boundary adjustment is proposed, the board of supervisors for each county which contains a portion of a city to be discontinued or territory to be incorporated, annexed, or severed, and any regional planning authority for the area involved.

Within ninety days of receipt of a petition, the board shall initiate appropriate proceedings or dismiss the petition. The board may combine for consideration petitions or plans which concern the same territory or city.

The petition must include substantially the following information as applicable:

1. A general statement of the proposal.
2. A map of the territory, city, or cities involved.
3. Assessed valuation of platted and unplatted land.
4. Names of property owners.
5. Population density.
6. Description of topography.
7. Plans for disposal of assets and assumption of liabilities.
8. Description of existing municipal services, including but not limited to water supply, sewage disposal, and fire and police protection.
9. Plans for agreements with any existing special service districts.
10. In a case of annexation or incorporation, the petition

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must state that none of the territory is within a city.

11. In a case of incorporation or consolidation, the petition must state the name of the proposed city.

Sec. 33. The board may dismiss a petition only if it finds that the petition does not meet the requirements of this part, or that substantially the same incorporation, discontinuance, or boundary adjustment has been disapproved by a committee formed to consider the proposal, or by the voters, within the two years prior to the date the petition is filed with the board. The board shall file for record a statement of each dismissal and the reason for it, and shall promptly notify the parties to the proceeding of its decision.

Sec. 34. Based on the results of its studies, the board may initiate proceedings for the incorporation, discontinuance, or boundary adjustment of a city. The board may request a city to submit a plan for boundary adjustment, or may formulate its own plan for incorporation, discontinuance, or boundary adjustment. A plan submitted at the board's initiation must include the same information as a petition and be filed and acted upon in the same manner as a petition. A petition or plan may include any information relevant to the proposal, including but not limited to results of studies and surveys, and arguments.

Sec. 35. If a petition is not dismissed, the board shall direct the appointment of local representatives to serve with board members as a committee to consider the proposal. Each local representative is entitled to receive from the state as compensation forty dollars for each day spent in performance of committee duties, and his actual and necessary expenses. Two board members and one local representative, or if the number of local representatives exceeds one, two board members and at least one-half of the appointed local representatives, are required for a quorum of the committee. A local representative must be a qualified voter of the territory or city he represents, and must be selected as follows:

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1. From a territory to be incorporated, one representative appointed by the county board of supervisors. If the territory is in more than one county, the board shall direct the appointment of a local representative from each county involved.

2. From a city to be discontinued, one representative appointed by the city council.

3. From a territory to be annexed to or severed from a city, one representative appointed by the county board of supervisors.

4. From a city to which territory is to be annexed or from which territory is to be severed, one representative appointed by the city council.

5. From each city to be consolidated, one representative appointed by each city council.

Sec. 36. The committee shall conduct a public hearing on a proposal as soon as practicable. Notice of the hearing must be served upon the council of each city for which a discontinuance or boundary adjustment is proposed, the county board of supervisors for each county which contains a portion of a city to be discontinued or territory to be incorporated, annexed, or severed, and any regional planning authority for the area involved. A notice of the hearing, which includes a brief description of the proposal and a statement of where the petition or plan is available for public inspection, must be published as provided in section three (3) of this Act, except that there must be two publications in a newspaper having general circulation in each city and each territory involved in the proposal. Any person may submit written briefs, and in the committee's discretion, may be heard on the proposal. The committee may consider any information relevant to the proposal. The board may subpoena witnesses and documents relevant to the proposal.

Sec. 37. Subject to section thirty-eight (38) of this Act, the committee shall approve any proposal which it finds to be in the public interest. A committee shall base its

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finding upon all relevant information before the committee, including but not limited to the following:

1. Statements in the petition or plan, and evidence supporting those statements.

2. Recommendations of the regional planning authority for the area.

3. Commercial and industrial development.

4. Potential growth in population.

5. Cost and adequacy of existing services and facilities.

6. Potential effect of the proposal and of possible alternative proposals on the cost and adequacy of services and facilities.

7. Potential effect of the proposal on adjacent areas, and on any unit of government directly affected, including but not limited to the potential effect on future revenues of any such unit of government.

Sec. 38. The committee may not approve:

1. An incorporation unless it finds that the city to be incorporated will be able to provide customary municipal services within a reasonable time.

2. A discontinuance or severance if the city to be discontinued or the territory to be severed will be surrounded by one or more cities unless a petition for annexation of the same area is also filed and approved.

3. A discontinuance or severance unless it finds that the county or another city will be able to provide necessary municipal services to the residents.

4. An annexation unless the territory is adjoining the city to which it will be annexed, and the committee finds that the city will be able to provide to the territory substantial municipal services and benefits not previously enjoyed by such territory, and that the motive for annexation is not solely to increase revenues to the city.

5. A consolidation unless the cities are contiguous.

6. An incorporation of territory, any part of which is

within an urbanized area of a city, unless a petition for annexation of substantially the same territory to such city has been dismissed, disapproved, or voted upon unfavorably within the last five years.

Sec. 39. The committee may amend a petition or plan. If a petition or plan is substantially amended, the committee shall continue the hearing to a later date and serve and publish a notice describing the amended petition or plan, as required in section thirty-six (36) of this Act.

Sec. 40. The committee shall approve or disapprove the petition or plan as amended, within ninety days of the final hearing, and shall file its decision for record and promptly notify the parties to the proceeding of its decision. If a petition or plan is approved, the board shall set a date within ninety days for a special election on the proposal and shall appoint five election commissioners, except that in the case of a consolidation, the board shall appoint two election commissioners from each city involved. Election commissioners must be voters of the territory, city, or cities involved. In a case of incorporation, qualified voters of the territory may vote, and the proposal is authorized if a majority of those voting approves it. In a case of annexation or severance, qualified voters of the territory and of the city may vote, and the proposal is authorized if a majority of the total number of persons voting approves it. In a case of consolidation, qualified voters of each city to be consolidated may vote, and the proposal is authorized only if it receives a favorable majority vote in each city. The election commissioners shall serve and publish notice of the election as provided in section thirty-six (36) of this Act, and shall conduct the election in the same manner as other special city elections.

Sec. 41. If a proposal is authorized by the voters, and the election commissioners have certified the result, the board shall:

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1. Serve and publish notice of the result as provided in section thirty-six (36) of this Act.

2. File with the secretary of state, the clerk of each city incorporated or involved in a boundary adjustment, and with the recorder of each county which contains a portion of any city or territory involved, copies of the proceedings including the original petition or plan and any amendments, the order of the board approving the petition or plan, proofs of service and publication of required notices, certification of the election result, and any other material deemed by the board to be of primary importance to the proceedings. Upon proper filing and expiration of time for appeal, or upon a subsequent date as provided in the proposal, the incorporation, discontinuance, or boundary adjustment is complete, except that if an appeal to any of the proceedings is pending, completion does not occur until the appeal is decided.

Sec. 42. When an incorporation, discontinuance, or boundary adjustment is complete, the board shall supervise procedures necessary to carry out the proposal. In the case of an incorporation, the election commissioners shall conduct an election for mayor and council of the city, who shall serve until their successors take office following the next regular city election. In the case of a discontinuance, the board shall publish two notices as provided in section thirty-six (36) of this Act that it will receive and adjudicate claims against the discontinued city for a period of six months, and shall cause necessary taxes to be levied against the property within the discontinued city to pay claims allowed. All records of a discontinued city shall be deposited with the county auditor of the county designated by the board, except that court records shall be deposited with the clerk of the district court of the county. In the case of boundary adjustments, the proper city officials shall carry out procedures necessary to implement the proposal.

Sec. 43. A city, or a resident or property owner in the

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territory or city involved may appeal a decision of the board or a committee, or the legality of an election, to the district court of a county which contains a portion of any city or territory involved.

Appeal must be filed within thirty days of the filing of a decision or the second publication of notice of the result of an election.

Appeal of an approval of a petition or plan does not stay the election.

The court's review on appeal of a decision is limited to questions relating to jurisdiction, regularity of proceedings, and whether the decision appealed from is arbitrary, unreasonable, or without substantial supporting evidence. The court may reverse and remand a decision of the board or a committee, with appropriate directions.

DIVISION IV. Organization of City Government

Part 1. Forms of Government.

Sec. 44. The forms of city government are:

1. Mayor-council, or mayor-council with appointed manager.
2. Commission.
3. Council-manager-at-large.
4. Council-manager-ward.
5. Home rule charter.
6. Special charter.

A city when first incorporated has the mayor-council form. A city retains its form of government until it adopts a different form as provided in this part.

Upon the effective date of this Act, a city shall adopt by ordinance a charter embodying its existing form of government, which must be one of the forms provided in this part, and shall file a copy of its charter with the secretary of state, and maintain copies available for public inspection.

Sec. 45. A city may adopt a different form of government not oftener than once in a six-year period. A different form, other than a home rule charter or special charter, must be

adopted as follows:

1. Voters of the city, equal in number to at least twenty-five percent of the persons who voted at the last regular city election, may petition the mayor to adopt a different form of city government.

2. Within one week after receiving a valid petition, the mayor shall proclaim a special city election to be held within sixty days to determine whether the city shall change to a different form of government.

3. If a majority of the persons voting at the special election approves the proposed form, it is adopted.

4. If a majority of the persons voting at the special election does not approve the proposed form, that form may not be resubmitted to the voters within the next four years.

5. If the proposed form is adopted:

a. The elective officers provided for in the adopted form are to be elected at the next regular city election held more than sixty days after the special election at which the form was adopted, and the adopted form becomes effective at the beginning of the fiscal year which follows such regular city election.

b. The change of form does not alter any right or liability of the city in effect at the time of the special election at which the form was adopted.

c. All departments and agencies shall continue to operate until replaced.

d. All measures in effect remain effective until amended or repealed, unless they are irreconcilable with the adopted form.

e. Upon the effective date of the adopted form, the city shall adopt by ordinance a new charter embodying the adopted form, and shall file a copy of its charter with the secretary of state, and maintain copies available for public inspection.

Sec. 46. The filing of a petition for appointment of a home rule charter commission stays the special election on

adoption of another form of government until the charter proposed by the commission is filed, and both forms must be published as provided in section fifty-two (52) of this Act, and submitted to the voters at the special election.

Sec. 47. A city governed by the mayor-council form has a mayor and five councilmen elected at large, unless by ordinance a city so governed chooses to have a mayor elected at large and an odd number of councilmen but not less than five, including at least two councilmen elected at large and one councilman elected by and from each ward.

The mayor shall appoint a councilman as mayor pro tem, and a marshal or chief of police. Other officers must be selected as directed by the council. The mayor is not a member of the council and may not vote as a member of the council.

The council may by ordinance provide for a city manager, and prescribe his powers, duties, and compensation.

Sec. 48. A city governed by the commission form has five departments as follows:

1. Department of public affairs.
2. Department of accounts and finances.
3. Department of public safety.
4. Department of streets and public improvements.
5. Department of parks and public property.

A city governed by the commission form has a council composed of a mayor and four councilmen elected at large. The mayor administers the department of public affairs and each other councilman is elected to administer one of the other four departments.

A city governed by the commission form and having a council composed of a mayor and two councilmen elected at large may continue with a council of three until the form of government is changed as provided in section forty-five (45) or section fifty-two (52) of this Act.

The mayor shall supervise the administration of all depart-

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ments and report to the council all matters requiring its attention. The mayor is a member of the council and may vote on all matters before the council.

The councilman elected to administer the department of accounts and finances is mayor pro tem.

The council may appoint a city treasurer or may, by ordinance, provide for his election.

Sec. 49. A city governed by the council-manager-at-large form has five councilmen elected at large for staggered four-year terms. At the first meeting after each city election, the council shall elect one of the councilmen to serve as mayor, and one to serve as mayor pro tem. The mayor is a member of the council and may vote on all matters before the council. As soon as possible after each city election, the council shall appoint a manager.

The council may by ordinance provide that the city will be governed by council-manager-ward form. The ordinance must provide for the election of the mayor and councilmen required under council-manager-ward form at the next regular city election.

Sec. 50. A city governed by council-manager-ward form has a council composed of a mayor and two councilmen elected at large, and one councilman elected from each of four wards. The mayor and other councilmen serve four-year staggered terms. The mayor is a member of the council and may vote on all matters before the council.

As soon as possible after each city election, the council shall appoint a city manager, and a councilman to serve as mayor pro tem.

Sec. 51. When a city adopts a council-manager-at-large or council-manager-ward form of government:

1. The city manager is the chief administrative officer of the city.

2. The city manager shall:

a. Supervise enforcement and execution of the city laws.

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b. Attend all meetings of the council.

c. Recommend to the council any measures necessary or expedient for the good government and welfare of the city.

d. Supervise the official conduct of all officers of the city whom he has appointed, and take active control of the police, fire, and engineering departments of the city.

e. Supervise the performance of all contracts for work to be done for the city, make all purchases of material and supplies, and see that such material and supplies are received, and are of the quality and character called for by the contract.

f. Supervise the construction, improvement, repair, maintenance, and management of all city property, capital improvements, and undertakings of the city, including the making and preservation of all surveys, maps, plans, drawings, specifications, and estimates for capital improvements, except property, improvements, and undertakings managed by a utility board of trustees.

g. Cooperate with any administrative agency or utility board of trustees.

h. Be responsible for the cleaning, sprinkling, and lighting of streets, alleys, and public places, and the collection and disposal of waste.

i. Provide for and cause records to be kept of the issuance and revocation of licenses and permits authorized by city law.

j. Keep the council fully advised of the financial and other conditions of the city, and of its future needs.

k. Prepare and submit to the council annually the required budgets.

l. Conduct the business affairs of the city and cause accurate records to be kept by modern and efficient accounting methods.

m. Make to the council not later than the tenth day of each month an itemized financial report in writing, showing

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the receipts and disbursements for the preceding month. Copies of financial reports must be available at the clerk's office for public distribution.

n. Appoint a treasurer subject to the approval of the council.

o. Perform other duties at the council's direction.

3. The city manager may:

a. Appoint administrative assistants, with the approval of the council.

b. Employ, reclassify, or discharge all employees and fix their compensation, subject to civil service provisions and chapter seventy (70) of the Code, except the city clerk, deputy city clerk, and city attorneys.

c. Make all appointments not otherwise provided for.

d. Suspend or discharge summarily any officer, appointee, or employee that he has power to appoint or employ, subject to civil service provisions and chapter seventy (70) of the Code.

e. Summarily and without notice investigate the affairs and conduct of any department, agency, officer, or employee under his supervision, and compel the production of evidence and attendance of witnesses.

f. Administer oaths.

4. The city manager shall not take part in any election for councilmen, other than by casting his vote, and shall not appoint a councilman to city office or employment, nor shall a councilman accept such appointment.

Sec. 52. A city to be governed by the home rule charter form shall adopt a home rule charter in which its form of government is set forth. A city may adopt a home rule charter only by the following procedures:

1. A home rule charter may be proposed by:

a. The council, causing a charter to be prepared and filed and by resolution submitting it to the voters.

b. Voters of the city equal in number to at least twenty-

five percent of the persons who voted at the last regular city election petitioning the council to appoint a charter commission to prepare a proposed charter. The council shall, within thirty days of the filing of a valid petition, appoint a charter commission composed of not less than five nor more than fifteen members. The charter commission shall, within six months of its appointment, prepare and file with the council a proposed charter.

2. When a charter is filed, the council shall publish it at least twice in the manner provided in section three (3) of this Act, except that the publications must occur within sixty days of the filing of the home rule charter, with a two-week interval between each publication. The council shall provide copies of a proposed charter for public distribution by the city clerk.

3. The proposed home rule charter must be submitted at a special city election on a date selected by the mayor. The date of the election must be not less than thirty nor more than sixty days after the last publication of the proposed home rule charter.

4. If a proposed home rule charter is rejected by the voters, it may not be resubmitted in substantially the same form to the voters within the next four years. If a proposed home rule charter is adopted by the voters, no other form of government may be submitted to the voters for six years.

5. If a petition for the appointment of a charter commission is filed at any time within two weeks after the second publication of a charter proposed by the council, the submission to the voters of a charter proposed by the council must be delayed, a charter commission appointed, and the council proposal and the charter proposed by the charter commission must be submitted to the voters at the same special election.

6. The ballot submitting a proposed charter or charters must also submit the existing form of government as an alternative.

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7. If only two forms of government are being voted upon, the form of government which receives the highest number of votes is adopted.

If more than two forms are being voted upon and no form receives a majority of the votes cast in the special election, there must be a run-off election between the two proposed forms which receive the highest number of votes in the special election. The run-off election must be held within thirty days following the special election and must be conducted in the same manner as a special city election.

8. If a home rule charter is adopted:

a. The elective officers provided for in the charter are to be elected at the next regular city election held more than sixty days after the special election at which the charter was adopted, and the adopted charter becomes effective at the beginning of the fiscal year which follows such regular city election.

b. The adoption of the charter does not alter any right or liability of the city in effect at the time of the special election at which the charter was adopted.

c. All departments and agencies shall continue to operate until replaced.

d. All measures in effect remain effective until amended or repealed, unless they are irreconcilable with the charter.

e. Upon the effective date of the home rule charter, the city shall adopt by ordinance the home rule charter, and shall file a copy of its charter with the secretary of state, and maintain copies available for public inspection.

Sec. 53. A home rule charter must contain and is limited to provisions for:

1. A council of an odd number of members, not less than five.

2. A mayor, who may be one of those council members.

3. Two-year or staggered four-year terms of office for the mayor and council members.

4. The powers and duties of the mayor and the council,

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consistent with the provisions of this Act.

Sec. 54. A home rule charter may be amended by one of the following methods:

1. The council, by resolution, may submit a proposed amendment to the voters at a special city election, and the proposed amendment becomes effective if approved by a majority of those voting.

2. The council, by ordinance, may amend the charter. However, within thirty days of publication of the ordinance, if a petition valid under the provisions of section four (4) of this Act is filed with the council, the council must submit the ordinance amendment to the voters at a special city election, and the amendment does not become effective until approved by a majority of those voting.

3. If a petition valid under the provisions of section four (4) of this Act is filed with the council proposing an amendment to the charter, the council must submit the proposed amendment to the voters at a special city election, and the amendment becomes effective if approved by a majority of those voting.

Sec. 55. A city may not adopt the special charter form but a city governed by a special charter on the effective date of this Act is considered to have the special charter form although it may utilize elements of the mayor-council form in conjunction with the provisions of its special charter. In adopting and filing its charter as required in section forty-four (44) of this Act, a special charter city shall include the provisions of its charter and any provisions of the mayor-council form which are followed by the city on the effective date of this Act.

A special charter city may utilize the provisions of chapter four hundred twenty (420) of the Code in lieu of conflicting sections of this Act, until the city changes to one of the other forms of government as provided in this division.

Part 2. City Officers.

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Sec. 56. The council.

1. A majority of all councilmen is a quorum.

2. A vacancy in an elective city office during a term of office must be filled by the council for the period of time until the next regular city election.

3. The council shall appoint a city clerk to maintain city records and perform other duties prescribed by state or city law.

4. Except as otherwise provided by state or city law, the council may appoint and remove city officers and employees, and prescribe their powers, duties, compensation, and terms. The appointment of a city manager must be made on the basis of his qualifications and not on the basis of political affiliation.

5. The council shall determine its own rules and maintain records of its proceedings. City records and documents, or accurate reproductions thereof, must be maintained for at least ten years, except that ordinances, council proceedings, and records and documents relating to real property transactions or bond issues must be maintained permanently.

6. Immediately following a regular or special meeting of the council, the clerk shall prepare a condensed statement of the proceedings of the council, including the total expenditure from each city fund, and cause the statement to be published in a newspaper of general circulation in the city. The statement shall include a list of all claims allowed and a summary of all receipts, and shall show the gross amount of the claim. However, in cities having more than one hundred fifty thousand population the council shall each month print in pamphlet form a detailed itemized statement of all receipts and disbursements of the city, and a summary of its proceedings during the preceding month, and furnish copies to the state library, the city library, the daily newspapers of the city, and to persons who apply at the office of the city clerk, and the pamphlet shall constitute

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publication as required. Failure by the clerk to make publication is a misdemeanor. The provisions of this subsection are applicable in cities in which a newspaper is published, or in cities of two hundred population or over, but in all other cities, posting the statement in three public places in the city which have been permanently designated by ordinance is sufficient compliance with this subsection.

7. By ordinance, the council may divide the city into wards based upon population, change the boundaries of wards, or create new wards.

8. By ordinance, the council shall prescribe the compensation of the mayor, councilmen, and other elected city officers, but an increase in the compensation of the mayor or councilmen shall not become effective during the term in which the increase is adopted, and the council shall not adopt such an ordinance during the months of November and December immediately following a regular city election.

9. A councilman, during the term for which he is elected, is not eligible for appointment to any city office if the office has been created or the compensation of the office has been increased during the term for which he is elected. A person who resigns from an elective office is not eligible for appointment to the same office during the time for which he was elected if during that time, the compensation of the office has been increased.

Sec. 57. The mayor.

1. The mayor is the chief executive officer of the city and presiding officer of the council. Except for the supervisory duties which have been delegated by law to a city manager, the mayor shall supervise all city officers and departments.

2. The mayor may take command of the police and govern the city by proclamation when he determines a time of emergency or public danger exists. Within the city limits, he has all the powers conferred upon the sheriff to suppress disorders.

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3. The mayor pro tem is vice-president of the council. When the mayor is absent or unable to act, the mayor pro tem shall perform the mayor's duties, except that the mayor pro tem may not appoint, employ, or discharge officers or employees without the approval of the council. Official actions of the mayor pro tem when the mayor is absent or unable to act are legal and binding to the same extent as if done by the mayor. The mayor pro tem retains all his powers as a councilman.

DIVISION V. City Elections

Sec. 58. A city shall hold a regular city election on the first Tuesday after the first Monday in November of each odd-numbered year. A city may hold special, primary, or run-off city elections as provided by state law. All applicable provisions of state law relating to elections apply to city elections, unless inconsistent with the provisions of this division.

Sec. 59. Terms of city officers begin and end at noon on the first day in January which is not a Sunday or legal holiday, following a regular city election.

Except as otherwise provided by state law or the city charter, terms for elective offices are two years. However, the term of an elective office may be changed to two or four years by petition and election. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that the term of an elective office be changed, the council shall submit the question at a special city election to be held within thirty days. If a majority of the persons voting at the special election approves the changed term, it becomes effective at the beginning of the term following the next regular city election. If a majority does not approve the changed term, the mayor shall not submit the same proposal to the voters within the next four years.

At the first regular city election after the terms of councilmen are changed to four years, terms shall be staggered

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as follows:

1. If an even number of councilmen are elected at large, the half of the elected councilmen who receive the highest number of votes are elected for four-year terms. The remainder are elected for two-year terms.

2. If an odd number of councilmen are elected at large, the majority of the elected councilmen who receive the highest number of votes are elected for four-year terms. The remainder are elected for two-year terms.

3. In case of a tie the mayor and clerk shall determine by lot which councilmen are elected for four-year terms.

4. If the councilmen are elected from wards, the councilmen elected from the odd-numbered wards are elected for four-year terms and the councilmen elected from even-numbered wards are elected for two-year terms.

Sec. 60. Candidates for elective city offices must be nominated as provided in sections sixty-one (61) through sixty-six (66), inclusive, of this Act, unless by ordinance a city chooses the provisions of chapters forty-four (44) or forty-five (45) of the Code. However, a special charter city may continue to hold partisan elections as provided in sections forty-three point one hundred twelve (43.112) through forty-three point one hundred eighteen (43.118), inclusive, and four hundred twenty point one hundred twenty-six (420.126) through four hundred twenty point one hundred thirty-eight (420.138), inclusive, of the Code.

Sec. 61. A voter of a city may become a candidate for an elective city office by filing with the city clerk a valid petition requesting that his name be placed on the ballot for that office. The petition must be filed at least four weeks before the date of the election, and must be signed by voters equal in number to at least two percent of those who voted to fill the same office at the last regular city election, but not less than ten persons.

The petitioners for an individual seeking election from

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a ward must be residents of the ward at the time of signing the petition. An individual is not eligible for election from a ward unless he is a resident of the ward at the time he files the petition and at the time of election.

The petition must include the signature of the petitioners, a statement of their place of residence, and the date on which they signed the petition.

The petition must include the affidavit of at least one voter other than the petitioners and the individual for whom the petition is being filed, stating the affiant's knowledge, information, and belief as to the residence of the petitioners.

The petition must include the affidavit of the individual for whom it is filed, stating his name, his residence, that he is a candidate and eligible for the office, and that if elected he will qualify for the office.

The city clerk shall accept the petition for filing if on its face it appears to have the requisite number of signatures and if it is timely filed.

Sec. 62. Notice and a copy of the ballot for each regular, special, primary, or run-off city election must be published as provided in section three (3) of this Act, except that notice of a regular, primary, or run-off election may be published not less than five days before the date of the election. The published ballot must contain the names of all candidates, and may not contain any party designations. The published ballot must contain any question to be submitted to the voters.

A qualified voter may vote in the precinct in which he has been a resident for at least ten days immediately preceding the election.

Sec. 63. An individual for whom a valid petition is filed becomes a candidate in the regular city election for the office for which he has filed, except that a primary election must be held for offices for which the number of individuals for whom valid petitions are filed is more than twice the

number of positions to be filled. However, the council may by ordinance choose to have a run-off election, as provided in section sixty-six (66) of this Act, in lieu of a primary election.

Sec. 64. If a primary election is necessary, it must be held on the Tuesday two weeks before the date of the regular city election.

The names of those candidates who receive the highest number of votes in the primary, to the extent of twice the number of unfilled positions, must be placed on the ballot for the regular city election as candidates for the office for which they have filed.

Sec. 65. In a regular city election following a primary, the candidates who receive the highest number of votes cast for the office for which they have filed are elected, to the extent necessary to fill the positions for which they have filed. In a regular city election when a council has chosen a run-off election in lieu of a primary, the candidates who receive the highest number of votes and a majority of the votes cast for the office for which they have filed are elected, to the extent necessary to fill the positions for which they have filed.

Sec. 66. A run-off election may be held only for positions unfilled because of failure of a sufficient number of candidates to receive a majority vote in the regular city election. Candidates who do not receive a majority of the votes cast for the office for which they have filed, but who receive the highest number of votes cast for that office in the regular city election, to the extent of twice the number of unfilled positions, are candidates in the run-off election.

Run-off elections must be held two weeks after the date of the regular city election and must be conducted in the same manner as regular city elections except that only voters qualified to vote in the last preceding regular city election are qualified to vote in the run-off.

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Candidates in the run-off election who receive the highest number of votes cast for the office for which they have filed are elected to the extent necessary to fill the positions for which they have filed.

Sec. 67. A nomination or election to a city office may be contested in the manner provided in chapter sixty-two (62) of the Code for contesting elections to county offices, except that a statement of intent to contest must be filed with the city clerk within ten days after the nomination or election. The mayor is presiding officer of the court for the trial of a nomination or election contest, except that if the mayor's nomination or election is contested, the council shall elect one of its members other than the mayor to serve as presiding officer.

DIVISION VI. City Legislation.

Sec. 68. The subject matter of an ordinance or amendment must be generally described in its title.

Sec. 69. An amendment to an ordinance or to a city code must specifically repeal the ordinance or code, or the section or subsection to be amended, and must set forth in full the ordinance, code, section, or subsection as amended.

Sec. 70. A proposed ordinance or amendment must be received and placed on file at two council meetings prior to the meeting at which it is to be finally acted upon, unless this requirement is suspended by a recorded vote of not less than three-fourths of the council members.

However, if a summary of the proposed ordinance or amendment is published as provided in section three (3) of this Act, prior to its first filing, and copies are available at the time of publication at the office of the city clerk, the ordinance or amendment must be received and placed on file at one meeting prior to the meeting at which it is to be finally acted upon, unless this requirement is suspended by a recorded vote of not less than three-fourths of the council members.

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Sec. 71. Passage of a measure requires an affirmative vote of not less than a majority of the council members. Each councilman's vote on an ordinance, amendment, or resolution must be recorded.

Sec. 72. The mayor may sign, veto, or take no action on an ordinance, amendment, or resolution passed by the council.

Sec. 73. Measures passed by the council, other than motions, become effective in one of the following ways:

1. If the mayor signs the measure, a resolution becomes effective immediately upon signing and an ordinance or amendment becomes a law when published, unless a subsequent effective date is provided within the measure.

2. If the mayor vetoes the measure, he shall explain his reasons for the veto in a message to the council at the time of the veto. Within thirty days after the mayor's veto, the council may pass the measure again by a vote of not less than two-thirds of the council members. If the mayor vetoes a measure and the council repasses the measure after the mayor's veto, a resolution becomes effective immediately upon repassage, and an ordinance or amendment becomes a law when published, unless a subsequent effective date is provided within the measure.

3. If the mayor takes no action on the measure, a resolution becomes effective fourteen days after the date of passage and an ordinance or amendment becomes a law when published, but not sooner than fourteen days after the date of passage, unless a subsequent effective date is provided within the measure.

Sec. 74. The city clerk shall:

1. Promptly record each measure, with a statement, where applicable, indicating whether the mayor signed, vetoed, or took no action on the measure, and whether the measure was repassed after the mayor's veto.

2. Publish all ordinances and amendments in the manner provided in section three (3) of this Act.

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3. Authenticate all measures except motions with his signature and certification as to time and manner of publication, if any. The clerk's certification is presumptive evidence of the facts stated therein.

4. Maintain for public use copies of all effective ordinances and codes.

Sec. 75. At least once every five years, a city shall compile and adopt by ordinance a city code containing all of the city ordinances in effect, except grade ordinances, bond ordinances, zoning ordinances, and ordinances vacating streets and alleys.

If a proposed city code contains only existing ordinances edited and compiled without change in substance, the council may adopt the code.

If a proposed city code contains a proposed new ordinance or amendment, the council shall hold a public hearing on the proposed code before adoption. The clerk shall publish notice of the hearing as provided in section three (3) of this Act. Copies of the proposed city code must be available at the city clerk's office and the notice must so state. Within thirty days after the hearing, the council may adopt the proposed city code, which becomes law upon publication of the ordinance adopting it. If the council substantially amends the proposed city code after a hearing, notice and hearing must be repeated.

Ordinances and amendments which become effective after adoption of a city code may be compiled as supplements to the code, and upon adoption of the supplement by ordinance, become part of the city code.

An adopted city code is presumptive evidence of the passage, publication, and content of the ordinances therein as of the date of the clerk's certification of the ordinance adopting the code or supplement.

Sec. 76. The compensation paid to a newspaper for any publication required by this division may not exceed three-

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fourths of the fee provided in section six hundred eighteen point eleven (618.11) of the Code.

Sec. 77. A city may adopt the provisions of any code or portions of any code by an ordinance which identifies the code by subject matter, source, and date, and incorporates the provisions by reference without setting them forth in full. Such code or portion must be adopted in the manner provided in section seventy-five (75) of this Act.

Sec. 78. Immediately after the effective date of a measure establishing any zoning district, building lines, or fire limits, the city clerk shall certify the measure and a plat showing the district, lines, or limits, to the recorder of any county which contains part of the city. The county recorder shall record the measure and plat in the miscellaneous record or other book provided for special records, and shall index the record. The city shall pay the recording fee.

DIVISION VII. City Finance

Part 1. Taxes and Funds.

Sec. 79. A city may certify taxes to be levied by the county on all taxable property within the city limits, for all city government purposes. However, the tax levied by a city on lots of more than ten acres and the personal property thereon, occupied and used for agricultural or horticultural purposes, may not exceed one and one-fourth mills in any year. A city's tax levy for the general fund may not exceed thirty mills on the dollar of taxable value in any tax year, except for the levies authorized in section ninety (90) of this Act.

Sec. 80. Except as otherwise provided for special charter cities, a city's fiscal year and tax year is from January first through December thirty-first, inclusive. All city property taxes must be certified by a city to the county auditor on or before the fifteenth day of October of each year, unless otherwise provided by state law.

The county auditor shall place city taxes and assessments

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upon the tax list for the current year, and the county treasurer shall collect city taxes and assessments in the same manner as other taxes. Delinquent city taxes and assessments draw the same interest and penalties as other taxes. Sales for delinquent city taxes and assessments must be made in the manner provided in chapter four hundred forty-six (446) of the Code. The county treasurer shall combine in one tax sale all taxes and assessments due from the same person and collectible by the county.

Sec. 81. All moneys received for city government purposes from taxes and other sources must be credited to the general fund of the city, except that moneys received for the purposes of the debt service fund, the trust and agency fund, the capital improvements reserve fund, the emergency fund, and other funds established by state law must be deposited as otherwise required or authorized by state law. All moneys received by a city from the federal government must be reported to the office for planning and programming.

Sec. 82. A city shall establish a debt service fund and shall certify taxes to be levied for the debt service fund in the amount necessary to pay:

1. Judgments against the city, except those authorized by state law to be paid from other funds.

2. Interest as it becomes due and the amount necessary to pay, or to create a sinking fund to pay, the principal at maturity of all general obligation bonds issued by the city.

Moneys pledged or available to service general obligation bonds, and received from sources other than property taxes, must be deposited in the debt service fund.

Sec. 83. A tax levied for the debt service fund is not invalid if it raises moneys in excess of those needed for a specific purpose. Only excess moneys remaining after retirement of all indebtedness payable from the fund may be transferred from the debt service fund to any other city fund,

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subject to the terms of the original bond issue, and as provided in rules promulgated by the city finance committee created in section ninety-one (91) of this Act.

Sec. 84. A city may establish a trust and agency fund for the following purposes:

1. Accounting for pension and related employee benefit funds. A city may certify taxes to be levied for the trust and agency fund in the amount necessary to meet such obligations.

2. Accounting for gifts received by the city for a particular purpose.

3. Accounting for money and property received and handled by the city as trustee or custodian or in the capacity of an agent.

Sec. 85. A city may establish a capital improvements reserve fund, and may certify taxes not to exceed two and one-half mills on the dollar of taxable value each year to be levied for the fund for the purpose of accumulating moneys for the financing of specified capital improvements, or carrying out a specific capital improvement plan.

If the total of the levies for the capital improvements reserve fund and the general fund will not exceed thirty mills, the capital improvements reserve fund levy may be certified after inclusion in the city budget, subject to budget hearing and protest procedures.

If the total of the levies for the capital improvements reserve fund and the general fund will exceed thirty mills, the question of the establishment of a capital improvements reserve fund, the time period during which a levy will be made for the fund, and the millage to be levied therefor is subject to approval by the voters, and may be submitted at any city election upon the council's motion, or shall be submitted at the next regular city election upon receipt of a valid petition as provided in section four (4) of this Act.

If a continuing capital improvements levy is established

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by election, it may be terminated in the same manner, upon the council's motion or upon petition. Balances in a capital improvements reserve fund are not unencumbered or unappropriated funds for the purpose of reducing tax levies. Transfers may be made between the capital improvements reserve fund, construction funds, and the general fund, as provided in rules promulgated by the city finance committee created in section ninety-one (91) of this Act.

Sec. 86. A city may establish an emergency fund and may certify taxes not to exceed one mill on the dollar of taxable value each year to be levied for the fund. Transfers may be made from the emergency fund to the general fund as provided in rules promulgated by the city finance committee created in section ninety-one (91) of this Act.

Sec. 87. A city may establish other funds and may certify taxes to be levied for the funds as provided by state law. The status of each account or fund must be included in the annual report required in section one hundred (100) of this Act.

Sec. 88. A city may negotiate short-term loans, and may issue warrants as provided in chapter seventy-four (74) of the Code, in anticipation of and not in excess of its estimated revenues for the current fiscal year, except that natural disaster loans from the state or federal government may be negotiated in anticipation of revenues for a period of time longer than the current fiscal year.

Sec. 89. On or before the third Monday of each month, the county treasurer shall pay to each city the tax revenues collected for each city fund up to the first day of that month, and the city shall credit the revenues to the proper fund and shall issue a receipt to the county treasurer.

Sec. 90. A city may certify, for the general fund levy, taxes which are not subject to the thirty-mill limit provided in section seventy-nine (79) of this Act, and which are in addition to any other moneys the city may wish to spend for

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such purposes, as follows:

1. A tax not to exceed one-half mill for voting machines, as provided in section fifty-two point three (52.3) of the Code.

2. A tax not to exceed one-half mill for the support of a municipal band, subject to the following:

a. Upon receipt of a petition valid under the provisions of section four (4) of this Act, the council shall submit to the voters at the next regular city election the question of whether a tax shall be levied.

b. If a majority approves the levy, it may be imposed.

c. The levy can be eliminated by the same procedure of petition and election.

d. A tax authorized by an election held prior to the effective date of this Act may be continued until eliminated by the council, or by petition and election.

3. A tax not to exceed five mills for development, operation, and maintenance of a memorial building or monument, subject to the procedure provided in subsection two (2) of this section.

4. A tax not to exceed one-eighth mill for support of a symphony orchestra, subject to the provisions of subsection two (2) of this section.

5. A tax not to exceed one mill for the operation of cultural and scientific facilities, subject to the provisions of subsection two (2) of this section, except that the question may be submitted on the council's own motion.

6. A tax to aid in the construction of a county bridge, subject to the provisions of subsection two (2) of this section, except that the question must be submitted at a special election. The expense of a special election under this subsection must be paid by the county. The notice of the special election must include full details of the proposal, including the location of the proposed bridge, the rate of tax to be levied, and all other conditions.

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7. A tax to aid a company incorporated under the laws of this state in the construction of a highway or combination bridge across any navigable boundary river of this state, commencing or terminating in the city and suitable for use as highway, or for both highway and railway purposes. This tax levy is subject to the provisions of subsections two (2) and six (6) of this section. The levy is limited to one-half of one percent of the assessed value of taxable property in the city. The estimated cost of the bridge must be at least ten thousand dollars, and the city aid may not exceed one-half of the estimated cost. The notice of the special election must include the name of the corporation to be aided, and all conditions required of the corporation. Tax moneys received for this purpose may not be paid over by the county treasurer until the city has filed a statement that the corporation has complied with all conditions.

8. If a tax has been voted for aid of a bridge under subsection seven (7) of this section, a further tax may be voted for the purpose of purchasing the bridge, subject to the provisions of subsection two (2) of this section. The levy under this subsection is limited to one and one-fourth percent of the assessed value of the taxable property in the city, payable in not less than ten annual installments.

9. A tax for the purpose of carrying out the terms of a contract for the use of a bridge by a city situated on a river over which a bridge has been built. The tax may not exceed two and one-half mills each year.

10. A tax for aid to a public transportation company, subject to the procedure provided in subsection two (2) of this section, except the question must be submitted at a special election. The levy is limited to one-eighth mill. In addition to any other conditions the following requirements must be met before moneys received for this purpose may be paid over by the county treasurer:

a. The public transportation company shall provide the

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city with copies of state and federal income tax returns for the five years preceding the year for which payment is contemplated or for such lesser period of time as the company has been in operation.

b. The city shall, in any given year, be authorized to pay over only such sums as will yield not to exceed two percent of the public transportation company's investment as the same is valued in its tax depreciation schedule, provided that corporate profits and losses for the five preceding years or for such lesser period of time as the company has been in operation shall not average in excess of a two percent net return. Taxes levied under this subsection may not be used to subsidize losses incurred prior to the election required by this subsection.

11. 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 two mills 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.

12. If a city has entered into a lease of a building or complex of buildings to be operated as a civic center, a tax sufficient to pay the installments of rent and for maintenance, insurance, and taxes not included in the lease rental payments.

13. A tax not to exceed one-half mill each year for operating and maintaining a civic center owned by a city.

14. A tax not to exceed one-fourth mill for planning a sanitary disposal project.

15. A tax not to exceed one mill each year for an aviation authority as provided in section three hundred thirty A point fifteen (330A.15) of the Code.

16. If a city has joined with the county to form an authority for a joint county-city building, as provided in section

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two hundred eighty-one (281) of this Act, and has entered into a lease with the authority, a tax sufficient to pay the annual rent payable under the lease.

17. A tax not to exceed one-fourth mill each year for a levee improvement fund in special charter cities as provided in section four hundred twenty point one hundred fifty-five (420.155) of the Code.

18. A tax not to exceed one and one-fourth percent on the assessed value to aid a railway as provided in section four hundred eighty-three point one (483.1) of the Code.

19. A tax not to exceed three-fourths mill each year to maintain an institution received by gift or devise, as provided in section five hundred sixty-five point eight (565.8) of the Code.

20. A tax to pay the premium costs on tort liability insurance as provided in section six hundred thirteen A point seven (613A.7) of the Code.

Part 2. Budgeting and Accounting.

Sec. 91. As used in this part, unless the context otherwise requires, "committee" means the city finance committee. A nine-member city finance committee is hereby created. Members of the committee are:

1. The auditor of state or his designee.

2. The state comptroller or his designee.

3. A representative of the division of municipal affairs within the office for planning and programming, to be designated by the director of the office for planning and programming.

4. Four city officials who are regularly involved in budget preparation. One official must be from a city with a population of at least two thousand but not over five thousand, one from a city with a population of over five thousand but not over fifteen thousand, one from a city with a population of over fifteen thousand but not over fifty thousand, and one from a city with a population of over fifty

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thousand. The governor shall select the city officials from a slate of three for each position nominated by the league of Iowa municipalities.

5. One certified public accountant experienced in city accounting, to be selected by the governor.

6. One operations research analyst experienced in cost effectiveness analysis of city services to be selected by, and serve at the pleasure of, the budget and financial control committee of the general assembly.

City official members and the certified public accountant are appointed for a four-year term, except that of the initial appointments, two city official members are to be appointed for a two-year term. When a city official member no longer holds the office which qualified him for appointment, he may no longer be a member of the committee. Any person appointed to fill a vacancy during a term is appointed to serve for the unexpired portion of the term. Any member is eligible for reappointment.

Sec. 92. The committee is located for administrative purposes within the office of the state comptroller. The comptroller shall provide office space, staff assistance, and shall budget funds to cover expenses of the committee.

Each member is entitled to receive his actual and necessary expenses incurred in the performance of committee duties. Each member other than the state official members is also entitled to receive forty dollars compensation for each day spent in performance of committee duties.

Sec. 93. The committee shall:

1. Promulgate rules relating to budget amendments and the procedures for transferring moneys between funds, and other rules and regulations necessary or desirable in order to exercise its powers and perform its duties. The committee's rules are subject to chapter seventeen A (17A) of the Code, as applicable.

2. Select its officers, except that the state comptroller

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or his designee shall serve as chairman.

3. Conduct protest hearings as provided in section ninety-seven (97) of this Act.

4. Establish guidelines for program-performance budgeting and accounting and the preparation of capital improvement plans by cities. The guidelines should provide that budgets, accounts, and financial reports of cities account for all city receipts and expenditures in terms of city government programs and anticipated or actual performance levels within each program wherever practicable. The guidelines and the deadlines for initiation of program-performance budgeting and accounting and for preparation of capital improvement plans may be modified for different cities. However, as soon as practicable, the committee may require all cities of over two thousand population to prepare and adopt a tentative budget for a two-year or a three-year period and a capital improvement plan for a five-year period. The budget for the second and third following years may be less detailed than that for the next following year. A city shall hold a public hearing on its capital improvement plan before adoption of the plan. The committee shall, where practicable, utilize recommendations from the national committee on governmental accounting.

5. Review and comment on the form of proposed budgets of selected cities, chosen as determined by its rules. The committee may require the submission of a city's form of budget presentation at any time. The committee shall not disapprove the form of any proposed budget which substantially meets the guidelines it has established, but may make recommendations to a city for improvement of its subsequent budgets at the earliest practicable time. If the committee disapproves the form of a proposed city budget, it shall notify the mayor as soon as possible, and shall specify in detail the changes recommended before future budgets will be acceptable. At the request of the council, at least two

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members of the committee shall meet with city officials to advise and assist them in complying with the recommendations of the committee.

6. Conduct studies of municipal revenues and expenditures, including comparative evaluations of the efficiency and effectiveness of programs of public service in comparable cities. Study areas may be selected each year by the committee. Cities must submit any information requested by the committee during the conduct of any of its studies. Forty-five days prior to the approval of any study by the committee, a draft report must be made available to each city mentioned in the study and written comments of any such city must be attached to the final report describing the study.

Sec. 94. Annually, a city shall prepare and adopt a budget, and shall certify taxes as follows:

1. A budget must be prepared for at least the following fiscal year. When required by rules of the committee, a tentative budget must be prepared for one or two ensuing years. A proposed budget must show estimates of the following:

a. Expenditures for each program.

b. Income from sources other than property taxation.

c. Amount to be raised by property taxation, and the property tax rate expressed in dollars per one thousand dollars assessed valuation.

A budget must show comparisons between the estimated expenditures in each program in the following year and the actual expenditures in each program during the two preceding years. Wherever practicable, as provided in rules of the committee, a budget must show comparisons between the levels of service provided by each program as estimated for the following year, and actual levels of service provided by each program during the two preceding years.

2. Not less than twenty days before the date that a budget must be certified to the county auditor, the clerk shall provide a sufficient number of copies of the budget to meet rea-

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sonable demands of taxpayers, and have them available for distribution at the offices of the mayor and clerk and at the city library, if any, or at three places designated by ordinance for posting notices.

3. The council shall set a time and place for public hearing on the budget before the final certification date and shall publish notice before the hearing as provided in section three (3) of this Act. Proof of publication must be filed with the county auditor.

4. At the hearing, any resident or taxpayer of the city may present to the council objections to any part of the budget for the following fiscal year or arguments in favor of any part of the budget.

5. After the hearing, the council shall adopt a budget for at least the following fiscal year, and the clerk shall certify the necessary tax levy for the following year to the county auditor and the county board of supervisors. The tax levy certified may be less than but not more than the amount estimated in the proposed budget, unless an additional tax levy is approved at a city election. A copy of the complete budget as adopted must be transmitted to the county auditor and the state comptroller.

Sec. 95. At the time required by law, the county board of supervisors shall levy the taxes necessary for each city fund for the following fiscal year. The levy must be as shown in the adopted city budget and as certified by the clerk, subject to any changes made by the council after a protest hearing, and any additional tax rates approved at a city election. A city levy is not valid until proof of publication or posting of notice of a budget hearing is filed with the county auditor.

Sec. 96. A city budget as finally adopted for the following fiscal year becomes effective January first and constitutes the city appropriation for each program and purpose specified therein until amended as provided in this section. A city

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budget for the current fiscal year may be amended for any of the following purposes:

1. To permit the appropriation and expenditure of unexpended, unencumbered cash balances on hand at the end of the preceding fiscal year which had not been anticipated in the budget.

2. To permit the appropriation and expenditure of amounts anticipated to be available from sources other than property taxation, and which had not been anticipated in the budget.

3. To permit transfers from the debt service fund, the capital improvements reserve fund, the emergency fund, or other funds established by state law, to any other city fund, unless specifically prohibited by state law.

4. To permit transfers between programs within the general fund.

A budget amendment must be prepared and adopted in the same manner as the original budget, as provided in section ninety-four (94) of this Act, and is subject to protest as provided in section ninety-seven (97) of this Act, except that the committee may by rule provide that amendments of certain types or up to certain amounts may be made without public hearing and without being subject to protest.

Sec. 97. Within a period of ten days after the final date that a budget or amended budget may be certified to the county auditor, persons affected by the budget may file a written protest with the county auditor, specifying their objections to the budget or any part of it. A protest must be signed by qualified voters equal in number to one-fourth of one percent of the votes cast for governor in the last preceding general election in the city, but not less than ten persons, and at least three of the signers must have filed a written objection or appeared and objected to the budget at the budget hearing held by the council.

Upon receipt of a valid protest, the county auditor shall notify the committee within ten days and transmit copies of

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the protest, together with copies of the budget or the part of it to which objection is made, to the council and the committee.

The committee shall fix a date and place within the city for hearing on the protest, which shall be within a period of twenty days after the committee receives notification from the county auditor, shall designate a person to hold the hearing, and shall give notice of the hearing by certified mail to the mayor and to the first ten qualified voters whose names appear upon the protest. Notice must be mailed not less than five days before the date set for the hearing. At the hearing, the city may be required to show that any protested item of the budget is necessary, reasonable, and in the public interest.

The hearing officer shall make a permanent record of the hearing, and at the request of either the city or the protesters shall, or at his own discretion, may employ a stenographer to record the proceedings and prepare a transcript. The expense of a transcript requested by the city or the protesters shall be paid by the protesters if the protest is unsuccessful, otherwise by the city.

Within ten days after a protest hearing, the committee shall review the hearing officer's record and any transcript of the hearing and if it determines that any protested expenditure or levy is unnecessary, unreasonable, or not in the public interest, it may require the council to reconsider the city budget. The council shall then reconsider the budget and adopt and certify a final budget as provided in section ninety-four (94), subsection five (5), of this Act. An additional budget hearing is not required.

Sec. 98. A city shall keep separate accounts corresponding to the programs and items in its adopted or amended budget, as recommended by the committee.

A city shall keep accounts which show an accurate and detailed statement of all public funds collected, received,

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or expended for any city purpose, by any city officer, employee, or other person, and which show the receipt, use, and disposition of all city property. Public moneys may not be expended or encumbered except under an annual or continuing appropriation.

Sec. 99. If a city has an encumbrance system and encumbrances are not liquidated by December thirty-first of the year in which obligations have been encumbered, such unliquidated encumbrances may be retained upon the books of the city until liquidated, all in accordance with generally accepted governmental accounting practices approved by the committee. Liquidated encumbrances must be reported in the same manner as expended funds.

Sec. 100. Not later than April first of each year, a city shall make an annual report available to the public, containing a summary for the preceding fiscal year of all collections and receipts, all accounts due the city, and all expenditures, the current public debt of the city, and the legal debt limit of the city for the current fiscal year.

Part 3. General Obligation Bonds.

Sec. 101. As used in parts three (3) through six (6) inclusive, of this division, the use of the conjunctive "and" includes the disjunctive "or" and the use of the disjunctive "or" includes the conjunctive "and", unless the context clearly indicates otherwise.

Sec. 102. As used in this part, unless the context otherwise requires:

1. "General obligation bond" means a negotiable bond issued by a city and payable from the levy of unlimited ad valorem taxes on all the taxable property within the city through its debt service fund which is required to be established by section eighty-two (82) of this Act.

2. "City enterprise" means any of the following, including the real estate, fixtures, equipment, accessories, appurtenances, and all property necessary or useful for the opera-

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tion of any of the following:

a. Parking facilities systems, which may include parking lots and other off-street parking areas, parking ramps and structures on, above, or below the surface, parking meters, both on-street and off-street, and all other fixtures, equipment, accessories, appurtenances, and requisites useful or convenient for the successful operation of a parking facilities system.

b. Civic centers or civic center systems, which may include auditoriums, music halls, theatres, sports arenas, armories, exhibit halls, meeting rooms, convention halls, or combinations of these.

c. Recreational facilities or recreational facilities systems, including, without limitation, real and personal property, water, buildings, improvements, and equipment useful and suitable for administering recreation programs, and also including without limitation, zoos, museums, and centers for art, drama, and music, as well as those programs more customarily identified with the term "recreation" such as public sports, games, pastimes, diversions, and amusement, on land or water, whether or not such facilities are located in or as a part of any public park.

d. Port facilities or port facilities systems, including without limitation, real and personal property, water, buildings, improvements and equipment useful and suitable for taking care of the needs of commerce and shipping, and also including without limitation, wharves, docks, basins, piers, quay walls, warehouses, tunnels, belt railway facilities, cranes, dock apparatus, and other machinery necessary for the convenient and economical accommodation and handling of watercraft of all kinds and of freight and passengers.

e. Airport and airport systems.

f. Solid waste collection systems and disposal systems.

g. Bridge and bridge systems.

h. Hospital and hospital systems.

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i. Transit systems.

j. Stadiums.

3. "Essential corporate purpose" means:

a. The opening, widening, extending, grading, and draining the right-of-way of streets, highways, avenues, alleys, public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements; the acquisition, installation, and repair of traffic control devices; and the acquisition of real estate needed for any of the foregoing purposes.

b. The acquisition, construction, improvement, and installation of street lighting fixtures, connections, and facilities.

c. The construction, reconstruction, and repair of sidewalks and pedestrian underpasses and overpasses, and the acquisition of real estate needed for such purposes.

d. The acquisition, construction, reconstruction, extension, improvement, and equipping of works and facilities useful or convenient for the collection, treatment, and disposal of sewage and industrial waste in a sanitary manner, for the collection and disposal of solid waste, and for the collection and disposal of surface waters and streams.

e. The acquisition, construction, reconstruction, enlargement, improvement, and repair of bridges, culverts, viaducts, underpasses, grade crossing separations, and approaches thereto.

f. The settlement, adjustment, renewing, or extension of any part or all of the legal indebtedness of a city, whether evidenced by bonds, warrants, or judgments, or the funding or refunding of the same, whether or not such indebtedness was created for a purpose for which general obligation bonds might have been issued in the original instance.

g. The undertaking of any project jointly or in cooperation with any other governmental body which, if undertaken

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by the city alone, would be for an essential corporate purpose, including the joint purchase, acquisition, construction, ownership, or control of any real or personal property.

h. The acquisition, construction, reconstruction, improvement, and extension of works and facilities useful or convenient for the control and elimination of any and all sources of air, water, and noise pollution, and the acquisition of real estate needed for such purposes.

i. The acquisition, construction, reconstruction, and improvement of all water, and real and personal property, useful for the protection or reclamation of property situated within the corporate limits of cities from floods or high waters, and for the protection of property in cities from the effects of flood waters, including the deepening, widening, alteration, change, diversion, or other improvement or watercourses, within or without the city limits, the construction of levees, embankments, structures, impounding reservoirs, or conduits, and the establishment, improvement, and widening of streets, avenues, boulevards, and alleys across and adjacent to the project, as well as the development and beautification of the banks and other areas adjacent to flood control improvements.

4. "General corporate purpose" means:

a. The acquisition, construction, reconstruction, extension, improvement, and equipping of city utilities, city enterprises, and public improvements as defined in section one hundred sixteen (116) of this Act, other than those which are essential corporate purposes.

b. The acquisition, construction, reconstruction, enlargement, improvement, and equipping of community center houses, recreation grounds, recreation buildings, juvenile playgrounds, swimming pools, recreation centers, parks, and golf courses, and the acquisition of real estate therefor.

c. The acquisition, construction, reconstruction, enlargement, improvement, and equipping of city halls, jails, police

stations, fire stations, garages, libraries, and hospitals, including buildings to be used for any combination of the foregoing purposes, and the acquisition of real estate therefor.

d. The acquisition, construction, reconstruction, and improvement of dams.

e. The equippping of fire, police, sanitation, street, and civil defense departments.

f. The acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of receiving vaults, mausoleums, and other cemetery facilities.

g. The acquisition of ambulances and ambulance equipment.

h. The removal, replacement, and planting of trees, other than those on public right-of-way.

i. The acquisition, purchase, construction, reconstruction, and improvement of greenhouses, conservatories, and horticultural centers for growing, storing, and displaying trees, shrubs, plants, and flowers.

j. The aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter four hundred three (403) of the Code, and all of the purposes set out in section four hundred three point twelve (403.12) of the Code.

k. The undertaking of any project jointly or in cooperation with any other governmental body which, if undertaken by the city alone, would be for a general corporate purpose, including the joint purchase, acquisition, construction, ownership, or control of any real or personal property.

l. Any other facilities or improvements which are necessary or useful for the operation of the city or the health and welfare of its citizens.

5. The "cost" of any project for an essential corporate purpose or general corporate purpose includes construction contracts and the cost of engineering, architectural, technical, and legal services, preliminary reports, property val-

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uations, estimates, plans, specifications, notices, acquisition of real and personal property, consequential damages or costs, easements, rights-of-way, supervision, inspection, testing, publications, printing and sale of bonds, and provisions for contingencies.

Sec. 103.

1. A city which proposes to carry out any essential corporate purpose within or without its corporate limits, and to contract indebtedness and issue general obligation bonds to provide funds to pay all or any part of the cost of a project must do so in accordance with the provisions of this division.

2. Before the council may institute proceedings for the issuance of bonds for an essential corporate purpose, a notice of the proposed action, including a statement of the amount and purposes of the bonds, and the time and place of the meeting at which the council proposes to take action for the issuance of the bonds, must be published as provided in section three (3) of this Act. At the meeting, the council shall receive oral or written objections from any resident or property owner of the city. After all objections have been received and considered, the council may, at that meeting or any adjournment thereof, take additional action for the issuance of the bonds or abandon the proposal to issue the bonds. Any resident or property owner of the city may appeal the decision of the council to take additional action to the district court of the county in which any part of the city is located, within fifteen days after the additional action is taken, but the additional action of the council is final and conclusive unless the court finds that the council exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal, are in lieu of the provisions contained in chapter twenty-three (23) of the Code, or any other law.

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1. A city which proposes to carry out any general corporate purpose within or without its corporate limits, and to contract indebtedness and issue general obligation bonds to provide funds to pay all or any part of the costs of a project, must do so in accordance with the provisions of this division.

2. Before the council may institute proceedings for the issuance of bonds for a general corporate purpose, a notice of the proposed action, including a statement of the amount and purposes of the bonds, and the time and place of the meeting at which the council proposes to take action for the issuance of the bonds, must be published as provided in section three (3) of this Act. At the meeting the council shall receive oral or written objections from any resident or property owner of the city. After all objections have been received and considered, the council may, at the meeting or any adjournment thereof, take additional action for the issuance of the bonds or abandon the proposal to issue the bonds. Any resident or property owner of the city may appeal the decision of the council to take additional action to the district court of the county in which any part of the city is located, within fifteen days after the additional action is taken, but the additional action of the council is final and conclusive unless the court finds that the council exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal, are in lieu of the provisions contained in chapter twenty-three (23) of the Code and any other law.

3. If at any time before the date fixed in the notice for taking action for the issuance of bonds for any general corporate purpose, a petition is filed with the city clerk, signed by qualified voters of the city equal in number to two percent of those who voted for the office of governor at the last preceding general election as shown by the election registers or poll lists, asking that the question of issuing bonds be submitted to the voters of the city, the council

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shall either abandon the proposal by resolution or shall call a special city election to vote upon the question of issuing the bonds.

4. If a petition is filed and the council calls an election to vote on the question of issuing general corporate purpose bonds, the proposition must be submitted in the following form:

"Shall the (insert the name of the city) issue its bonds in an amount not exceeding the amount of $_____ for the purpose of _____?".

5. Notice of the election must be given by publication once each week for at least three consecutive weeks in a newspaper of general circulation in the city. The notice must state the date of the election, the hours of opening and closing the polls and the location thereof, and the question to be submitted. The election must he held on a date not less than five nor more than twenty days after the last publication of the notice. Such notice is sufficient and is in lieu of any other notice required by any other statute. At the election the ballot used for the submission of the proposition must be in substantially the form for submitting special questions at general elections.

6. The proposition of issuing general corporate purpose bonds is not carried or adopted unless the vote in favor of the proposition is equal to at least a majority of the total vote cast for and against the proposition at the election. If the proposition of issuing the general corporate purpose bonds is approved by the voters, the city may proceed with the issuance of the bonds.

Sec. 105.

1. A city may sell general obligation bonds at public or private sale in the manner prescribed by chapter seventy-five (75) of the Code.

2. General obligation funding or refunding bonds issued for the purposes specified in section one hundred two (102),

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subsection four (4), paragraph f, of this Act may be exchanged for the evidences of the legal indebtedness being funded or refunded, or such funding or refunding bonds may be sold in the manner prescribed by chapter seventy-five (75) of the Code and the proceeds applied to the payment of such indebtedness. Funding or refunding bonds may bear interest at the same rate as, or at a higher or lower rate or rates of interest than the indebtedness being funded or refunded.

Sec. 106. A city may issue general obligation bonds pursuant to a resolution adopted at a regular or special meeting by a majority of the total number of members to which the council is entitled. Each paragraph of section one hundred two (102), subsections four (4) and five (5), of this Act, describes a separate category. Separate categories of essential corporate purposes and of general corporate purposes may be incorporated in a single notice of intention to institute proceedings for the issuance of bonds, or separate categories may be incorporated in separate notices, and after an opportunity has been provided for filing petitions and objections, or after a favorable election has been held, if required, the council may include in a single resolution and sell as a single issue of bonds, any number or combination of essential corporate purposes or general corporate purposes. If an essential corporate purpose is combined with a general corporate purpose in a single notice of intention to institute proceedings to issue bonds, then the entire issue is subject to the referendum requirement provided in section one hundred four (104) of this Act.

Sec. 107. As provided by resolution of the council, general obligation bonds may:

1. Bear dates.

2. Bear interest at rates not exceeding the limitations imposed by chapter seventy-five (75) of the Code.

3. Mature in one or more installments.

4. Be in either coupon or registered form.

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5. Carry registration and conversion privileges.

6. Be payable as to principal and interest at times and places.

7. Be subject to terms of redemption prior to maturity with or without premium.

8. Be in one or more denominations.

9. Be designated with a brief reference to purpose, or if issued for a combination of purposes, be designated "corporate purpose bond".

10. Contain other provisions not in conflict with the laws of the state of Iowa.

Sec. 108. General obligation bonds must be executed by the mayor and city clerk. If coupons are attached to the bonds, they must be executed with the original or facsimile signature of the clerk. A general obligation bond is valid and binding if it bears the signatures of the officers in office on the date of the execution of the bonds, notwithstanding that any or all such persons whose signatures appear thereon have ceased to be such officers prior to the delivery thereof.

Sec. 109. General obligation bonds issued pursuant to this part are negotiable instruments.

Sec. 110. General obligation bonds issued pursuant to this part, and the interest thereon, are exempt from taxation by the state of Iowa and its political subdivisions.

Sec. 111. Taxes for the payment of general obligation bonds must be levied in accordance with chapter seventy-six (76) of the Code, and the bonds are payable from the levy of unlimited ad valorem taxes on all the taxable property within the city through its debt service fund authorized by section eighty-two (82) of this Act.

Sec. 112. No action may be brought which questions the legality of general obligation bonds or the power of the city to issue the bonds or the effectiveness of any proceedings relating to the authorization and issuance of the bonds from

and after sixty days from the time the bonds are ordered issued by the city.

Sec. 113. The provisions of chapter twenty-four (24) of the Code do not apply to any bonds issued pursuant to this part.

Sec. 114. The enumeration in this part of specified powers and functions is not a limitation of the powers of cities, but the provisions of this part and the procedures prescribed for exercising the powers and functions enumerated in this part shall control and govern in the event of any conflict with the provisions of any other section, part, or division of this Act or with the provisions of any other law.

Sec. 115. Projects and proceedings for the issuance of general obligation bonds commenced before the effective date of this Act may be consummated and completed as required or permitted by any statute or other law amended or repealed by this Act as though the repeal or amendment had not occurred, and the rights, duties, and interests flowing from such projects and proceedings remain valid and enforceable. Without limiting the foregoing, projects commenced prior to the effective date may be financed by the issuance of general obligation bonds under any such amended or repealed law or by the issuance of general obligation bonds under this Act. For the purposes of this section, commencement of a project includes but is not limited to action taken by the council or authorized officer to fix a date for a hearing in connection with any part of the project, and commencement of proceedings for the issuance of general obligation bonds includes but is not limited to action taken by the council to fix a date for either a hearing or a sale in connection with any part of the general obligation bonds, or to order any part thereof to be issued.

Part 4. Special Assessments.

Sec. 116. As used in this part, unless the context otherwise requires:

1. "Public improvement" includes the principal structures, works, component parts, and accessories of any of the following:

a. Sanitary, storm, and combined sewers.

b. Drainage conduits, channels, and levees.

c. Street grading, paving, graveling, macadamizing, curbing, guttering, and surfacing with oil, oil and gravel, or chloride.

d. Street lighting fixtures, connections, and facilities.

e. Sewage pumping stations, and disposal and treatment plants.

f. Underground gas, water, heating, sewer, and electrical connections located in streets for private property.

g. Sidewalks and pedestrian underpasses or overpasses.

h. Drives and driveway approaches located within the public right-of-way.

i. Waterworks, water mains, and extensions.

j. Plazas, arcades, and malls.

k. Parking facilities.

l. Removal of diseased or dead trees from any public place, publicly owned right-of-way, or private property.

2. "Construction" includes materials, labor, acts, operations, and services necessary to complete a public improvement.

3. "Repair" includes materials, labor, acts, operations, and services necessary for the repair, reconstruction, reconstruction by widening, or resurfacing of a public improvement.

4. "Street" means a public street, highway, boulevard, avenue, alley, parkway, public place, plaza, mall, or publicly owned right-of-way or easement within the limits of the city.

5. "Lot" means a lot, part of lot, tract, or parcel of land under one ownership, including improvements. Two or more contiguous lots, tracts, or parcels upon which a single improvement has been erected by a common owner are one lot

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for purposes of this part.

6. "Total cost" or "cost" of a public improvement includes the cost of engineering, preliminary reports, property valuations, estimates, plans, specifications, notices, legal services, acquisition of land, consequential damages or costs, easements, rights-of-way, construction, repair, supervision, inspection, testing, notices and publication, interest during construction and for not more than six months thereafter, and printing and sale of bonds.

7. "Gravel" includes gravel, crushed rock, cinders, shale, and similar materials suitable for street construction or repair.

8. "Oil" means any asphaltic or bituminous material suitable for street construction or repair.

9. "Sewer" means structures designed, constructed, and used for the purpose of controlling or carrying off streams, surface waters, waste, or sanitary sewage.

10. "Main sewer" means a sewer which serves as an outlet for two or more lateral sewers, and which is commonly referred to as an intercepting sewer, outfall sewer, or trunk sewer.

11. "Lateral sewer" means a sewer which contributes sewage, or surface or ground water from a local area to a main sewer or outlet.

12. "Sewer systems" are composed of the main sewers, sewage pumping stations, treatment and disposal plants, lateral sewers, drainage conduits or channels, and sewer connections in public streets for private property.

13. "District" means the lots or parts of lots within boundaries established by the council for the purpose of the assessment of the cost of a public improvement.

14. "Private property" means all property within the district except streets, property owned by the United States, and property owned by the city.

15. "Abutting lot" means a lot which abuts or joins the street in which the public improvement is located or which

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abuts the right-of-way of the public improvement.

16. "Adjacent lot" means a lot within the district which does not abut upon the street or right-of-way of the public improvement.

17. "Street improvement" means the construction or repair of a street by grading, paving, curbing, guttering, and surfacing with oil, oil and gravel, or chloride, and street lighting fixtures, connections, and facilities.

18. "Proposal" means a legal bid on work advertised for a public improvement under part six (6) of this division.

19. "Paving" means any kind of hard street surface, including, but not limited to, concrete, bituminous concrete, brick, stabilized gravel, or combinations of these, together with or without curb and gutter.

20. "Engineer" means a professional engineer, registered in the state of Iowa, authorized by the council to render services in connection with the public improvement.

21. "Grade" means the longitudinal reference lines, as established by the council, which designate the elevations at which a street or sidewalk is to be built.

22. "Final grade" means the grade to which the public improvement is proposed to be constructed or repaired as shown on the final plans adopted by the council.

23. "Railways" means all railways except street railways.

24. "Publication" means public notice given in the manner provided in section three (3) of this Act.

25. "Property owner" or "owner" means the owner or owners of property, as shown by the transfer books in the office of the county auditor of the county in which the property is located.

26. "Parking facilities" means parking lots or other off-street areas for the parking of vehicles, including areas below or above the surface of streets.

Sec. 117. A city may assess to private property within the city the cost of construction and repair of public

improvements within the city, and main sewers, sewage pumping stations, disposal and treatment plants, waterworks, water mains, extensions, and drainage conduits extending outside the city.

Sec. 118. Paving, curbing, guttering, or sidewalks may not be constructed unless the improvement, when completed, will be to grade.

Sec. 119. A city may include underground gas, water, heating, sewer, or electrical connections to the street or property line for private property as a part of the public improvement, or a city may order the property owner to make, repair, or relocate such connections by publication of a notice once each week for two consecutive weeks in the manner provided by section three (3) of this Act, and if the order is not complied with at the end of thirty days after the date of the first publication, the city may cause the work to be done and assess the cost against the property served by the connection.

Sec. 120.

1. Property owners may initiate a plan for a public improvement to be paid for in whole or in part by special assessments, by written contract to be approved by the city and signed by all of the owners of record of all property affected by the proposed assessment. If all owners of record of all the property to be affected by the public improvement petition the council, said owners may, in their petition, waive notice to property owners by publication and mailing, as provided in section one hundred twenty-nine (129) of this Act, and the council may proceed to adopt a preliminary resolution, a plat, schedule and estimate, and resolution of necessity, and order preparation of detailed plans and specifications. Special assessments initiated without notice under this section are liens upon the property to be affected by the assessment, to the same extent as provided in section one hundred forty-four (144), subsection five (5),

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of this Act, except that they shall be subordinate to any perfected lien unless the holder of such perfected lien consents in writing to the initiation of the public improvement.

2. A petition may be filed subsequent to the initiation by the council of a plan for a public improvement, and if the petition is received prior to advertising for bids, the public improvement petitioned for may be added by amendment to the resolution of necessity. If the petition is received subsequent to advertising for bids and prior to the completion of the work under contract, the council may, in its discretion, approve the petition and contract with the contractor at a cost not to exceed the unit prices bid at public letting for the construction of the public improvements petitioned for by property owners.

3. This section does not limit the power of a city to initiate a public improvement project on its own motion.

Sec. 121. To construct or repair a public improvement, the council shall proceed as follows:

1. Arrange for engineering services to prepare the plats, schedules, estimates of cost, plans, and specifications, and to supervise construction of the proposed improvement.

2. Adopt a preliminary resolution by the vote of a majority of all the members of the council. The preliminary resolution shall contain the following:

a. A description of the types or alternate types of improvement proposed.

b. The beginning and terminal points or general location of the proposed improvement.

c. An order to the engineer to prepare preliminary plans and specifications, estimated total cost of the work, and a plat and schedule, and to file them with the clerk.

d. A general description of the property or a designation of the lots which the council believes will be specially benefited by the improvement.

3. The preliminary resolution may also contain the following:

a. A statement of the proportion of the total cost which the council proposes to assess against benefited property.

b. A short and convenient designation for the public improvement by which it may be referred to in all subsequent proceedings.

4. A preliminary resolution may include more than one improvement or class of improvement.

5. A single improvement may be in more than one locality or street, and that portion of the street which has been improved by any railway, or which the city may require the railway to improve under franchise or contract, may be excluded.

Sec. 122. Preliminary plans and specifications must only be in sufficient detail to advise any person interested of the general nature, character, and type of the improvement.

Sec. 123. The estimated total cost of any public improvement constructed under this part must include all of the items of cost listed in section one hundred sixteen (116), subsection six (6), of this Act, which the council proposes to include as a part of the cost of the public improvement, and may include an item to be known as the default fund amounting to not more than ten percent of the portion of the total cost of the improvement which the council proposes to assess against benefited property.

Sec. 124. The plat as prepared and filed by the engineer must show the following information:

1. The boundaries of the district containing the lots proposed to be assessed.

2. The location of each lot under separate ownership within the district, including the property of all railways and utilities subject to assessment.

3. The location of the improvement within the district, together with the terminal points of all major parts proposed

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to be assessed.

4. The type and general details of the improvement.

Sec. 125. Upon completion of the plat, the council shall determine the valuation of each lot within the proposed assessment district and shall report the valuations to the engineer, who shall show such valuations on the schedule before it is filed with the clerk. A valuation must be the present fair market value of the property with the proposed public improvement completed. As an aid in determining valuations, the council may appoint a committee of three persons skilled in the knowledge of real estate values within the city to appraise the present fair market value of each lot within a district and to file a written report of its appraisals with the council.

Sec. 126. The schedule, as prepared by the engineer, must show the following information for each lot within the district:

1. A description of each lot and the name of the property owner.

2. The valuation of each lot as determined by the council.

3. The total amount proposed to be assessed to each lot, including the assessment for the default fund, if any.

4. The amount of deficiency, if any, between the amount proposed to be assessed and the proportion of the estimated total cost of the public improvement allocated to each lot.

Sec. 127. When the plat, schedule, and estimate of cost have been filed, the council may, before adopting a proposed resolution of necessity, cause the estimate, valuation, or assessment of any lot or the boundaries of the district as reported by the engineer to be amended, and may adopt the plat, schedule, and estimate as amended or as filed.

Sec. 128. If, upon adoption of the plat, schedule, and estimate, the council determines to proceed with all or any part of the public improvement, it shall cause a proposed resolution of necessity to be prepared and introduced.

1. The resolution of necessity must include all of the following:

a. A brief description of the proposed public improvement.

b. A statement that there is on file in the office of the clerk an estimated total cost of the work, and a preliminary plat and schedule showing the amount proposed to be assessed to each lot for the improvement.

c. The date, time, and place the council will hear property owners subject to the assessment and interested parties for or against the improvement, its cost, the assessment, or the boundaries of the district.

2. A resolution of necessity may include:

a. Any number of streets or sewer lines for improvement.

b. All improvements which are included in the preliminary resolution.

c. A provision that unless a property owner files objections with the clerk at the time of hearing on the resolution of necessity, he is deemed to have waived all objections.

Sec. 129. The clerk shall publish notice of the date, time, and place of the hearing once each week for two consecutive weeks in the manner provided by section three (3) of this Act, the first publication of which shall be not less than ten days before the date of the hearing. The notice must be in substantially the following form:

NOTICE TO PROPERTY OWNERS

Notice is given that there is now on file for public inspection in the office of the clerk of _____, Iowa, a proposed resolution of necessity, an estimate of cost, and a plat and schedule showing the amounts proposed to be assessed against each lot and the valuation of each lot within a district approved by the council of _____, Iowa, for a _____ improvement of the type(s) and in the location(s) as follows: _____.

The council will meet at _____ o'clock __.m., on _____ _____, 19__, at the _____, at which time

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the owners of property subject to assessment for the proposed improvement or any other person having an interest in the matter may appear and be heard for or against the making of the improvement, the boundaries of the district, the cost, the assessment against any lot, or the final adoption of a resolution of necessity. A property owner will be deemed to have waived all objections unless at the time of hearing he has filed objections with the clerk.

_____

Clerk.

Not less than ten days before the hearing, the clerk shall send a copy of the notice by certified mail to each property owner whose property is subject to assessment for the improvement at the address as shown by the records of the county auditor. If a property is shown to be in the name of more than one owner at the same mailing address, a single notice may be mailed addressed to all owners at that address. Failure to receive a mailed notice is not a defense to the special assessment.

Sec. 130. The council shall meet as specified in the published notice, and after hearing all objections and endorsements from property owners and other persons having an interest in the matter, and after considering all filed, written objections, may adopt or amend and adopt the proposed resolution of necessity, or may defer action until a subsequent meeting. A resolution of necessity requires for passage the vote of three-fourths of all the members of the council, or, in cities having but three members of the council, the vote of two members, and where a remonstrance has been filed with the clerk, signed by the owners subject to seventy-five percent of the amount of the proposed assessments for the entire public improvement included in the resolution of necessity, a resolution of necessity requires a unanimous vote of the council. An amendment which extends the boundaries of a district, increases the amount to be assessed against a lot, or adds

additional public improvements, is not effective until an amended plat, schedule, and estimate have been prepared and adopted, a notice published and mailed to all affected property owners, and hearing held in the same manner as the original proceedings, or until all affected property owners agree in writing to the change. The adoption of a resolution of necessity is a legislative determination that the improvement is expedient and proper and that property assessed will be benefited thereby and this determination of the council is conclusive. Ownership of property to be assessed by any improvement shall not, except for fraud or bad faith, disqualify a council member from voting on any measure.

Sec. 131. After adopting a resolution of necessity, the council may, by resolution, order the engineer to prepare and file with the clerk detailed plans and specifications, and order the engineer and city attorney, or any attorney designated by the council, to prepare and file with the clerk a notice to bidders and form of contract.

Sec. 132. Contract letting procedures shall be as provided in part six (6) of this division. The council may award any number of contracts for construction of any public improvement.

Sec. 133. At any time after final adoption of the resolution of necessity, but before awarding the contract, the council may proceed as follows:

1. To direct the city attorney to file, in the district court of the county in which the property proposed to be assessed is located, a petition praying that the acts done by the council relative to the proposed public improvement be confirmed by decree.

2. The following must be filed with the petition in the office of the clerk of the court:

a. A copy of the resolution of necessity as adopted by the council.

b. A copy of the proposed schedule of assessments as adopted by the council under sections one hundred twenty-seven

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(127) and one hundred thirty (130) of this Act, which schedule shows the maximum amount that the council proposes to assess against any lot.

c. Preliminary plans and specifications, or, if available, detailed plans and specifications as prepared by the engineer.

d. A copy of the proposed contract if prepared.

3. Notice of the filing of the petition must be given in the same manner as is provided for service of original notice by publication by the rules of civil procedure, except as follows:

a. No affidavit of inability to obtain personal service within the state of Iowa is required.

b. The original notice must name as defendants those property owners who, on the date of filing the petition, have an interest in the real property to be assessed as a part of the public improvement, and the original notice must state that a plat and schedule is on file in the office of the clerk of the district court where the action is pending. No property owner is an indispensable party to the action. Publication of plat and schedule as part of the original notice is not required, nor shall reference in the original notice to specific descriptions of affected real property or the amounts of proposed assessments be necessary.

4. The petition must be given precedence over any other business of the court, except criminal cases. The court shall set the petition for hearing within thirty days from the date of final publication of notice. As a part of its order, the court may provide for a pretrial conference to be held not earlier than twenty days from the date of final publication of notice and require the appearance at the pretrial conference of all interested parties. Failure to appear at the pretrail conference may be grounds for dismissing any objection.

5. If no person having an interest in property proposed to be assessed has entered an appearance or filed an answer

within the time set for hearing on the petition, the court shall confirm the assessment, and order the clerk of court to certify its decree to the city clerk.

6. If any person having an interest in property proposed to be assessed has entered an appearance or filed an answer to the petition, the court shall hear the cause as an action triable in equity.

7. Upon the hearing the court may correct any irregularities or inequalities in valuations or in the schedule of assessments, and shall consider any objections because of alleged illegal procedure or fraud.

8. The court shall render a decision upon the hearing within seven days after the final submission of the cause. If a decision is not rendered within seven days, upon application, the clerk of court shall immediately confirm the assessments and certify his action to the city clerk.

9. The clerk of the court shall certify to the city clerk the final action of the court, within three days from the date of the final decree upon the petition, showing assessments as confirmed in the schedule of assessments.

10. An appeal from the decree of the district court must be perfected within thirty days from the date of the decree and the abstract must be served and filed in the office of the clerk of the supreme court within ninety days from the date of the district court decree.

11. A contract may or may not be let, in the discretion of the council, until appeals are finally determined, but the appeals need not delay the letting and execution of a contract for the work, if the council concludes the appeals were not taken in good faith.

12. An appeal does not, in the discretion of the council, delay the certification of an assessment or progress of an improvement, but upon decision of the appeal the assessment appealed from must be corrected and collected in the same manner as provided in section one hundred fifty-three (153)

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of this Act.

13. Corrections of assessments or valuations made by order of the district court are conclusive and not subject to review on appeal, or otherwise, except as provided in subsections ten (10) through twelve (12), inclusive, of this section. When court confirmation is obtained there is no right of appeal under the provisions of section one hundred forty-five (145) of this Act.

14. If no contract is entered into within ninety days from the date of confirmation by the district court or within a further time allowed by the court on subsequent application, and if no appeal is pending, the court shall cancel the assessment, upon application of the city attorney.

15. The cost of all court proceedings are a legitimate item of expense in connection with a public improvement, and may be included within the final assessment against any property proposed to be improved.

Whenever on a hearing by the court, the amount of any assessment is reduced or canceled so that there is a deficiency in the total amount remaining assessed in the proceeding, the court may distribute the deficiency upon the other property abutting upon or adjacent to the improvement or in the district assessed, in a manner the court finds to be just and equitable, not exceeding, however, the amount the property would be benefited by the improvement, and not exceeding twenty-five percent of the value of the lot as shown by the plat and schedule of assessments.

Sec. 134. In cities having a water utility under the management of a board of trustees and in which water connections are not installed by the trustees at public expense, the council shall notify the board at the time of the adoption of a preliminary resolution, of any proposed street paving projects. The board shall report to the council the number of connections from water mains in streets to the curb lines of the proposed improvement necessary to serve private property

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dependent upon those particular mains for water supply, and the numbers of the lots to be served by the connections, and the names of the owners. Notice must be given to property owners, at the same time and in the same manner as the notice provided in section one hundred twenty-nine (129) of this Act, to install the necessary connections within thirty days after hearing. For the purposes of the hearing, property owners who are notified to install water connections, but whose property is not within the proposed assessment district, may appear as interested parties. If upon hearing, the council determines to proceed with the improvement, and any property owner fails to make connections as required, the board of waterworks trustees shall cause them to be made and certify the cost to the council to be assessed against the property and collected in the same manner as provided in section one hundred nineteen (119) of this Act for other underground connections.

Sec. 135.

1. Cities may assess the cost of a public improvement which extends through, abuts upon, or is adjacent to lands owned by the state, and the executive council shall pay the assessable portion of the cost of the improvement through or along the lands as provided. The executive council shall pay assessments from any funds of the state not otherwise appropriated.

2. When a state park or institutional road abutting on or adjacent to state lands on one side of the road is improved by paving, the state shall pay one-half the total assessed cost of the portion of the improvement abutting, or adjacent to state lands, lots, or portions thereof, but for any other type of improvement so constructed and located, the state shall pay the portion of the cost which would be assessable against state lands if they were privately owned.

3. When any portion of the cost of a public improvement is to be paid by the state under this section, the clerk shall

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send, at the time of publication of the notice required by section one hundred twenty-nine (129) of this Act, a copy of the notice to the secretary of the executive council by restricted certified mail.

4. Cities in which state buildings are located shall permit sewers for such buildings to be constructed through or under the streets of the city, and connections to be made to the sewer system of the city under the same regulations as for sewer connections to private property.

5. Subsections one (1) and three (3) of this section do not apply to lands under the jurisdiction and control of the state highway commission.

Sec. 136. The city may contract to pay not to exceed ninety percent of the engineer's estimated value of the acceptable work completed during the month to the contractor at the end of each month. Payment may be made in warrants drawn on any fund or funds from which payment for the work may be made. The warrants, unless paid upon presentation, draw interest at a rate not to exceed seven percent per annum from and after the date of presentation for payment. If such funds are depleted, anticipatory warrants may be issued, which do not constitute a violation of section eighty-eight (88) of this Act, even if the collection of taxes or special assessments or income from the sale of bonds applicable to the public improvement is after the end of the fiscal year in which the warrants are issued. If the city arranges for the private sale of anticipatory warrants, they may be sold and the proceeds used to pay the contractor. Such warrants may also be used to pay other persons furnishing services constituting a part of the cost of the public improvement.

Sec. 137.

1. The engineer for the city shall inspect all work done under this part, and within fifteen days of the final completion of the public improvement, he shall file a certificate with the clerk stating:

a. That he has inspected the completed work.

b. That the work has or has not been performed in compliance with the terms of the contract, and the particulars, if any, in which the work varies from the terms.

c. The total cost of the completed work.

2. Within fifteen days after the filing of the engineer's certificate, the council shall by resolution accept or reject the work.

3. Upon accepting the work, or within ten days thereafter, the council shall ascertain the total cost and by resolution determine the proportion or amount of the cost to be assessed against private property within the assessment district. If the council has elected to award more than one contract for the work, the council may elect to proceed separately with the acceptance and levy of assessments for the work done under each contract.

4. Upon accepting the work, the council may order payment of any amount due the contractor, to be made by warrants issued in the manner provided by section one hundred thirty-six (136) of this Act.

Sec. 138. Within thirty days after the council adopts a resolution fixing the amount to be assessed against private property, the engineer shall file with the clerk an assessment schedule showing:

1. A description of each lot to be assessed.

2. The valuation of each lot as fixed by the council.

3. The amount to be assessed against each lot, which shall include the assessment for the default fund, if any.

Sec. 139. Within ten days after filing of the assessment schedule, the council shall meet, consider, and adopt or amend and adopt, by resolution, the final assessment schedule. The resolution must:

1. Confirm and levy assessments.

2. State the number of installments, not exceeding fifteen, into which assessments of fifty dollars or more are

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divided.

3. Provide for interest on all unpaid installments at not more than seven percent per annum.

4. State the time when assessments are payable.

5. Direct the clerk to certify the final schedule to the auditor of the county or counties in which the assessed property is located, and to publish notice thereof once each week for two consecutive weeks in the manner provided in section three (3) of this Act, the first publication of which shall be not more than fifteen days from the date of filing of the final schedule. On or before the second publication of the notice, the clerk shall send by certified mail to each property owner whose property is subject to assessment for the improvement, as shown by the records in the office of the county auditor, a copy of the notice. If a property is shown by the records to be in the name of more than one owner at the same mailing address, a single notice may be mailed to all owners at that address. Failure to receive a mailed notice is not a defense to the special assessment.

The county auditor shall place on the tax list the amounts to be assessed against each lot within the assessment district, as certified.

Sec. 140. The total cost of a public improvement, except for paving that portion of a street lying between railroad tracks and one foot outside of the tracks, or which is to be otherwise paid, must be assessed against all lots within the assessment district in accordance with the special benefits conferred upon the property, and not in excess of such benefits.

If an owner of property subject to special assessment divides the property into two or more lots, and if the plan of division is approved by the council, he may discharge the lien upon any of the lots by payment of the amount unpaid, calculated as determined by the council.

Sec. 141. A special assessment against a lot for a public

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improvement may not be in excess of the amount of the assessment, as shown in the schedule confirmed by the court, or if court confirmation is not utilized, then on the original plat and schedule adopted by the council, and an assessment may not exceed twenty-five percent of the value of the lot as shown by the plat and schedule approved by the council.

However, special assessments for the construction or repair of underground connections for private property for gas, water, sewers, or electricity may be assessed to each lot for the actual cost of each connection for that lot, and the twenty-five percent limitation does not apply. Such connections shall not be installed to service railroad right-of-way without written agreement with the railway company owning or leasing the right-of-way.

Sec. 142. If the special assessment which may be levied against a lot is insufficient to pay its proportion of the cost of the improvement, or if no special assessment may be levied against a lot, the deficiency may be paid from the city fund or funds designated by the council.

Sec. 143. The right-of-way of a railway company is subject to special assessments for public improvements, and such assessments constitute a debt due the city which is a paramount lien upon the track of the railway company owning or leasing the right-of-way within the limits of the city. The property of a railway to which a lien for unpaid special assessment has attached may not be released from the lien until the whole assessment is paid.

Sec. 144.

1. The first installment of each assessment, or the total amount if less than fifty dollars, is due and payable on January first next succeeding the date of the levy, unless the assessment is filed with the county auditor less than thirty days prior to January first. The first installment shall bear interest on the whole assessment from the date of acceptance of the work by the council to the first day of

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June following the due date.

2. The succeeding annual installments, with interest on the whole unpaid amount, to the first day of June following the due date, are respectively due on January first annually, and must be paid at the same time and in the same manner as the March semiannual payment of ordinary taxes.

3. All future installments of an assessment may be paid on any date by payment of the then outstanding balance, plus interest to June first following the due date of the next maturing installment.

4. Each installment of an assessment with interest on the unpaid balance is delinquent after the thirty-first day of March next after its due date, and bears the same delinquent interest with the same penalties as ordinary taxes. When collected, the interest and penalties must be credited to the same fund as the special assessment.

5. From the date of adoption of the resolution of necessity, all special assessments with all interest and penalties become and remain a lien on the benefited properties until paid, and have equal precedence with ordinary taxes, and are not divested by any judicial sale.

6. The council may provide for semiannual payment of installments of an assessment in the resolution confirming and levying assessments. The election to provide for semiannual payments of installments of an assessment must be certified by the clerk to the auditor of the county or counties in which the assessed property is located, at the same time as the final schedule of assessments.

Sec. 145.

1. A person having an interest in property subject to special assessment may, within twenty days after the adoption of a resolution of necessity, test the regularity of the proceedings by a petition in equity filed in the district court of the county where the property is located. A petition does not stay further proceedings on the improvement by the

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council, unless there is also filed a bond in an amount and with security approved by the court.

2. A person having an interest in any property specially assessed may appeal from the amount of the assessment, at any stage of the special assessment procedure up to twenty days after the final publication of notice of filing of the final assessment schedule, by petition to the district court of the county where the property is located, if an objection to the amount of the assessment was timely filed at the hearing on the resolution of necessity, but such appeal is only to the amount of that assessment and does not stay further proceedings by the council on the improvement. No action shall be brought appealing the amount of any special assessment from and after twenty days after said final publication.

3. A person having an interest in property subject to special assessment has a right of appeal to the district court on the ground of fraud.

4. No action may be brought questioning the regularity of the proceedings pertaining to special assessments or the validity of any special assessment levied for any public improvement under this part, from and after sixty days after the final publication of notice of filing the final assessment schedule.

Sec. 146. Assessments levied and certified under the provisions of this part, including installments and interest, are payable at the office of the county treasurer of the county where the property assessed is located, except that assessments may be paid in full and without interest within thirty days after the date of certification, at the office of the county treasurer or the city clerk.

Sec. 147.

1. After certification of the final assessment schedule, the city may, by resolution, authorize and issue bonds in anticipation of the collection of unpaid special assessments. However, the total principal amount of bonds issued for a

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public improvement may not exceed the total amount of unpaid special assessments less the proportionate unpaid amount assessed for the default fund.

2. All special assessment bonds are negotiable, must state on their face that they are issued under the provisions of this part, and are payable as to both principal and interest from the proceeds of the special assessments levied for the public improvement. Such bonds may bear interest at a rate not exceeding seven percent per annum payable annually or semiannually, must mature serially on June first of the years in which any of the principal is scheduled to become due, and may contain a provision that the city reserves the right and option of calling and redeeming any or all of the bonds prior to maturity on any interest payment date or within forty-five days thereafter upon the terms specified therein.

Such bonds must be called "improvement bonds", must designate the general type of improvement or improvements for which issued, and may be issued in any denomination, not exceeding ten thousand dollars.

Improvement bonds issued for any one levy must bear the same date and be divided into as many series as there are years in which installments of the special assessment mature, and each series must be as nearly equal in amount as practicable.

3. The proceeds of the special assessments and interest collected thereon must be used and applied by the city to the payment of the interest on the bonds and to the retirement of the principal as rapidly as proceeds are collected.

Such bonds and coupons do not make the city liable in any way, except for the proper application of special assessments.

If interest becomes due on any of the bonds when there is no fund or funds from which to pay it, the council may make a temporary loan for payment of the interest, which loan must be repaid from the special assessments and interest pledged to secure the bonds, but in case of purchase by the

city at tax sale of the property on which a special assessment is levied, the loan must be repaid from the funds of the city from which deficiencies on the improvement were paid, or if there were no deficiencies, from the general fund.

4. Special assessment bonds must be sold at public or private sale in the manner provided by chapter seventy-five (75) of the Code, and may not be sold for less than par value with accrued interest from date to the time of delivery, or if no bids are received at public sale, bonds may be delivered to the contractor in payment of the cost of the public improvement. The proceeds of the sale must be applied to the payment of the cost of the public improvement.

5. Any excess of proceeds from special assessments remaining after all of the bonds for a particular improvement have been paid with interest may be credited to the fund from which deficiencies for the improvement could have been paid.

6. Cities may issue refunding bonds to pay off and take up special assessment bonds issued in payment for public improvements, or to refund any part thereof, as follows:

a. Refunding bonds must substantially conform to the provisions of this part, and the face value is limited to the amount of the unpaid special assessments with the interest thereon of the particular issue of bonds to be refunded.

b. Refunding bonds or their proceeds may be used only to pay improvement bonds taken up.

c. The expense of refunding bonds must be paid out of the funds of the city from which the cost of similar improvements might lawfully be paid.

d. When refunding bonds are issued to pay improvement bonds, all special assessments and sinking funds applicable to the payment of the improvement bonds previously issued must be applied in the same manner and to the same extent to the payment of the refunding bonds, and all the powers and duties to levy and to carry special assessments and taxes, to create liens upon property, and to establish sinking funds

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in respect to the bonds previously issued continue until refunding bonds are paid.

e. The city shall collect the special assessment out of which the refunding bonds are payable and hold the proceeds in trust for the payment of the refunding bonds, but it is not liable except for the proper application of the assessments.

7. No action shall be brought questioning the legality of the bonds authorized by this section from and after sixty days from the date the bonds are ordered issued by the city.

8. Special assessment bonds issued pursuant to this part and the interest thereon, are exempt from taxation by the state of Iowa and its political subdivisions.

Sec. 148. Property against which a special assessment has been levied for public improvements may be sold for any sum of principal or interest due and delinquent, at any regular or adjourned tax sale in the same manner with the same forfeitures, penalties, right of redemption, certificates, and deeds, as for the nonpayment of ordinary taxes. The purchaser at a tax sale takes the property charged with the lien of the remaining unpaid installments and interest. When bonds have been issued in anticipation of special assessments and interest for which property is to be sold, the city may be a purchaser and is entitled to all rights of purchasers at tax sales. The proceeds subsequently realized from sales of property so purchased by the city must be credited to the funds of the city from which deficiencies on the improvement were paid, or if there were no deficiencies, to the general fund.

Sec. 149. A holder of a special assessment bond payable in whole or in part out of a special assessment against any lot or parcel of ground, or a city within which the lot or parcel of ground is situated, which lot or parcel of ground has been sold for taxes, either general or special, may have an assignment of any certificate of tax sale of the property

for any general taxes or special taxes thereon, upon tender to the holder or to the county auditor of the amount to which the holder of the tax sale certificate would be entitled in case of redemption.

Sec. 150. The whole or any part of the cost of construction or repair of a public improvement may be paid from the proceeds of the issuance of general obligation bonds under the provisions of section one hundred three (103) of this Act, or from the fund or funds of the city authorized to be used for the particular type of improvement, and the council shall provide that the tax authorized for purposes of the fund or funds must be annually levied to the full extent necessary to reimburse the fund or funds for the amount paid for the construction or repair of the improvement.

Sec. 151. When by reason of nonconformity to any law or resolution, or by reason of any omission, informality, or irregularity, any special tax or assessment levied is determined by the council to be invalid or is adjudged illegal, the council may correct the levy by resolution, and may reassess and relevy with the same force and effect as if done at the proper time and in the manner provided by law or by the resolution.

Sec. 152. When a special tax or assessment, upon property not exempt, is adjudged void for any jurisdictional defect, or other reason, the council may as to such property, by resolution, cause to be prepared a schedule and proposed reassessment in proportion to and not in excess of benefits, cause notice to be given, hear objections, and make necessary corrections, and may reassess and relevy the tax or special assessment as corrected with the same force and effect as if jurisdiction had been acquired in the first instance and all subsequent proceedings had been regularly and legally had.

Sec. 153. When, in making a special assessment, any property is assessed too little or too much, the assessment may

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be corrected and a reassessment and relevy made in conformity with the correction, and a tax collected in excess of the proper amount must be refunded to the person paying the same. Corrected assessments are a lien on the lots the same as the original assessment, must be certified by the clerk to the county auditor in the same manner, and must so far as practicable, be collected in the same installments, draw interest at the same rate, and be enforced in the same manner as the original assessment.

Sec. 154. Any provision of law, resolution, or ordinance specifying a time when or the order in which acts must be done in a proceeding which may result in a special assessment, is subject to the qualifications of sections one hundred fifty-one (151), one hundred fifty-two (152), and one hundred fifty-three (153) of this Act.

A city may combine any one or more of the procedural acts required by this part and call for bids for construction of a public improvement and comply with legal requirements respecting public contracts so as to permit the council to receive and consider proposals at the time of hearing on the resolution of necessity.

Sec. 155. The provisions of this part apply to any public improvement undertaken jointly by the city and another city or by the city and the state or any other political subdivision of the state, and a city may enter into an agreement for such purpose under the provisions of chapter twenty-eight E (28E) of the Code and may assess and pay its portion of the cost of a public improvement as provided in this part, but any requirement of this part in respect to approval of detailed plans and specifications, calling for construction bids, awarding construction contracts and acceptance of the completed improvement may be carried out by each city with other cities, the state or any other political subdivision of the state, as provided in an agreement entered into as permitted by chapter twenty-eight E (28E) of the Code. However, an

agreement between the city and the state highway commission is also governed by the provisions of sections three hundred thirteen point twenty-one (313.21) through three hundred thirteen point twenty-three (313.23), inclusive, of the Code.

Sec. 156. In the making of assessments for paving streets, avenues or public places along or upon which a track of a railway or street railway company is located, the engineer shall make an estimate of the cost of building the improvement, and an estimate of the cost of the improvement if tracks were not there. The railway or street railway company may be charged with the difference between the two estimates of cost, and shall make payment in the same manner as other special assessments are paid. This section applies only to track within the limits of the improvement proper and shall not be construed as exempting a railway or street railway company from a special assessment on other property, adjacent or abutting, within the assessment district and owned by the company, nor does this section relieve a company from any of its duties and liabilities set forth in any other law concerning repair or construction of the strip of paving between the rails and one foot outside.

Sec. 157. Projects and proceedings for the levy of special assessments and the issuance of special assessment bonds commenced before the effective date of this Act may be hereafter consummated and completed and special assessments levied and special assessment bonds issued as required or permitted by any statute or other law amended or repealed by this Act as though such repeal or amendment had not occurred, and the rights, duties, and interests flowing from such projects and proceedings remain valid and enforceable. Without limiting the foregoing, projects commenced prior to said effective date may be financed by the issuance of special assessment bonds and other bonds under any such amended or repealed law or by the issuance of special assessment bonds, or other bonds under this Act. For the purposes of this section, commence-

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ment of a project includes but is not limited to action taken by the council or authorized officer to fix a date for a hearing in connection with any part of a public improvement, and commencement of proceedings for the levy of special assessments and the issuance of special assessment bonds includes but is not limited to action taken by the council to fix a date for a hearing in connection with any public improvement proposed to be financed in whole or in part through special assessments.

Sec. 158. The enumeration in this part of special powers and functions is not a limitation of the powers of cities, but the provisions of this part and the procedures prescribed for exercising the powers and functions enumerated in this part control and govern in the event of any conflict with the provisions of any other section, part, or division of this Act or with the provisions of any other law.

Part 5. Revenue Financing.

Sec. 159. As used in this part, unless the context otherwise requires:

1. "Combined utility system" means two or more city utilities owned by a single city, and combined and operated as a single system.

2. "City enterprise" means the same as defined in section one hundred two (102) of this Act.

3. "Combined city enterprise" means two or more city enterprises combined and operated as a single enterprise.

4. "Governing body" means the public body which by law is charged with the management and control of a city utility, combined utility system, city enterprise, or combined city enterprise. The council is the governing body of each city utility, combined utility system, city enterprise, or combined city enterprise, except that a utility board, as provided in division eight (VIII) of this Act, is the governing body of the city utility, city utilities, or combined utility system which it operates.

5. "Project" means the acquisition, construction, reconstruction, extending, remodeling, improving, repairing, and equipping of all or part of a city utility, combined utility system, city enterprise, or combined city enterprise within or without the corporate limits of the city.

6. "Rates" means rates, fees, tolls, rentals, and charges for the use of or service provided by a city utility, combined utility system, city enterprise, or combined city enterprise.

7. "Gross revenue" means all income and receipts derived from the operation of a city utility, combined utility system, city enterprise, or combined city enterprise.

8. "Operating expense" means salaries, wages, cost of maintenance and operation, materials, supplies, insurance, and all other items normally included under recognized accounting practices, but does not include allowances for depreciation in the value of physical property.

9. "Net revenues" means gross revenues less operating expenses.

10. "Revenue bond" means a negotiable bond issued by a city and payable from the net revenues of a city utility, combined utility system, city enterprise, or combined city enterprise.

11. "Pledge order" means a promise to pay out of the net revenues of a city utility, combined utility system, city enterprise, or combined city enterprise, which is delivered to the contractors or other persons in payment of all or part of the cost of the project.

Sec. 160.

1. A city which proposes to establish, own, acquire by purchase, condemnation, or otherwise, lease, sell, construct, reconstruct, extend, remodel, improve, repair, equip, maintain, and operate within or without its corporate limits a city utility, combined utility system, city enterprise, or combined city enterprise must do so in accordance with the provisions

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of this Act.

2. If all of the utilities involved in the establishment of a combined utility system are, at the time of establishment, controlled and managed by the same utility board, such utility board shall continue as the governing body of the combined utility system; otherwise the city council is the governing body of a combined utility system, but a utility board for a combined utility system may be established as provided in division eight (VIII) of this Act. If a combined utility system or combined city enterprise is dissolved, each city utility or city enterprise shall continue in existence as a separate city utility or city enterprise unless the voters additionally authorize the abandonment thereof. The governing body of a combined utility system which is dissolved shall continue as the governing body of each city utility which was a part of the combined utility system unless changed as provided in division eight (VIII) of this Act. The adding of an additional city utility to an existing combined utility system is the establishment of a new combined utility system and must be approved by the voters of the city as provided in division eight (VIII) of this Act, but the governing body of the existing combined utility system shall continue as the governing body of the new combined utility system.

3. A combined utility system or combined city enterprise may be established, but if there are obligations outstanding which by their terms are payable from the revenues of any city utility or city enterprise involved, all such outstanding obligations must be assumed by the governing body of the combined utility system or combined city enterprise subject to all terms established at the time of the original issue, or refunded through the issuance of revenue bonds of the combined utility system or combined city enterprise as a part of the procedure for the establishment of the combined utility system or combined city enterprise, or funds sufficient to pay the principal of and all interest and premium, if any, on such

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outstanding obligations at and prior to maturity must have been properly set aside and pledged for that purpose. Any revenues earmarked for payment of the obligations must be handled by the governing body of the combined utility or combined city enterprise in the same manner as they were handled by the governing body of the city utility or city enterprise involved. A city utility or city enterprise may not be abandoned and a combined utility system or combined city enterprise may not be dissolved so long as there are obligations outstanding which by their terms are payable from the revenues of the city utility, combined utility system, city enterprise, or combined city enterprise unless funds sufficient to pay the principal of and all interest and premium, if any, on such outstanding obligations at and prior to maturity have been properly set aside and pledged for such purpose.

Sec. 161.

1. A city may carry out projects, borrow money, and issue revenue bonds and pledge orders to pay all or part of the cost of projects, such revenue bonds and pledge orders to be payable solely and only out of the net revenues of the city utility, combined utility system, city enterprise, or combined city enterprise involved in the project. The cost of a project includes the construction contracts, interest upon the revenue bonds and pledge orders during the period or estimated period of construction and for twelve months thereafter, or for twelve months after the acquisition date, and the costs of engineering, architectural, technical, and legal services, preliminary reports, surveys, property valuations, estimates, plans, specifications, notices, acquisition of real and personal property, consequential damages or costs, easements, rights-of-way, supervision, inspection, testing, publications, printing and sale of bonds, and provisions for contingencies. A city may sell revenue bonds at public or private sale in the manner prescribed by

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chapter seventy-five (75) of the Code and may deliver revenue bonds and pledge orders to the contractors, sellers, and other persons furnishing materials and services constituting a part of the cost of the project in payment therefor.

2. A city may issue revenue bonds to refund revenue bonds, pledge orders, and other obligations which are by their terms payable from the net revenues of the same city utility, combined utility system, city enterprise, or combined city enterprise, or from a city utility comprising a part of the combined utility system or a city enterprise comprising a part of the combined city enterprise, at lower, the same, or higher rates of interest. A city may sell refunding revenue bonds at public or private sale in the manner prescribed by chapter seventy-five (75) of the Code and apply the proceeds thereof to the payment of the obligations being refunded, and may exchange refunding revenue bonds in payment and discharge of the obligations being refunded. The principal amount of any refunding revenue bonds may exceed the principal amount of the obligations being refunded to the extent necessary to pay any premium due on the call of the obligations being refunded and to fund interest accrued on and prior to the delivery of the refunding revenue bonds.

Sec. 162.

1. A city may issue revenue bonds pursuant to a resolution of the governing body of the city utility, combined utility system, city enterprise, or combined city enterprise, adopted at a regular or special meeting by a majority of the total number of members to which the governing body is entitled.

2. Before the governing body institutes proceedings for the issuance of revenue bonds, it shall fix a time and place of meeting at which it proposes to take action and give notice by publication in the manner directed in section three (3) of this Act. The notice must include a statement of the time and place of the meeting, the maximum amount of the proposed revenue bonds, the purpose for which the revenue bonds will

be issued, and the city utility, combined utility system, city enterprise, or combined city enterprise whose net revenues will be used to pay the revenue bonds and interest thereon. The governing body shall at the meeting receive oral or written objections from any resident or property owner of the city. After all objections have been received and considered, the governing body may, at the meeting or any adjournment thereof, take additional action for the issuance of the bonds or abandon the proposal to issue bonds. Any resident or property owner of the city may appeal a decision of the governing body to take additional action to the district court of the county in which any part of the city is located within fifteen days after the additional action is taken, but the additional action of the governing body is final and conclusive unless the court finds that the governing body exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal in connection with the issuance of revenue bonds are in lieu of those contained in chapter twenty-three (23) of the Code or any other law.

3. Revenue bonds may bear dates, bear interest at rates not exceeding any limitations imposed by chapter seventy-five (75) of the Code, mature in one or more installments, be in either coupon or registered form, carry registration and conversion privileges, be payable as to principal and interest at times and places, be subject to terms of redemption prior to maturity with or without premium, and be in one or more demoninations, all as provided by the resolution of the governing body authorizing their issuance. The resolution may also prescribe additional provisions, terms, conditions, and covenants which the governing body deems advisable, consistent with the provisions of this Act, including provisions for creating and maintaining reserve funds, the issuance of additional revenue bonds ranking on a parity with such revenue bonds and additional revenue bonds junior and subordinate to such revenue bonds, and that such revenue bonds

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shall rank on a parity with or be junior and subordinate to any revenue bonds which may be then outstanding. Revenue bonds are a contract between the city and holders and the resolution is a part of the contract.

4. If the governing body is a city council, the revenue bonds must be executed by the mayor and clerk of the city. If the governing body is a utility board, the revenue bonds must be executed by the chairman and secretary of the board. If coupons are attached to the revenue bonds, they must be executed with the original or facsimile signature of the clerk or secretary. A revenue bond is valid and binding for all purposes if it bears the signatures of the officers in office on the date of the execution of the bonds notwithstanding that any or all persons whose signatures appear thereon have ceased to be such officers prior to the delivery thereof. The issuance of revenue bonds must be recorded in the office of the city treasurer or other financial officer designated by the council, and a certificate of the recording by the treasurer or other officer must be printed on the back of each revenue bond.

5. Revenue bonds issued pursuant to this part are negotiable instruments.

6. A city may issue pledge orders pursuant to a resolution of the governing body of the city utility, combined utility system, city enterprise, or combined city enterprise, adopted by a majority of the total number of members to which the governing body is entitled, at a regular or special meeting, ordering their issuance and delivery in payment for all or part of the cost of a project. Pledge orders may bear interest at rates not exceeding eight percent per annum.

7. The physical properties of a city utility, combined utility system, city enterprise, or combined city enterprise may not be pledged or mortgaged to secure the payment of revenue bonds or pledge orders or the interest thereon.

Sec. 163.

1. The governing body of a city utility, combined utility system, city enterprise, or combined city enterprise may by resolution establish, impose, adjust, and provide for the collection of rates to produce gross revenues at least sufficient to pay the expenses of operation and maintenance of the city utility, combined utility system, city enterprise, or combined city enterprise and, whenever revenue bonds or pledge orders are issued and outstanding pursuant to the provisions of this part, shall by resolution establish, impose, adjust, and provide for the collection of rates to produce gross revenues at least sufficient to pay the expenses of operation and maintenance of the city utility, combined utility system, city enterprise, or combined city enterprise, and to leave a balance of net revenues sufficient at all times to pay the principal of and interest on the revenue bonds and pledge orders as the same become due and to maintain a reasonable reserve for the payment of such principal and interest, and a sufficient portion of net revenues must be pledged for such purpose.

2. The governing body of a city utility, combined utility system, city enterprise or combined city enterprise may:

a. By resolution establish, impose, adjust, and provide for the collection of charges for connection to a city utility or combined utility system.

b. Contract for the use of or services provided by a city utility, combined utility system, city enterprise, or combined city enterprise with persons whose type or quantity of use or service is unusual.

c. Lease for a period not to exceed fifteen years all or part of a city enterprise or combined city enterprise, if the lease will not reduce the net revenues to be produced by the city enterprise or combined city enterprise.

d. Contract for a period not to exceed forty years with other governmental bodies for the use of or the services provided by the city utility, combined utility system, city

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enterprise, or combined city enterprise on a wholesale basis.

e. Contract for a period not to exceed forty years with persons and other governmental bodies for the purchase or sale of water, gas, or electric power and energy on a wholesale basis.

Sec. 164.

1. The governing body of each city utility, combined utility system, city enterprise, or combined city enterprise being operated on a revenue producing basis shall maintain a proper system of books, records, and accounts.

2. The gross revenues of each city utility, combined utility system, city enterprise, or combined city enterprise must be deposited with the treasurer of the governing body and kept by the treasurer in a separate account apart from the other funds of the city and from each other. The treasurer shall apply the gross revenues of each city utility, combined utility system, city enterprise, or combined city enterprise only as ordered by the governing body and in strict compliance with such orders, including the provisions, terms, conditions, and covenants of any and all resolutions of the governing body pursuant to which revenue bonds or pledge orders are issued and outstanding. If the council is the governing body, it may designate another city officer to serve as treasurer.

Sec. 165.

1. The pledge of any net revenues of a city utility, combined utility system, city enterprise, or combined city enterprise is valid and effective as to all persons and other governmental bodies when it becomes valid and effective between the city and the holders of the revenue bonds or pledge orders.

2. Revenue bonds and pledge orders issued pursuant to this part and interest thereon are exempt from taxation by the state of Iowa and its political subdivisions.

Sec. 166. Revenue bonds and pledge orders are payable both as to principal and interest solely out of the portion of the net revenues of the city utility, combined utility

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system, city enterprise, or combined city enterprise pledged to their payment and are not a debt of or charge against the city within the meaning of any constitutional or statutory debt limitation provision.

Sec. 167. The sole remedy for a breach or default of a term of a revenue bond or pledge order is a proceeding in law or in equity by suit, action, or mandamus to enforce and compel performance of the duties required by this part and of the terms of the resolution authorizing the issuance of the revenue bonds or pledge orders, or to obtain the appointment of a receiver to take possession of and operate the city utility, combined utility system, city enterprise, or combined city enterprise, and to perform the duties required by this part and the terms of the resolution authorizing the issuance of the revenue bonds or pledge orders.

Sec. 168. The governing body of a city utility, combined utility system, city enterprise, or combined city enterprise which has on hand surplus funds, after making all deposits into all funds required by the terms, covenants, conditions, and provisions of outstanding revenue bonds, pledge orders, and other obligations which are payable from the revenues of the city utility, combined utility system, city enterprise, or combined city enterprise and after complying with all of the requirements, terms, covenants, conditions, and provisions of the proceedings and resolutions pursuant to which revenue bonds, pledge orders, and other obligations are issued, may transfer such surplus funds to any other fund of the city in accordance with any rules promulgated by the city finance committee created in section ninety-one (91) of this Act if the transfer is also approved by the city council, provided that no transfer may be made if it conflicts with any of the requirements, terms, covenants, conditions, or provisions of any resolution authorizing the issuance of revenue bonds, pledge orders, or other obligations which are payable from the revenues of the city utility, combined utility system,

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city enterprise, or combined city enterprise which are then outstanding.

Sec. 169. This part does not prohibit or prevent a city from using funds derived from the issuance of general obligation bonds, the levy of special assessments and the issuance of special assessment bonds, and any other source which may be properly used for such purpose, to pay a part of the cost of a project.

Sec. 170. The city shall pay for the use of or the services provided by the city utility, combined utility system, city enterprise, or combined city enterprise as any other customer, except that the city may pay for use or service at a reduced rate or receive free use or service so long as the city complies with the provisions, terms, conditions, and covenants of any and all resolutions pursuant to which revenue bonds or pledge orders are issued and outstanding.

Sec. 171. No action may be brought which questions the legality of revenue bonds or the power of the city to issue revenue bonds or the effectiveness of any proceedings relating to the authorization and issuance of revenue bonds, from and after sixty days from the time the bonds are ordered issued by the city.

Sec. 172. The enumeration in this part of specified powers and functions is not a limitation of the powers of cities, but the provisions of this part and the procedures prescribed for exercising the powers and functions enumerated in this part control and govern in the event of any conflict with the provisions of any other section, part, or division of this Act or with the provisions of any other law.

Sec. 173. Projects and proceedings for the issuance of revenue bonds, pledge orders, and other temporary obligations commenced before the effective date of this Act may be consummated and completed as required or permitted by any statute or other law amended or repealed by this Act, as though such repeal or amendment had not occurred, and the rights, duties,

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and interests flowing from such projects and proceedings remain valid and enforceable. Without limiting the foregoing, projects commenced prior to said effective date may be financed by the issuance of revenue bonds, pledge orders, and other temporary obligations under any such amended or repealed law or by the issuance of revenue bonds and pledge orders under this Act. For purposes of this section, commencement of a project includes, but is not limited to, action taken by the governing body or authorized officer to fix a date for either a hearing or an election in connection with any part of the project, and commencement of proceedings for the issuance of revenue bonds, pledge orders, and other temporary obligations includes, but is not limited to, action taken by the governing body to fix a date for either a hearing or a sale in connection with any part of such revenue bonds, pledge orders, or other temporary obligations or to order any part thereof to be issued.

Part 6. Contract Letting Procedure.

Sec. 174. As used in this part, unless the context clearly indicates otherwise:

1. "Public improvement" means any building or construction work, either within or outside the corporate limits of a city, to be paid for in whole or in part by the use of funds of the city, regardless of sources, including a building or improvement constructed or operated jointly with any other public or private agency, but excluding urban renewal and low-rent housing projects, industrial aid projects authorized under chapter four hundred nineteen (419) of the Code, emergency work, or work performed by employees of a city or a city utility.

2. "Governing body" means the council of a city, a utility board of trustees, or an administrative agency which is charged with the management and control of a building or improvement project.

Sec. 175. When the estimated total cost of a public

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improvement exceeds the sum of ten thousand dollars, the governing body shall advertise for sealed bids for the proposed improvement by publishing a notice to bidders as provided in section three (3) of this Act.

Sec. 176. The notice to bidders must state the following items:

1. The time and place for filing sealed proposals.

2. The time and place sealed proposals will be opened and considered on behalf of the governing body.

3. The general nature of the public improvement on which bids are requested.

4. In general terms when the work must be commenced and when it must be completed.

5. That each bidder shall accompany his bid with a bid security as defined herein and as specified by the governing body, as security that the successful bidder will enter into a contract for the work bid upon and will furnish after the award of contract a corporate surety bond, acceptable to the governing body, for the faithful performance of the contract, in an amount equal to one hundred percent of the amount of the contract. The bidder's security must be in an amount fixed by the governing body, and must be in the form of a cashier's or certified check drawn on a bank in Iowa or a bank chartered under the laws of the United States, or the governing body may provide for a bidder's bond with corporate surety satisfactory to the governing body, which bid bond shall contain no condition except as provided in this section.

6. Any further information which the governing body deems pertinent.

The notice to bidders may provide that bids will be received for the furnishing of all labor and materials and furnishing or installing equipment under one contract, or for parts thereof in separate sections.

On public improvements to be financed wholly or partially by special assessments against benefited property, the govern-

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ing body, in the notice to bidders, may request aggregate bids for all projects included in any resolution of necessity, notwithstanding variations in the sizes of the improvements and notwithstanding that some parts of the improvements are assessable and some nonassessable, and may award the contract to the lowest responsible bidder submitting the lowest aggregate bid.

Sec. 177. The amount of bid security must be fixed by the governing body prior to ordering publication of the notice to bidders and must equal at least five percent, but may not exceed ten percent of either the estimated total contract cost of the public improvement, or the amount of each bid.

Sec. 178. The contract for the public improvement must be awarded to the lowest responsible bidder, provided, however, that contracts relating to public utilities or extensions or improvements thereof, as described in part five (5) of this division, may be awarded by the governing body as it deems to be the best interests of the city.

Sec. 179. The governing body shall open, announce the amount of the bids, and file all proposals received, at the time and place specified in the notice to bidders. The governing body may, by resolution, award the contract for the public improvement to the bidder submitting the best bid, determined as provided in section one hundred seventy-eight (178) of this Act, or it may reject all bids received, fix a new date for receiving bids, and order publication of a new notice to bidders. The bid security furnished by the successful bidder must be retained by the governing body until the approved contract form has been executed, and a bond filed by the bidder guaranteeing the performance of the contract, and the contract and bond, have been approved by the governing body. The provisions of chapter five hundred seventy-three (573), of the Code, where applicable, apply to contracts awarded under this part.

If the successful bidder fails to execute the contract

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and furnish the required bond within ten days after the date of adoption of the resolution awarding the contract, and if a certified or cashier's check was furnished as bid security, the check may be cashed and the amount retained by the governing body as agreed liquidated damages. However, if a corporate surety bid bond was furnished as bid security, the surety company executing the bid bond must be notified of the bidder's default, by registered mail, and within ten days after the date of the mailing the surety company shall remit to the governing body the principal amount of the bid bond, which principal amount must be retained by the governing body as agreed liquidated damages. The contractor may contest the forfeiture of the bid security by court action.

The checks or bidder's bonds of the unsuccessful bidder must be promptly returned to the bidders by the governing body after the award of contract has been made.

Sec. 180. When bids or proposals are required to be taken in connection with any public improvement, the governing body may delegate, by ordinance or resolution, to the city manager, clerk, engineer, or other public officer, the duty of receiving and opening bids and announcing the results. The officer shall report the results of the bidding with his recommendations thereon to the governing body at its next meeting.

Sec. 181. When the estimated total cost of a public improvement exceeds the sum of ten thousand dollars, the governing body shall not enter into a contract for the improvement until it has held a public hearing on the proposed plans, specifications, and form of contract, and estimated cost for the improvement. Notice of the hearing must be published as provided in section three (3) of this Act. At the hearing any interested person may appear and file objections to the proposed plans, specifications, contract, or estimated cost of the improvement. After hearing objections, the governing body shall by resolution enter its decision on the plans, specifications, contract, and estimated

cost.

Sec. 182.

1. A governing body may authorize, sell, issue, and deliver its bonds whether or not notice and hearing on the plans, specifications, form of contract, and estimated cost for the public improvement to be paid for in whole or in part from the proceeds of said bonds has been given, and whether or not a contract has been awarded for the construction of the improvement. This subsection does not apply to bonds which are payable solely from special assessment levies against benefited property.

2. When emergency repair, construction, or reconstruction to a public improvement is necessary and the delay of advertising and a public letting might cause serious loss or injury to the city, the governing body shall, by resolution, make a finding of the necessity to institute emergency proceedings under this section, and shall procure a certificate from a competent registered professional engineer or architect, not in the regular employ of the city, certifying that emergency repairs are necessary.

In that event the governing body may contract for emergency repairs without holding a public hearing and advertising for bids, and the provisions of sections one hundred seventy-five (175) through one hundred eighty-one (181), inclusive, of this Act, do not apply.

DIVISION VIII. City Utilities

Sec. 183. As used in this division:

1. "Combined utility system" means the same as defined in section one hundred fifty-nine (159) of this Act.

2. "Utility board" or "board" means a board of trustees established to operate a city utility, city utilities, or a combined utility system. A single utility board may operate more than one city utility even though such city utilities are not a combined utility system.

Sec. 184. The proposal of a city to establish, acquire,

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lease, or dispose of a city utility, except a sanitary sewage system, in order to undertake or to discontinue the operation of the city utility, or the proposal to establish or dissolve a combined utility system, or the proposal to establish or discontinue a utility board, is subject to the approval of the voters of the city, except that a board may be discontinued by resolution of the council when the city utility, city utilities, or combined utility system it administers is disposed of or leased for a period of over five years.

The proposal may be submitted to the voters at any city election by the council on its own motion. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election.

A proposal for the establishment of a utility board must specify a board of either three or five members.

If a majority of those voting for and against the proposal approves the proposal, the city may proceed as proposed.

If a majority of those voting for and against the proposal does not approve the proposal, the same or a similar proposal may not be submitted to the voters of the city for at least four years from the date of the election at which the proposal was defeated.

Sec. 185. If a proposal to establish a utility board receives a favorable majority vote, the mayor shall appoint the board members, as provided in the proposal, subject to the approval of the council. The council shall by resolution provide for staggered six-year terms for, and shall set the compensation of, board members.

A board member appointed to fill a vacancy occurring by reason other than the expiration of a term is appointed for the balance of the unexpired term.

A public officer or a salaried employee of the city may not serve on a utility board.

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Sec. 186. The title of a utility board must be appropriate to the city utility, city utilities, or combined utility system administered by the board. A utility board may be a party to legal action. A utility board may exercise all powers of a city in relation to the city utility, city utilities, or combined utility system it administers, with the following exceptions:

1. A board may not certify taxes to be levied, pass ordinances or amendments, or issue general obligation or special assessment bonds.

2. The title to all property of a city utility or combined utility system must be held in the name of the city, but the utility board has all the powers and authorities of the city with respect to the acquisition by purchase, condemnation, or otherwise, lease, sale, or other disposition of such property, and the management, control, and operation of the same, subject to the requirements, terms, covenants, conditions, and provisions of any resolutions authorizing the issuance of revenue bonds, pledge orders, or other obligations which are payable from the revenues of the city utility or combined utility system, and which are then outstanding.

3. A board shall make to the council a detailed annual report, including a complete financial statement.

4. Immediately following a regular or special meeting of a utility board, the secretary shall prepare a condensed statement of the proceedings of the board and cause the statement to be published in a newspaper of general circulation in the city. The statement must include a list of all claims allowed, showing the name of the person or firm making the claim, the reason for the claim, and the amount of the claim. Salary claims must show the gross amount of the claim except that salaries paid to persons regularly employed by the utility, for services regularly performed by them, must be published once annually showing the gross amount of the salary.

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Failure by the secretary to make publication is a misdemeanor.

Sec. 187. A utility board shall control tax revenues allocated to the city utility, city utilities, or combined utility system it administers and all moneys derived from the operation of the city utility, city utilities, or combined utility system, the sale of utility property, interest on investments, or from any other source related to the city utility, city utilities, or combined utility system.

All city utility moneys received must be held in a separate utility fund, with a separate account or accounts for each city utility or combined utility system. If a board administers a municipal utility or combined utility system, moneys may be paid out of that utility account only at the direction of the board.

Sec. 188. A city utility or a combined utility system may not provide use or service at a discriminatory rate, except to the city or its agencies, as provided in section one hundred seventy (170) of this Act.

Sec. 189. A utility board functioning on the effective date of this Act shall continue to function until discontinued as provided in this division, and has all the powers granted in this division.

Nothing in this Act shall be construed to allow the abrogation of any franchise approved prior to the effective date of this Act.

DIVISION IX. Administrative Agencies

Sec. 190. If the council wishes to establish an administrative agency, it shall do so by an ordinance which indicates the title, powers, and duties of the agency, the method of appointment, qualifications, compensation, and term of members, and other appropriate matters relating to the agency. The title of an administrative agency must be appropriate to its function. The council may not delegate to an administrative agency any of the powers, authorities, and duties prescribed in part five (5) of division seven (VII) or in division eight

(VIII) of this Act, except that the council may delegate to an administrative agency power to establish, collect, or dispense charges for the use of a city facility, including a city enterprise, as defined in section one hundred two (102) of this Act, so long as there are no revenue bonds or pledge orders outstanding which are payable from the revenues of the city enterprise. Except as otherwise provided in this division, the council may delegate rule-making authority to the agency for matters within the scope of the agency's powers and duties, and may prescribe penalties for violation of agency rules and regulations which have been adopted by ordinance. Rules and regulations governing the use by the public of any city facility must be made readily available to the public.

Sec. 191. An administrative agency may not pledge the credit or taxing power of the city.

Sec. 192. Unless otherwise stated in the ordinance establishing the agency, contracts and agreements entered into by administrative agencies are subject to review and approval by the council, but when so approved and to the extent such contracts and agreements are otherwise valid by law, are valid and not voidable by subsequent actions of the city even if the administrative agency is dissolved, but no such contract or agreement may conflict with the provisions of part five (5) of division seven (VII) or division eight (VIII) of this Act, or any action taken pursuant to the provisions of the same.

Sec. 193. Subject to approval by the council, an administrative agency may take action jointly with other public or private agencies as provided in chapter twenty-eight E (28E) of the Code.

Sec. 194. A city library board of trustees or a city hospital board of trustees functioning on the effective date of this Act shall continue to function in the same manner until altered or discontinued as provided in this section.

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In order for the boards to function in the same manner, the council shall retain all applicable ordinances, and shall adopt as ordinances all applicable state statutes repealed by this Act.

A library or hospital board may accept and control the expenditure of all gifts, devises, and bequests to the library or hospital.

No part of the revenue from the operation of a city hospital may be used for any purpose other than the maintenance, operation, and improvement of the hospital, without the approval of the board of trustees or appropriate administrative agency.

A proposal to alter the composition, manner of selection, or charge of a library or hospital board, or to replace it with an alternate form of administrative agency, is subject to the approval of the voters of the city.

The proposal may be submitted to the voters at any city election by the council on its own motion. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election. A proposal submitted to the voters must describe with reasonable detail the action proposed.

If a majority of those voting approves the proposal, the city may proceed as proposed.

If a majority of those voting does not approve the proposal, the same or a similar proposal may not be submitted to the voters of the city for at least four years from the date of the election at which the proposal was defeated.

Sec. 195. Except as otherwise provided in this division, an administrative agency established by a city shall continue with the same powers and duties until altered or discontinued as provided in this section. The council may by ordinance reduce or increase an administrative agency's power and duties, or may transfer powers and duties from one agency to another. The council may discontinue an administrative agency by

adopting a resolution proposing the action, and publishing notice as provided in section three (3) of this Act, of the resolution and of a date, time, and place of a public hearing on the proposal, and may discontinue the agency by ordinance or amendment not sooner than thirty days following the hearing.

Sec. 196. Chapters three hundred sixty-two (362), three hundred sixty-three (363), three hundred sixty-three A (363A), three hundred sixty-three B (363B), three hundred sixty-three C (363C), three hundred sixty-three D (363D), three hundred sixty-three E (363E), three hundred sixty-four (364), three hundred sixty-six (366), three hundred sixty-eight (368), three hundred sixty-eight A (368A), three hundred sixty-nine (369), three hundred seventy (370), three hundred seventy-one (371), three hundred seventy-two (372), three hundred seventy-three (373), three hundred seventy-four (374), three hundred seventy-four A (374A), three hundred seventy-five (375), three hundred seventy-six (376), three hundred seventy-seven (377), three hundred seventy-eight (378), three hundred seventy-eight A (378A), three hundred seventy-nine (379), three hundred seventy-nine A (379A), three hundred seventy-nine B (379B), three hundred eighty (380), three hundred eighty-one (381), three hundred eighty-two (382), three hundred eighty-three (383), three hundred eighty-four (384), three hundred eighty-five (385), three hundred eighty-six (386), three hundred eighty-six A (386A), three hundred eighty-six B (386B), three hundred eighty-six C (386C), three hundred eighty-seven (387), three hundred eighty-nine (389), three hundred ninety (390), three hundred ninety A (390A), three hundred ninety-one (391), three hundred ninety-one A (391A), three hundred ninety-two (392), three hundred ninety-three (393), three hundred ninety-four (394), three hundred ninety-five (395), three hundred ninety-six (396), three hundred ninety-seven (397), three hundred ninety-seven A (397A), three hundred ninety-eight (398), three hundred ninety-eight A (398A), three hundred ninety-nine (399), four hundred (400),

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four hundred one (401), four hundred two (402), four hundred four (404), four hundred seven (407), four hundred eight (408), four hundred eight A (408A), four hundred thirteen (413), four hundred fifteen (415), and four hundred seventeen (417), Code 1971, are repealed.

Sec. 197. Section four point one (4.1), subsection twenty-six (26), Code 1971, is amended as follows:

26. POPULATION. The word "population", where used in this Code or any statute hereafter passed, ~~shall be taken to be that~~, means the population as shown by the last preceding ~~national~~ certified federal census, unless otherwise specially provided. ~~However the population figure disclosed for any city or town as the result of a special federal census as modified as the result of consolidation or annexation in the manner provided in sections 312.3 and 123.50, shall be considered for no other purposes than the application of sections 123.50 and 312.3.~~

Sec. 198. Section nine point two (9.2), Code 1971, is amended as follows:

9.2 RECORDS RELATING TO CITIES AND TOWNS. He shall receive and preserve in his office all papers transmitted to him in relation to ~~the incorporation of cities and towns, or the annexation of territory thereto, or the consolidation or abandonment of municipal corporations~~ city development, including incorporation, discontinuance, or boundary adjustment; and shall keep an alphabetical list of ~~said~~ cities ~~and towns~~ in a book provided for that purpose, in which shall be entered the name of the ~~town or~~ city, ~~the character of the same, whether town or city,~~ the county in which situated, and the date of ~~organization~~ incorporation, discontinuance, or boundary adjustment.

Sec. 199. Section eleven point eighteen (11.18), Code 1971, is amended as follows:

11.18 EXAMINATION OF CITIES, TOWNS, TOWNSHIPS, AND SCHOOLS. The financial condition and transactions of all cities and

city offices, merged areas, and all school offices in independent and community school districts maintaining high schools, shall be examined at least once each year. ~~--The financial condition and transactions of all towns~~, except that cities having a population of seven hundred or more but less than two thousand shall be examined at least once every four years, and cities having a population of less than seven hundred may be examined as otherwise provided in this section. Such examination shall cover the fiscal year next preceding the year in which the audit is conducted. The examination of school offices shall include an audit of activity funds. Examinations may be made by the auditor of state, or in lieu of the examination by state accountants the local governing body whose accounts are to be examined, in case it elects so to do, may contract with, or employ, certified or registered public accountants, certified and registered in the state of Iowa, and pay the same from the proper public funds. If ~~the~~ a city, merged area or school district ~~elect~~ elects to have the audit made by certified or registered public accountants, ~~they~~ it must so notify the auditor of state within sixty days after the close of the fiscal year to be examined ~~and towns electing to have their audit made by a certified public accountant~~. A city must so notify the state auditor by filing a resolution of the council ~~designating the name of the person or firm to be employed at least ninety days prior to the end of a fiscal year~~. Such notification and designation shall remain in effect until rescinded or modified by a subsequent resolution of the ~~town~~ council filed with the state auditor. ~~For town audits to be conducted by certified public accountants, the state auditor shall notify the designated person or firm of the year to be examined at least sixty days prior to the end of the year to be examined.~~ If any city, ~~town,~~ merged area or school district does not file such notification with the auditor of state within the required period, the auditor of state is authorized to make

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the examination and cover any period which has not been previously examined.

Any township or municipal corporation not embraced within the foregoing provisions of this chapter and any school corporation in which an annual examination is not required mav, on application to the auditor of state, secure an examination of its financial transactions and condition of its funds, or a like examination shall be had on application of one hundred or more taxpayers, or if there are fewer than five hundred taxpayers, then by five percent thereof. The examination in any such school district may be had upon the written request of the county superintendent of schools. In lieu of such examination by state accountants, the local governing body may contract with, or employ, certified or registered public accountants and pay the same from the proper public funds.

In addition to his powers and duties under other provisions of the Code, the auditor of state may at any time, if he deems such action to be in the public interest, cause to be made a complete or partial audit of the financial condition and transactions of any city, ~~town,~~ county, school corporation, governmental subdivision, or any office thereof, even though an audit for the same period has been made by certified or registered public accountants. Such state audit shall be made and paid for as provided in this chapter, except that in the event an audit covering the same period has previously been made and paid for, the costs of such additional state audit shall be paid from any funds available in the office of the auditor of state. This paragraph shall not be construed to grant any new authority to have audits made by certified or registered public accountants.

Sec. 200. Section eleven point twenty-two (11.22), Code 1971, is amended as follows:

11.22 UNIFORM SYSTEM OF ACCOUNTING. The auditor of state shall prescribe a uniform system of blanks and forms for all

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financial accounts, receipts, and reports of all county~~,-city,~~ ~~and-town~~ offices. Said system shall, as far as practicable, follow the classifications and definitions of such transactions in use in the national census office, when not in conflict with the laws of this state. Said blanks and forms shall, by said auditor, be revised, from time to time, in order to render the same more efficient and to meet changes in the law.

Sec. 201. Section eleven point twenty-three (11.23), Code 1971, is amended as follows:

11.23 DUTY TO INSTALL. It shall be the specific duty of each county, and school~~,-city,-and-town~~ officer to install and use in his office a system of uniform blanks and forms as prescribed by law. State auditors are charged with the specific duty to assist all such officers in installing said system.

Sec. 202. Section eleven point twenty-five (11.25), Code 1971, is amended as follows:

11.25 REPORTS REQUIRED. The auditor of state shall make the following reports:

~~1.--An-annual-report-to-the-governor-and-general-assembly of-all-municipal-financial-operations;~~

~~2~~ 1. A biennial report to the governor and the general assembly of all operations of his office.

~~3~~ 2. Individual audit reports giving the results of all examinations and audits of all departments and establishments and all fiscal officers of the state and local governments.

Sec. 203. Sections eleven point twenty-six (11.26), eleven point thirty-one (11.31), and seventeen point seven (17.7), Code 1971, are repealed.

Sec. 204. Section nineteen point six (19.6), Code 1971, is amended as follows:

19.6 REPORT FOR OFFICIAL REGISTER. He shall, as soon as practicable after January 1 of each odd-numbered year, prepare a report of the proceedings of the executive council

for the two preceding calendar years. Said report shall include a statement of:

1. The official canvass of the votes cast at the last general election.

~~2.--The cities and towns, the class of which may have been changed.~~

~~3~~ 2. Other acts of said council that are of general interest.

Said report shall be published in the Iowa official register.

Sec. 205. Section nineteen point seven (19.7), unnumbered paragraph one (1), Code 1971, is amended as follows:

19.7 CONTINGENT FUND--USE FOR STATE LOSSES OR GOVERNMENTAL SUBDIVISIONS DISASTER AID. A contingent fund set apart for the use of the executive council may be expended for the purpose of paying the expenses of suppressing any insurrection or riot, actual or threatened, when state aid has been rendered by order of the governor, and for repairing, rebuilding, or restoring any state property injured, destroyed, or lost by fire, storm, theft, or unavoidable cause, and for aid to any governmental subdivision in an area declared by the governor to be a disaster area due to natural disasters or to expenditures necessitated by the governmental subdivision toward averting or lessening the impact of such potential disaster, where the effect of such disaster or such action on the governmental subdivision is the immediate financial inability to meet the continuing requirements of local government. Upon application therefor by a governmental subdivision in such an area, accompanied by a showing of obligations and expenditures necessitated by such actual or potential disaster, in such form and with such further information as the executive council may require, such aid may be made in the discretion of the council and, if made, shall be in the nature of a loan, up to a limit of seventy-five percent of the showing of such obligations and expenditures. Said loan, without interest, shall be repaid

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by the maximum annual emergency levy as authorized by section 24.6, or from the general fund or emergency fund of a city. The aggregate total of such loans shall not exceed one million dollars in any biennial fiscal term of the state. No such loan shall be for any obligation or expenditure occurring more than two years previous to the application.

Sec. 206. Section twenty-three point one (23.1), Code 1971, is amended as follows:

23.1 TERMS DEFINED. The words "public improvement" as used in this chapter shall mean any building or other construction work to be paid for in whole or in part by the use of funds of any municipality.

The word "municipality" as used in this chapter shall mean county, except in the exercise of its power to make contracts for secondary road improvements, ~~city, town,~~ township, school corporations, state fair board, state board of regents, and state board of control.

The words "appeal board" as used in this chapter shall mean the "state appeal board", composed of the auditor of state, treasurer of state, and state comptroller.

Sec. 207. Section twenty-four point two (24.2), subsection one (1), Code 1971, is amended as follows:

1. The word "municipality" shall mean the county, ~~city, town,~~ school corporation, and all other public bodies or corporations that have power to levy or certify a tax or sum of money to be collected by taxation, but shall not include any city, drainage district, township, or road district.

Sec. 208. Section twenty-eight F point one (28F.1), Code 1971, is amended as follows:

28F.1 SCOPE OF CHAPTER. This chapter is intended to provide a means for the joint financing by public agencies of works or facilities ~~enumerated in section 394.1~~ useful and convenient for the collection, treatment, purification and disposal in a sanitary manner of liquid and solid waste, sewage, and industrial waste, also swimming pools or golf

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courses. The provisions of this chapter shall be deemed to apply to the acquisition, construction, reconstruction, operation, repair, extension or improvement of such works or facilities, by a separate administrative or legal entity created pursuant to chapter 28E.

Sec. 209. Section twenty-eight F point two (28F.2), Code 1971, is amended as follows:

28F.2 DEFINITIONS. The terms "public agency", "state", and "private agency" shall have the meanings prescribed by section 28E.2. The term "project" or "projects" shall mean any works or facilities referred to in section ~~394.1~~ 28F.1 and shall include all property real and personal, pertinent thereto or connected with such project or projects, and the existing works or facilities, if any, to which such project or projects are an extension, addition, betterment or improvement.

Sec. 210. Section twenty-eight F point three (28F.3), Code 1971, is amended as follows:

28F.3 REVENUE BONDS. An entity created to carry out an agreement authorizing the joint exercise of those governmental powers enumerated in section ~~394.1~~ 28F.1 shall have power to construct, acquire, repair, improve, expand, operate and maintain a project or projects necessary to carry out the purposes of such agreement, and to issue from time to time revenue bonds payable from the revenues derived from such project or projects, or any combination of such projects, to finance the cost or part of the cost of the acquisition, construction, reconstruction, repair, extension or improvement of such project or projects, including the acquisition for the purposes of such agreement, of any property, real or personal or mixed therefor. The power of the entity to issue revenue bonds shall not be exercised until authorized by resolution or ordinance duly adopted by each of the public agencies participating in such agreement. Public agencies participating in such an agreement may not withdraw or in

any way terminate, amend, or modify in any manner to the detriment of the bondholders said agreement if revenue bonds or obligations issued in anticipation of the issuance of said revenue bonds have been issued and are then outstanding and unpaid as provided for herein. Any revenue bonds for the payment and discharge of which, upon maturity or upon redemption prior to maturity, provision has been made through the setting apart in a reserve fund or special trust account created pursuant to this chapter to insure the payment thereof, of moneys sufficient for that purpose or through the irrevocable segregation for that purpose in a sinking fund or other fund or trust account of moneys sufficient therefor, shall be deemed to be no longer outstanding and unpaid within the meaning of any provision of this chapter.

Sec. 211. Section thirty-seven point two (37.2), Code 1971, is amended as follows:

37.2 PETITION. The petition for the erection and equipment of any such hall or monument shall request the submission of the proposition to a vote of the people and shall:

1. When it is proposed to erect the same at the expense of the county, be signed by ten percent of the qualified electors thereof as shown by the poll list in the last preceding general election, or by a majority of the members of the Grand Army of the Republic, the Spanish-American War Veterans Association, Veterans of World War I, the American Legion, Disabled American Veterans of the World War, Veterans of Foreign Wars of the United States, Marine Corps League and American Veterans of World War II (AMVETS) of the county.

2. When it is proposed to erect the same at the expense of a city or town, be ~~signed by ten percent of the qualified electors thereof, as shown by the poll list in the last preceding regular municipal election~~ subject to the provisions of section 4 of this Act.

3. Set forth therein the purpose of the memorial proposed, as outlined in section 37.18.

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Sec. 212. Section thirty-seven point four (37.4), Code 1971, is amended as follows:

37.4 NOTICE. Notice of such election shall be given by publication in one newspaper published or having general circulation in the county, city, or town, as the case may be, ~~once each week for at least four consecutive weeks, If no newspaper is published therein, then such notice may be given by posting in three public places within the limits of said corporation, and by publication for four consecutive weeks in a newspaper of general circulation in the county, the last publication to be not less than five nor more than twenty days prior to such election~~ as provided in section 3 of this Act. Such notice shall state the purpose of the memorial proposed as outlined in section 37.18.

Sec. 213. Section thirty-seven point five (37.5), Code 1971, is amended as follows:

37.5 ACQUISITION OF SITE. When the proposition to erect any such building or monument has been carried by a majority vote of all voters voting thereon, any such county, ~~city, or town~~ shall have the power to purchase grounds suitable for a site for any such building or monument.

Sec. 214. Section thirty-seven point six (37.6), Code 1971, is amended as follows:

37.6 BONDS. For the purpose of providing funds for the acquisition of necessary ground therefor, and for purchasing, erecting, constructing, or reconstructing such building or monument, and for the necessary equipment therefor, the county, ~~city, or town~~ may issue bonds to be known as liberty memorial bonds, to be issued and sold as provided by law relative to general county ~~and city~~ bonds; ~~they~~ it shall provide for portions of such bonds to become due at different, definite periods, but none in more than twenty years from date. In issuing such bonds, such county, ~~city, or town~~ may become indebted in an amount which, added to all other indebtedness, shall not exceed five percent of the actual value of the

taxable property in such county~~,-city,-or-town~~ as determined by the last state and county tax lists. Such bonds shall bear interest at a rate not exceeding seven percent per annum. Bonds issued by a city must be issued in accordance with provisions of law relating to general corporate purpose bonds of a city.

Sec. 215. Section thirty-seven point seven (37.7), Code 1971, is amended as follows:

37.7 LEVY FOR BONDS. For the purpose of liquidating such bonds together with the interest thereon, such county shall levy upon all the property within the limits thereof, subject to taxation for such purpose, in addition to all other taxes provided by law, a special tax not exceeding in any one year four mills on the dollar for a period of not exceeding twenty years.

~~For-the-purpose-of-liquidating-any-such-liberty-memorial-bonds-issued-by-cities-and-towns-pursuant-to-the-provisions-of-this-chapter,-together-with-interest-thereon,-taxes-shall-be-levied-by-such-cities-and-towns-in-accordance-with-chapter-76,-and-said-bonds-and-interest-thereon-shall-be-payable-through-the-debt-service-fund.~~

Sec. 216. Section thirty-seven point eight (37.8), Code 1971, is amended as follows:

37.8 LEVY FOR MAINTENANCE. For the development, operation, and maintenance of such building or monument constructed, purchased, or donated under this chapter, there may be thereafter levied a tax as follows:

1. By a county owning same, not to exceed one and one-fourth mills on all the taxable property within said county.

2. By a city ~~having-a-population-in-excess-of-fifty-thousand-persons-as-shown-by-the-last-preceding-census,-owning-same,-not-to-exceed-two-mills-on-all-the-taxable-property-within-said-city~~ owning same, not to exceed five mills on all the taxable property within the city, as provided in section 90, subsection 3 of this Act.

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~~3.--By any city having a population of at least fifteen thousand but not more than fifty thousand, owning same, not to exceed three mills on all the taxable property within said city.~~

~~4.--By a city having a population of less than fifteen thousand, owning same, not to exceed four mills on all the taxable property within said city.~~

~~5.--By a town owning same, not to exceed five mills on all the taxable property within said town.~~

Sec. 217. Section forty-three point eleven (43.11), Code 1971, is amended as follows:

43.11 FILING OF NOMINATION PAPERS. Nomination papers in behalf of a candidate shall be filed:

1. For an elective county office, in the office of the county auditor at least fifty-five days prior to the day fixed for holding the primary election.

2. For United States senator, for an elective state office, for representative in Congress, and for member of the general assembly, in the office of the secretary of state not more than eighty-five days nor less than sixty-five days prior to the day fixed for holding said primary election.

~~3.--For elective offices in cities and towns, as provided in section 363.11.~~

Sec. 218. Section forty-nine point three (49.3), Code 1971, is amended as follows:

49.3 ELECTION PRECINCTS. Election precincts shall, except as otherwise provided, be as follows:

1. Each township when there is no part of a city therein.

2. The portion of a township outside the limits of any city.

3. Such divisions of cities as may be fixed by the council by ordinance.

~~4.--Each incorporated town, for town elections.~~

Sec. 219. Section forty-nine point seven (49.7), Code 1971, is amended as follows:

49.7 PORTIONS OF TOWNSHIPS COMBINED. No precinct shall

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contain different townships or parts thereof, except for other than city elections where, by reason of the existence of a village or ~~incorporated town~~ city of less than two thousand population on or near a township line, the board of supervisors may create a voting precinct in compact form, from said ~~town~~ city or village, and may include therein territory adjoining and adjacent to said village or ~~town~~ city, which is situated in two or more townships.

Sec. 220. Section forty-nine point nine (49.9), Code 1971, is amended as follows:

49.9 PROPER PLACE OF VOTING. No person shall vote in any precinct but that of his residence~~, except as provided in section 363.24~~.

Sec. 221. Section forty-nine point thirteen (49.13), Code 1971, is repealed.

Sec. 222. Section fifty-two point three (52.3), Code 1971, is amended as follows:

52.3 TERMS OF PURCHASE--TAX LEVY. The local authorities, on the adoption and purchase of a voting machine, may provide for the payment therefor in such manner as they may deem for the best interest of the locality, and may for that purpose issue bonds, certificates of indebtedness, or other obligations, which shall be a charge on the county~~,~~ or city, ~~or town,~~ or levy not to exceed one-half mill; and any amounts so levied and collected in excess of actual costs of voting machines shall revert to the general fund of the county~~,~~ or city~~,-or-town~~ concerned. ~~In the case of a city or town, any such funds collected under this section shall be held in a separate account in the municipal enterprises fund and shall be used for no other purpose than the purchase of voting machines.~~ Such bonds, certificates, or other obligations may be issued with or without interest, payable at such time or times as the authorities may determine, but shall not be issued or sold at less than par.

Sec. 223. Section sixty-four point one (64.1), Code 1971,

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is amended as follows:

64.1 BOND NOT REQUIRED. Bonds shall not be required of the following public officers:

1. Governor.
2. Lieutenant governor.
3. Members of the general assembly.
4. Judges of the supreme, district, superior, and municipal courts.
5. Township trustees.
6. Aldermen, councilmen, and commissioners of cities and towns , other than mayors.

Sec. 224. Section sixty-four point fourteen (64.14), Code 1971, is repealed.

Sec. 225. Section sixty-nine point two (69.2), subsection three (3), Code 1971, is amended as follows:

3. The incumbent ceasing to be a resident of the state, district, county, township, city, ~~town,~~ or ward by or for which he was elected or appointed, or in which the duties of his office are to be exercised. This subsection shall not apply to ~~appointments authorized by section 368A.1, subsection 7~~ appointed city officers.

Sec. 226. Section sixty-nine point thirteen (69.13), Code 1971, is amended as follows:

69.13 VACANCIES--WHEN FILED. If a vacancy occurs in an elective office in a ~~city, town, or~~ township ten days, or a county office fifty days, or any other office sixty days, prior to a general election, it shall be filled at such election, unless previously filled at a special election.

Sec. 227. Section seventy-four point one (74.1), Code 1971, is amended as follows:

74.1 APPLICABILITY. This chapter shall apply to all warrants which are legally drawn on a public treasury, including the treasury of a city, and which, when presented for payment, are not paid for want of funds.

This chapter and its procedures shall also apply whenever

a municipality, as defined in section 24.2, or a city shall determine that there are not or will not be sufficient funds on hand to pay the legal obligations of a fund. Said municipality is authorized to provide for the payment of such present and future obligations by drawing one or more anticipatory warrants payable to a bank or other business entity authorized by law to loan money in an amount or amounts legally available and believed to be sufficient to cover the anticipated deficiencies. The duties imposed on the treasurer by this chapter may be assigned by the city council to another city officer.

Sec. 228. Section eighty point twelve (80.12), Code 1971, is amended as follows:

80.12 ATTENDANCE AT SHORT COURSE. The commissioner of public safety is authorized to send members of the department of public safety to any course of instruction for peace officers, not exceeding a total of six weeks' length in any one year, given by the college of law of the state University of Iowa, or the course of instruction in public safety education given at Iowa State University of science and technology, and such members shall be considered on duty while in attendance upon such authority. The legislative body in any county~~, city, or town~~ may authorize the attendance at such course of any law enforcing officer under the jurisdiction of such county, ~~city or town~~ and may provide for the payment of the actual and necessary expenses of such person while in attendance, which payment shall be made out of the general fund of such county~~, city or town~~.

Sec. 229. Section eighty-one A point two (81A.2), Code 1971, is amended as follows:

81A.2 LICENSE REQUIRED. It shall be unlawful for any transient merchant as herein defined, to sell, dispose of, or offer for sale any goods, wares or merchandise of any kind, nature or description, at any time or place within the state of Iowa, outside the limits of any city ~~or town~~ in the state

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of Iowa, or within the limits of any city ~~or town~~ in the state of Iowa that has not by ordinance ~~enacted pursuant to the provisions of section 368.6~~ provided for the licensing of transient merchants, unless such transient merchant, as herein defined, shall have a valid license as herein provided and shall have complied with the regulations herein set forth.

Sec. 230. Section ninety-eight point thirty-five (98.35), Code 1971, is amended as follows:

98.35 TAX AND FEES PAID TO GENERAL FUND. The proceeds derived from the sale of stamps and the payment of taxes, fees and penalties provided for under this chapter, and the permit fees received from all permits issued by the department, shall be credited to the general fund of the state. All permit fees provided for in this chapter and collected by cities ~~and towns~~ in the issuance of permits granted by ~~such municipalities~~ the cities shall be paid to the treasurer of the city ~~or town~~ wherein the permit is effective, or to another city officer as designated by the council, and credited to the general fund of said city ~~or town~~. Permit fees so collected by counties shall be paid to the county treasurer and credited to the general fund of such county.

Sec. 231. Section one hundred four point three (104.3), Code 1971, is repealed.

Sec. 232. Section one hundred eleven point thirty (111.30), Code 1971, is amended as follows:

111.30 CITY FUNDS AVAILABLE. Any such city or cities, or any town or towns aiding in the purchase of land for state parks, as provided for in sections 111.28 and 111.29 may pay for the same out of the general fund, ~~or the park fund,~~ or may issue bonds for the payment of the same and levy a tax for the payment of such bonds and the interest thereon, in accordance with the provisions of law relating to general corporate purpose bonds of a city.

Sec. 233. Section one hundred thirty-five point eleven (135.11), subsection nine (9), Code 1971, is amended by strik-

ing the subsection and inserting in lieu thereof the following:

9. Establish, publish, and enforce a state housing code containing minimum requirements for the protection of the public health, safety, and welfare. The state housing code is subject to the provisions of chapter seventeen A (17A) of the Code. The state housing code must contain minimum standards for existing dwellings, and may control the construction or alteration of any dwelling, building to be used as a dwelling, or building or structure on the same lot with a dwelling. The code may divide dwellings into reasonable classifications based upon location or occupancy or both, and establish standards for each classification relative to light, ventilation, sanitation, fire prevention, egress, repair and maintenance, alteration and improvement, and use. In establishing the state housing code, the department may consider any national standard codes relating to building construction and housing, and shall, so far as practicable, make the housing code consistent with rules of the state fire marshal relating to fire safety in housing.

For purposes of the state housing code, the word "nuisance" includes nuisance as known at common law or in equity jurisprudence, and whatever is dangerous to human life or detrimental to health, whatever dwelling is overcrowded with occupants or is not provided with adequate ingress or egress, or is not sufficiently supported, ventilated, sewered, drained, cleaned, or lighted, in reference to its intended or actual use, and whatever renders the air or human food or drink unwholesome, is also a nuisance, and all nuisances are illegal.

A city may adopt by ordinance part or all of the state housing code, or may adopt minimum requirements which are higher or more stringent than the requirements of the state housing code, and may enforce its ordinances in the usual manner and in the same manner as the state housing code may be enforced, as provided in this section.

Local health boards, or local health officials, shall en-

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force the state housing code, subject to supervision by the department. However, in a city which has a full-time building inspector, the council may, by ordinance, delegate to him the duty of enforcing the state housing code as it relates to fire protection, egress, and the construction or alteration of a dwelling, building, or structure.

In enforcing the state housing code, the department and local officials may:

a. Require the submission of specifications and plans, and issue or revoke permits, for the construction or alteration of a dwelling, building, or structure subject to the housing code, and impose a reasonable charge for construction or alteration permits.

b. Maintain a civil action in any municipal or district court of the state, and recover from the owner of the property or from any other person, who violates the state housing code or knowingly permits the existence of a nuisance, or who fails to take action to comply with a notice or order from a state or local official to remove a nuisance or violation within five days of service of the notice or order, or who continues a violation after such time, a judgment of fifty dollars for the use of the state or local department which brings the action, plus costs, including attorney fees, expenses of enforcement, and costs incurred in the removal of the violation or nuisance, for each such offense. Such a judgment is a lien on the property until paid.

c. Maintain an action in any municipal or district court of the state to enjoin or abate a violation of the state housing code or a nuisance, to require compliance with a notice or order relating to a violation or nuisance, to enjoin the occupancy or use of, or the doing of any work in or about a dwelling, building, or structure which does not conform substantially to the state housing code, or to enjoin any illegal act, conduct, or business in or about a dwelling, building, or structure subject to the state housing code.

For the period when such an injunction is in effect, no rent is recoverable by the owner or renter of the premises covered by the injunction, and no action may be brought for possession of the premises based upon nonpayment of rent.

d. At reasonable times, enter and examine all premises subject to the state housing code.

e. Require that the owners of all rented premises obtain a certificate of compliance with the state housing code. The department may impose a reasonable charge for compliance certificates.

f. In an action maintained under paragraphs b and c of this subsection, the department or local officials shall show by petition that the owner and renter of the premises have received notice of the violation and reasonable opportunity to comply with the law. Notice of a violation mailed to the address of the owner, as shown on the tax records of the county auditor, and to the occupant of the premises, is presumed to be received. Notice of the action must be served on the owner, as shown by the tax records of the county auditor, according to the Rules of Civil Procedure. However, an owner may file with the health department the name and address of his agent, and service or mailing of notice to the agent is equal to service or mailing to the owner.

Sec. 234. Section one hundred thirty-five B point seven (135B.7), Code 1971, is amended as follows:

135B.7 RULES, REGULATIONS, AND ENFORCEMENT. The state department of health with the advice of the hospital licensing board, shall adopt, amend, promulgate and enforce such rules, regulations and standards with respect to the different types of hospitals to be licensed hereunder as may be designed to further the accomplishment of the purposes of the chapter. Rules, regulations and standards may be adopted imposing requirements in excess of those provided in ~~chapter 443~~ the state housing code, but no rule, regulation or standard shall be adopted imposing requirements less than those provided

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by said ~~chapter~~ code. No rules, regulations or standards shall be adopted or enforced which would have the effect of denying a license to a hospital or other institution required to be licensed hereunder, solely by reason of the school or system of practice employed or permitted to be employed by physicians therein; provided that such school or system of practice is recognized by the laws of this state.

Sec. 235. Section one hundred thirty-five B point seventeen (135B.17), Code 1971, is amended as follows:

135B.17 CONSTRUCTION. This chapter shall not be construed as affecting, modifying or repealing any provision of ~~chapter 443~~ the state housing code, except as provided in section 135B.7, and provided further that this chapter shall be construed as being in addition to and not in conflict with chapters 235 and 236.

Sec. 236. Section one hundred thirty-five B point thirty-one (135B.31), Code 1971, is amended as follows:

135B.31 EXCEPTIONS. Nothing in this division is intended or should affect in any way that obligation of public hospitals under chapter 347 or ~~chapter 380~~ municipal hospitals, as well as the state hospital at Iowa City, to provide medical treatment for indigent persons or tuberculosis patients as provided in chapters 254 and 255, wherein medical treatment is provided by hospitals of that category to patients of certain entitlement, nor to the operation by the state of mental or other hospitals authorized by law. Nothing herein shall in any way affect or limit the practice of dentistry or the practice of oral surgery by a dentist.

Sec. 237. Section one hundred thirty-five C point fourteen (135C.14), subsection one (1), Code 1971, is amended as follows:

1. Location and construction of the facility, including plumbing, heating, lighting, ventilation, and other housing conditions, which shall ensure the health, safety and comfort of residents and protection from fire hazards. Such rules,

regulations and standards regarding location and construction of the home may impose requirements in excess of those provided in ~~chapter 413~~ the state housing code, but shall not impose requirements less than those provided by such ~~chapter~~ code. The rules of the department relating to protection from fire hazards and fire safety shall be promulgated by the state fire marshal, and shall be in keeping with the latest generally recognized safety criteria for the facilities covered of which the applicable criteria recommended and published from time to time by the national fire protection association shall be prima-facie evidence.

Sec. 238. Section one hundred thirty-five D point thirteen (135D.13), Code 1971, is amended as follows:

135D.13 NOTICE TO MUNICIPAL TREASURER OR CLERK. It shall be the duty of the state department of health to notify, or cause to be notified, the treasurer or clerk of each municipality of the issuance of each mobile home park license issued within the jurisdiction of such municipality.

Sec. 239. Section one hundred thirty-five D point twenty (135D.20), Code 1971, is amended as follows:

135D.20 POWERS DELEGATED TO LOCAL BOARDS. The state department of health shall have the power to delegate to a local health officer or other city officer or to local boards of health the duties of inspection and regulation of mobile home parks located within the jurisdiction of such local board of health or other officer, where, in the opinion of the state department of health, such delegation can best effectuate the policies of this chapter. When said duties are so delegated, fifty percent of the annual license fee collected therefrom shall be turned over to the treasurer or clerk of the jurisdiction involved, and there is hereby appropriated from the general fund of the state an amount sufficient to pay the proportionate fees allowable to the jurisdiction involved, as provided in this section.

Sec. 240. Section one hundred thirty-seven point sixteen

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(137.16), Code 1971, is amended as follows:

137.16 LOCAL HEALTH FUND. The treasurer of each ~~city which has a city board and the treasurer of each~~ county shall establish a "local health fund".

Sec. 241. Section one hundred thirty-seven point eighteen (137.18), Code 1971, is amended as follows:

137.18 DEPOSIT OF MONEYS IN FUND. All moneys received by a county or district for local health purposes from federal appropriations, from local taxation, from licenses, from fees for personal services, or from gifts, grants, bequests, or other sources shall be deposited in the local health fund. Expenditures shall be made from the fund on order of the local board for the purpose of carrying out its duties.

Sec. 242. Section one hundred thirty-seven point twenty (137.20), Code 1971, is amended as follows:

137.20 APPROPRIATION FROM GENERAL FUND OF COUNTY. The board of supervisors of any county may appropriate from the county general fund ~~and the council of any city or town may appropriate from the sanitation fund~~ for the purpose of providing local health services. ~~Such~~ A county appropriation shall not exceed the statutory ~~limitations~~ limitation found in ~~chapters 404 and~~ chapter 444. Moneys appropriated for this purpose shall be deposited in the local health fund as specified in section 137.18.

Sec. 243. Section one hundred forty-five A point eighteen (145A.18), Code 1971, is amended as follows:

145A.18 TAXES. Taxes for the payment of bonds issued under section 145A.17 shall be levied in accordance with chapter 76, provided, however, that the total tax levy for the annual budget and for bonds issued under this chapter, shall not exceed the maximum millage for each political subdivision as provided in the published order of merger. Any indebtedness incurred shall not be considered an indebtedness incurred for general and ordinary purposes ~~as prescribed under section 407.1~~.

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Sec. 244. Section two hundred eighty A point twenty (280A.20), Code 1971, is amended as follows:

280A.20 PAYMENT OF BONDS. Taxes for the payment of bonds issued under section 280A.19 shall be levied in accordance with chapter 76. The bonds shall be payable from a fund created from the proceeds of such taxes in not more than twenty years and bear interest at a rate not exceeding seven percent per annum, and shall be of such form as the board issuing the bonds shall by resolution provide. Any indebtedness incurred shall not be considered an indebtedness incurred for general and ordinary purposes ~~as-prescribed-under section-407.4~~.

Sec. 245. Section three hundred point seven (300.7), Code 1971, is amended as follows:

300.7 APPROPRIATION BY CITY. The board of school directors in any district governed by sections 300.1 to 300.6, inclusive, of this chapter is also empowered to receive and expend for the purpose thereof any sums of money appropriated and turned over to them by the city council ~~or-commissioners~~ of such city for such purposes; and the city council~~,-or-commissioners of-such-city,-shall-have-authority-to~~ may appropriate and turn over to the board of school directors of the school district containing or contained in such city any reasonable sums of money ~~which-the-said-council-or-commissioners-may desire-to-appropriate-out-of-the-recreation-fund-of-such-city and-turn-over-to-the-said-board-of-school-directors~~ for the purposes herein set forth.

Sec. 246. Section three hundred three point fifteen (303.15), Code 1971, is amended as follows:

303.15 PUBLIC LIBRARIES NOT AFFECTED. Nothing contained in this chapter shall be construed as ~~repealing-or-superseding-chapter-378,-or-any-section-of-said-chapter~~ affecting public libraries other than state libraries.

Sec. 247. Section three hundred three point eighteen (303.18), subsection six (6), Code 1971, is amended as fol-

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lows:

6. To encourage the implementation of the county library law, and of county-wide library service through contracts with the boards of supervisors~~,-chapter-378~~.

Sec. 248. Section three hundred three point twenty-three (303.23), is repealed.

Sec. 249. Section three hundred nine point nine (309.9), subsection three (3), Code 1971, is amended as follows:

3. Payment of all or part of the cost of construction and maintenance of bridges in cities ~~and-towns-having-a-population-of-eight-thousand-or-less~~ and all or part of the cost of construction of roads located within ~~an-incorporated-town,-of-less-than-four-hundred-population~~ a city, which lead to state parks.

Sec. 250. Section three hundred nine point seventy-three (309.73), Code 1971, is amended as follows:

309.73 BRIDGES AND CULVERTS ON CITY BOUNDARY LINE. Bridges and culverts on highways or on parts thereof, which are located along the corporate limits of cities ~~which-control-their-own-bridge-funds~~ and which are partly within and partly without such limits and which highways are in whole or in part secondary roads, shall be constructed under plans and specifications, jointly agreed on by the city council and board of supervisors, and approved by the highway commission. The city and county shall share equally in the cost. All matters in dispute between such city and county relative to such bridges and culverts shall be referred to the highway commission and its decision shall be final and binding on both the city and county.

~~Cities-which-have-a-common-boundary-and-are-situated-in-counties-having-a-population-in-excess-of-two-hundred-thousand-and-the-county-in-which-such-cities-are-located~~ A county may contract~~,-each~~ with ~~the-other,~~ cities therein for the joint construction and financing of a bridge ~~to-be-located-within-one-hundred-feet-of-such-common-boundary-and-partly-with-~~

~~in-one-of-the-cities-and-partly-within-the-county.~~ Such contracts may ~~also~~ provide for the acquisition of right of way for, and construction of, highways connecting such bridge to existing city streets or secondary roads. Such bridge and highways shall be constructed under plans and specifications jointly agreed on by the respective contracting bodies. Such contract shall set forth the amount of money to be contributed by each contracting party and may provide for the amount of money to be contributed annually by each contracting party for the maintenance of the said public improvements. When such county and cities have agreed upon their respective portions of the cost of such bridge and highways they may pay same from their respective secondary road fund, street fund, or other funds available for highway or bridge purposes, or they may issue general obligation bonds to provide funds for the payment of their respective shares of such cost. Bonds issued by a city must be issued in accordance with provisions of law relating to general corporate purpose bonds of a city.

Taxes for the payment of ~~said~~ county bonds shall be levied in accordance with chapter 76 and said bonds shall be payable in not more than twenty years and bear interest at a rate not exceeding five percent per annum, and shall be of such form as the respective councils or board of supervisors shall by resolution provide, but no city or county shall become indebted in excess of five percent of the actual value of taxable property within its taxing jurisdiction as shown by the last preceding state and county tax lists. The indebtedness incurred for the purpose provided in this section shall not be considered an indebtedness incurred for general or ordinary purposes.

Sec. 251. Section three hundred eleven point nineteen (311.19), unnumbered paragraph two (2), Code 1971, is amended as follows:

In case of assessments on lands owned by the county, the

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same shall be paid from the county general fund. In case of assessments on lands owned by the state, the same shall be paid out of any funds in the state treasury not otherwise appropriated. In case of assessments on lands owned by a city ~~or town~~, the same shall be paid from ~~the~~ any available city ~~or town street~~ fund.

Sec. 252. Section three hundred twelve point six (312.6), Code 1971, is amended as follows:

312.6 LIMITATION ON USE OF FUNDS. Funds received by municipal corporations from the road use tax fund shall be used~~:~~ for any purpose relating to the construction, maintenance, and supervision of the public streets.

~~1.--For the purposes for which street fund money may be used, with the exception of parking facilities as provided in subsection 5 of section 404.7.~~

~~2.--For the acquisition and installation of traffic control signals and devices required as part of a street construction or reconstruction project.~~

~~3.--For sidewalk expenditures required as part of a street construction or reconstruction project.~~

~~4.--For payment of principal and interest on bonds issued for street, bridge and viaduct purposes.~~

~~5.--For the construction of storm sewers and other drains for controlling and providing adequate drainage for surface waters originating within or flowing upon the right-of-ways of newly constructed or reconstructed streets, and for the payment of principal and interest on bonds issued to finance such construction.~~

~~Such funds shall not be used for the purchase of machinery or equipment, except as provided in subsection 12 of section 404.7.~~

Sec. 253. Section three hundred thirteen point twenty-nine (313.29), Code 1971, is amended as follows:

313.29 DETOURS LOCATED IN CITY OR TOWN. When the temporary primary road detour or temporary primary road haul road, or

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any portion thereof, is located within the corporate limits of a city ~~or town~~, then as to ~~such~~ the portion so located, the provisions of section 313.28 as to consultation, designation, restoration and payment by the state highway commission shall apply in like manner to the benefit of ~~such~~ the city ~~or town~~, and credits thereunder shall be made to the ~~street~~ general fund of ~~such~~ the city ~~or town.--Such~~ . A city ~~or town~~ may designate the county engineer or~~,--in--the case--of--a city,--its--chief--civil~~ engineer, to inspect such street so used jointly with the representative of the state highway commission.

Sec. 254. Section three hundred twenty-one point nineteen (321.19), Code 1971, is amended as follows:

321.19 GENERAL EXEMPTIONS. All vehicles owned by the government and used in the transaction of official business by the representatives of foreign powers or by officers, boards, or departments of the government of the United States, and by the state of Iowa, counties, municipalities and other subdivisions of government including vehicles used by an urban transit company operated by a municipality ~~as--authorized--under chapter--386~~, and such self-propelling vehicles as are used neither for the conveyance of persons for hire, pleasure, or business nor for the transportation of freight other than those used by an urban transit company operated by a municipality, and all fire trucks, providing they are not owned and operated for a pecuniary profit, are hereby exempted from the payment of the fees in this chapter prescribed except as provided for urban transit companies in section 257 of this Act, but shall not be exempt from the penalties herein provided. The department shall furnish, on application, free of charge, distinquishing plates for vehicles thus exempted, which plates shall bear the word "official", and the department shall keep a separate record thereof. Provided that the executive council may order the issuance of regular registration plates, for any such exempted vehicle, used by

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peace officers in the enforcement of the law and persons enforcing the drug and narcotic laws. For purposes of sale of vehicles exempted as herein indicated, the exempted governmental body, upon the sale of the exempted vehicle, may issue for in-transit purposes a pasteboard card bearing the words "Vehicle in Transit", the name of the official body from which the vehicle was purchased, together with the date of the purchase plainly marked in minimal of one-inch letters, and other information which may be required by the department of public safety. The in-transit card shall be valid for use only within forty-eight hours after the purchase date as indicated on the bill of sale which shall be carried by the driver.

Sec. 255. Section three hundred twenty-one point two hundred thirty-eight (321.238), Code 1971, is amended as follows:

321.238 TESTING STATIONS. ~~All cities and towns shall have the power to acquire, establish, erect, equip, operate, and maintain motor vehicle testing stations therein and to pay for the same out of the allocations from the public safety fund.~~ Cities ~~and towns~~ operating and maintaining motor vehicle testing stations may enact ordinances authorizing and providing for the inspection and testing of motor vehicles owned or operated by an owner or operator of a fleet of five or more motor vehicles by such owner or operator. Such ordinances may impose ~~such~~ conditions and requirements as the city ~~or town~~ may deem appropriate in connection with the granting of such authority to fleet owners or operators.

Sec. 256. Section three hundred twenty-one point two hundred thirty-nine (321.239), Code 1971, is amended as follows:

321.239 FEES. They ~~shall have the power to~~ may fix the amount of fees, not exceeding fifty cents per test and not more than one dollar per year, for the inspection of any motor vehicle or truck for any defect prohibited by law upon any motor vehicle operated upon the streets, alleys, or

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thoroughfares of cities ~~and towns. They shall pay all fees so collected into the public safety fund.~~

Sec. 257. Chapter three hundred twenty-one (321), Code 1971, is amended by adding the following new section:

"'Urban transit company' means any person, firm, corporation, company, or municipality which operates buses or trolley cars or both, primarily upon the streets of cities over well-defined routes between certain termini, for the transportation of passengers for a uniform fare, and which accepts for passengers all who present themselves for transportation without discrimination up to the limit of the capacity of each vehicle. Included are street railways, plants, equipment, property, and rights, used and useful in the transportation of passengers. Motor carriers and interurbans subject to the jurisdiction of the state commerce commission, and taxicabs, are not included.

Any person, firm, corporation, or company operating an urban transit system shall pay to the county treasurer annually as a registration fee for each bus, car, or vehicle used in the transportation of passengers, twenty-five dollars, which shall be paid into the city general fund. Any urban transit company operated by a municipality is not required to pay such registration fees. The motor vehicle department, in accordance with section three hundred twenty-one point nineteen (321.19) of the Code, shall furnish distinguishing plates for vehicles used by urban transit companies operated by a municipality. No other provision of law providing for the payment of taxes, registration, or license fees for vehicles shall be applicable to any bus, car, or vehicle for the transportation of passengers owned and operated by any urban transit company.

Section three hundred twenty-four point three (324.3) and chapter three hundred twenty-six (326) of the Code are not applicable to urban transit companies or systems."

Sec. 258. Section three hundred twenty-one E point eleven

(321E.11), unnumbered paragraph two (2), Code 1971, is amended as follows:

Except as provided in section 321.457, no movement of over-dimension vehicles shall be permitted on Saturday, Sunday, holidays, or days preceding and following holidays, or special events when abnormally high traffic volumes can be expected. Such restrictions shall not be applicable to urban transit systems as defined in section ~~386.1~~ 257 of this Act.

Sec. 259. Section three hundred twenty-five point twenty-seven (325.27), Code 1971, is amended as follows:

325.27 POWERS OF CITIES ~~AND TOWNS~~. Cities ~~and towns shall have power~~ may by ordinance ~~to~~ adopt general rules of operation, and ~~to~~ designate the streets or routes over which motor carriers shall travel; provided, however, that the exercise of the power granted in this section shall be reasonable and fair. ~~Motor vehicles operating or proposing to operate between cities and towns, the corporate limits of which are not more than one mile apart, shall be considered as coming within the purview of section 386.2.~~

Sec. 260. Section three hundred twenty-nine point one (329.1), subsection four (4), Code 1971, is amended as follows:

4. "Municipality" means any county, or city~~, village, or town~~ of this state.

Sec. 261. Section three hundred thirty point two (330.2), Code 1971, is amended as follows:

330.2 POWERS. ~~Cities and towns shall have the right to~~ Counties and townships may acquire, establish, improve, maintain and operate airports, either within or without their ~~corporate~~ limits, and either within or without the territorial limits of this state.

Sec. 262. Section three hundred thirty point three (330.3), Code 1971, is repealed.

Sec. 263. Section three hundred thirty point four (330.4), Code 1971, is amended as follows:

330.4 JOINT EXERCISE OF POWERS. ~~Any Iowa political subdivision, villages, towns, cities, townships, and counties may, by duly adopted ordinance or resolution as may be appropriate, enter into agreements providing for collaboration with any other one or more such political subdivisions, within or without the state of Iowa, in exercising jointly any of the powers granted by this chapter, to the same extent as such powers can be exercised by any such political subdivision individually. Concurrent action by the governing bodies of the political subdivision participating shall constitute joint action. Such agreements~~ Agreements between political subdivisions for joint exercise of any powers relating to airports may provide for the creation and establishment of a joint airport commission which, when so created or established, shall function in accordance with the provisions of sections 330.17 to 330.24, inclusive, insofar as provided by said agreements.

Sec. 264. Section three hundred thirty point five (330.5), Code 1971, is amended as follows:

330.5 ACQUISITION. ~~Any such city or town is hereby authorized and empowered to~~ A county or township may acquire by purchase, gift, condemnation, lease or otherwise, either within or without its ~~corporate~~ limits, and either within or without the territorial limits of this state, real estate and personal property for airport purposes; and in like manner ~~to~~ acquire or cause to be moved, removed, abated, eliminated, mitigated, or altered any structure or object protruding above the surface of the ground, or any use of land obstructing the airspace necessary for the safe and efficient flight of aircraft in landing or taking off at any airport, or otherwise constituting a hazard to such landing or taking off.

Sec. 265. Section three hundred thirty point six (330.6), Code 1971, is amended as follows:

330.6 IMPROVEMENTS. ~~Any such city or town~~ A county or township may erect on any land so acquired, or owned by it,

such buildings and equipment, and make such improvements as may be necessary for the purpose of adapting such property to the use of aerial traffic.

Sec. 266. Section three hundred thirty point seven (330.7), Code 1971, is amended as follows:

330.7 GENERAL BONDS--ELECTION--LEVY OF TAX. ~~Cities and towns are hereby authorized to~~ A county or township may contract indebtedness and ~~to~~ issue general obligation bonds to provide funds to pay the cost of establishing, acquiring and equipping ~~a municipally owned~~ an airport and for improving the same.

No such indebtedness to pay the cost of the establishment of ~~a municipally owned~~ an airport shall be incurred until approved by the electors of ~~such city or town~~ the county or township ~~in accordance with the provisions of chapter 407 which election proceedings may be instituted by the city or town council~~.

The governing body of the county or township may call a special election or may submit the question at the next general election. Notice of a special election must be published twice in a newspaper of general circulation in the county or township, not less than ten nor more than twenty-five days before the date of the election.

The question submitted to the voters shall state the maximum amount of bonds proposed and the maximum tax levy necessary to repay the bonds plus interest. If a majority of those voting approves the proposition, the governing body may proceed as proposed.

Taxes for the payment of said bonds shall be levied in accordance with chapter 76 and said bonds shall be payable ~~through the debt service fund~~ in not more than twenty years and bear interest at a rate not exceeding seven percent per annum and shall be of such form as the ~~city or town council~~ governing body shall by resolution provide, but no ~~city or town~~ county or township shall become indebted in excess of

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five percent of the actual value of ~~the~~ its taxable property ~~within-said-city-or-town~~, as shown by the last preceding state and county tax lists. The indebtedness incurred for the purpose provided in this section shall not be considered an indebtedness incurred for general or ordinary purposes.

Sec. 267. Section three hundred thirty point nine (330.9), Code 1971, is amended as follows:

330.9 PLANS AND SPECIFICATIONS. Before an airport is acquired by any ~~such~~ city, ~~or-town~~ county, or township, the plans and specifications therefor shall be submitted to the Iowa state aeronautics commission which shall require that they show:

The legal description and plat of the site; distance from the nearest post office and railroad station; location and type of highways; location and type of obstructions on and near the site; kind of soil and subsoil; costs and details of grading and draining; location of proposed runways, hangers, buildings, and other structures.

~~And-they~~ The commission shall furthermore require that the plans and specifications be in substantial accord with the regulations of the U.S. department of commerce or other department of the federal government having general supervision of air navigation as it relates to plans and specifications for airports. And if so found ~~they~~ it shall approve such plans and specifications.

Sec. 268. Section three hundred thirty point eleven (330.11), Code 1971, is amended as follows:

330.11 ORDINANCES AND RULES. ~~Such-cities-and-towns-shall-have-the-power-to~~ A county or township may make and enforce ~~ordinances,~~ rules and regulations for control, supervision, and operation of airports. This power shall extend to the space above the lands and waters included within the limits of any ~~city-or-town,-and-to-any-airport-owned,-controlled,-maintained,-or-operated-by-any-city-or-town-outside-its-limits,-and-to-the-space-above-the-same.--In-addition-thereto,-all~~

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~~powers granted to and exercised by cities and towns within their corporate limits are extended to municipal airports located outside said limits, but within the state of Iowa~~ county or township. Provided, however, that no such ~~ordinance,~~ rule or regulation, shall be in conflict with state law or regulation, or in conflict with federal law or regulation.

Sec. 269. Section three hundred thirty point twelve (330.12), Code 1971, is amended as follows:

330.12 CHARGES. ~~Any such city or town~~ A county or township may from time to time fix, establish, and collect a schedule of charges for the use of such property or any part thereof, which charges shall be used in connection with the maintenance and operation of such airport. When the public needs will not be injured thereby, any such ~~city or town~~ county or township may lease all or any portion of such property, for a period of years not exceeding fifty or sell any equipment no longer required. Real estate may be sold only by unanimous vote of all members of the ~~council~~ governing body.

Sec. 270. Section three hundred thirty point fifteen (330.15), Code 1971, is amended as follows:

330.15 DEEMED AS PUBLIC USE. Any property acquired, owned, controlled, or occupied for the purposes enumerated in this chapter, shall be and is hereby declared to be acquired, owned, controlled, and occupied for a public purpose and as a matter of public need, and the liability of any ~~city or town~~ county or township in connection therewith shall be no greater than that imposed upon ~~municipalities~~ cities in the maintenance and operation of public parks.

Sec. 271. Section three hundred thirty point sixteen (330.16), Code 1971, is amended as follows:

330.16 ADDITIONAL LEVY--ELECTION--BONDS ISSUED. Any ~~municipality~~ county or township which has heretofore or may hereafter establish a municipal airport pursuant to the provisions of this chapter or of any other provision of law, is hereby authorized without approval at an election, to contract indebt-

edness and to issue general obligation bonds to provide funds to pay the cost of equipping, improving and enlarging such airport provided, however, that if at any time before the date fixed for taking action for the issuance of such bonds a petition is filed with the ~~clerk-or-recorder-of-the-municipality~~ county auditor signed by qualified electors of the ~~city-or-town~~ county or township equal in number to two percent of those who voted for the office of governor at the last preceding general election as shown by the election registers or poll lists, asking that the question of issuing such bonds be submitted to the legal voters ~~of-the-municipality~~, the governing body thereof shall either by resolution declare the proposal to issue the bonds to have been abandoned or shall call a special election to vote upon the question of issuing the bonds.

Taxes for the payment of said bonds shall be levied in accordance with chapter 76 and said bonds shall be payable ~~through-the-debt-service-fund~~ in not more than twenty years and bear interest at a rate not exceeding seven percent per annum and shall be of such form as the ~~city-or-town-council~~ governing body shall by resolution provide, but no ~~city-or-town~~ county or township shall become indebted in excess of five percent of the actual value of ~~the~~ its taxable property ~~within-said-city-or-town~~, as shown by the last preceding state and county tax lists. The indebtedness incurred for the purpose provided in this section shall not be considered an indebtedness incurred for general or ordinary purposes.

Section 330.7 and this section shall be construed as granting additional power without limiting the power already existing ~~in-cities-and-towns~~.

~~The-provisions-of-said-sections-shall-be-applicable-to all-municipal-corporations-regardless-of-form-of-government or-manner-of-incorporation.~~

Sec. 272. Section three hundred thirty point seventeen (330.17), Code 1971, is amended as follows:

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330.17 AIRPORT COMMISSION--ELECTION. The council of any city, ~~or town~~ county, or township, which owns or otherwise acquires an airport ~~or airports~~ may, and upon the council's receipt of a valid petition as provided in section 4 of this Act, or upon petition of ten percent of the number of qualified electors of the county or township who voted at the last ~~city~~ general election shall, at ~~any city~~ a regular city election or a general election if one is to be held within sixty days from the filing of said petition, or special election called for that purpose, submit to the voters the question as to whether the management and control of such airport~~, or airports,~~ shall be placed in an airport commission. If a majority of the voters favors placing the management and control of the airport in an airport commission, the commission shall be established as provided in this chapter.

~~Whenever an airport, or airports, of any city or town has been placed under the~~ The management and control of an airport ~~commission, upon petition of ten percent of the number of qualified electors who voted at the last city election the council of any such city or town shall, at a city election if one is to be held within sixty days from the filing of said petition or at a special election called for such purpose, submit to the voters the question as to whether the management and control of such airport, or airports, shall be continued in the airport commission, and if~~ by an airport commission may be ended in the same manner. If a majority of the ~~votes cast upon said proposition at the election shall be against the continuance of such~~ voters does not favor continuing the management and control of the airport in an airport commission, said commission shall stand abolished sixty days from and after the date of such election, and the power to maintain and operate such airport~~, or airports, as provided in this chapter,~~ shall revert to such city ~~or town~~ , county, or township.

Sec. 273. Section three hundred thirty point eighteen

(330.18), Code 1971, is amended as follows:

330.18 NOTICE OF ELECTION. Notice of such election shall be given by publication ~~in one newspaper in said city or town in one publication~~ in a newspaper of general circulation in the city, county, or township, subject to the provisions of section 3 of this Act ~~, and the election shall be held not less than seven or more than fourteen days after the completion of such published notice. If no newspaper is published in such city or town notices may be given by posting notices in five public places in such city or town for three weeks prior to said election.~~

Sec. 274. Section three hundred thirty point twenty (330.20), Code 1971, is amended as follows:

330.20 APPOINTMENT OF COMMISSION. When a majority of the ~~votes cast upon said proposition at such election shall have declared in favor of the proposition of~~ voters favors airport control and management by a commission, the ~~mayor~~ governing body shall, within ten days ~~thereafter~~, appoint an airport commission of ~~not more than~~ three or five resident voters ~~of said city or town, which appointments shall be approved by the council~~. In case of a commission of three members the first appointees shall hold office, one for two years, one for four years, and one for six years. In case of a commission of five members the first appointees shall hold office, one for two years, one for three years, one for four years, one for five years, and one for six years. All subsequent appointments shall be for a term of six years. Vacancies shall be filled as original appointments are made. Members of the airport commission shall serve without compensation. Each commissioner shall execute and furnish a bond in an amount fixed by the ~~council, to be approved by the mayor~~ governing body and filed with the city clerk or county auditor. The cost of such bond shall be paid from the general fund ~~of the city~~. The commission shall elect from ~~their~~ its own members a chairman and a secretary who

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shall serve for such term as the commission shall determine.

Sec. 275. Section three hundred thirty point twenty-one (330.21), Code 1971, is amended as follows:

330.21 POWERS--FUNDS. ~~Said~~ The commission ~~shall have and exercise~~ has all of the powers granted to cities ~~and towns~~, counties, and townships under this chapter, except powers to sell ~~said~~ the airport ~~or airports~~. The commission shall annually certify the amount of tax within the limitations of this chapter to be levied for airport purposes, and upon such certification the ~~city council~~ governing body ~~shall~~ may include all or a portion of said amount in its budget.

All funds derived from taxation or otherwise for airport purposes shall be under the full and absolute control of ~~said~~ the commission for the purposes prescribed by law, and shall be deposited with the ~~city~~ treasurer or city clerk to the credit of the airport commission, and shall be disbursed only on the written warrants or orders of the airport commission, including the payment of all indebtedness arising from the acquisition and construction of airports and the maintenance, operation, and extension thereof.

Sec. 276. Section three hundred thirty point twenty-two (330.22), Code 1971, is amended as follows:

330.22 ANNUAL REPORT--PUBLISHING. The airport commission shall immediately after the close of each municipal fiscal year, file with the city clerk or county auditor a detailed and audited written report of all money received and disbursed by ~~said~~ the commission during said fiscal year, and shall publish a summary thereof in an official newspaper ~~in said city or town~~.

Sec. 277. Section three hundred thirty point twenty-three (330.23), Code 1971, is amended as follows:

330.23 RULES AND REGULATIONS. The power conferred on ~~cities and towns~~ counties and townships to make and enforce rules and regulations under section 330.11 is delegated to the ~~city~~ airport commission.

Sec. 278. Section three hundred thirty-two point three (332.3), subsections twenty-two (22) and twenty-three (23), Code 1971, are amended as follows:

22. In counties having a population of over thirty thousand, to adopt a building code and to provide for the regulation and inspection of all construction, major repairs and remodeling, and the installation of electrical, heating, ventilating, air conditioning, and plumbing fixtures, apparatus, and equipment and provide for the manner in which such regulations and inspection shall be determined, established and enforced, and from time to time amended, supplemented or changed. However, no such regulation shall become effective until after a public hearing in relation thereto at which parties in interest and citizens shall have an opportunity to be heard. At least fifteen days notice of the time and place of such hearing shall be published in a paper of general circulation in such county. Upon compliance with the provisions of this chapter, the regulation shall become effective, the provisions of any other statute to the contrary notwithstanding. Such code shall not be construed to apply within the limits of any ~~incorporated~~ city, ~~or town which has the power to adopt a building code under the provisions of section 368.9~~ or to farm houses or other farm buildings which are primarily adapted, by reason of nature and area, for use for agricultural purposes, while so used or while under construction for such use.

23. To purchase, lease, equip, maintain and operate an ambulance or ambulances to provide necessary and sufficient ambulance service or to contract for such vehicles, equipment, maintenance or service.

The board may adopt a schedule of fees to be charged the users of such service, and such fee schedule may include considerations concerning the cost of the service and the user's ability to pay.

If a county ~~shall provide~~ provides ambulance service, it

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shall first ascertain what cities ~~and towns~~ in ~~such~~ the county also provide ambulance service ~~pursuant to section 368.74~~. The county shall then co-ordinate its services with that provided by any ~~such~~ city ~~or town~~ in order to eliminate duplication and to make the ambulance service provided by the county and ~~such~~ cities ~~and towns~~ as economical as possible.

Any third party payor making payment for ambulance service shall make such payment either jointly to the person on whose behalf the payment is made and to the person or organization providing such ambulance service, or directly to the person or organization providing such ambulance service.

Sec. 279. Section three hundred thirty-two point three (332.3), Code 1971, is amended by adding the following new subsection:

"The board of supervisors of a county in which a military reservation is located may authorize any individual or corporation which is authorized to erect or maintain waterworks, to lay its mains in any of the highways of the county for the purpose of extending the mains to a military reservation."

Sec. 280. Chapter three hundred thirty-two (332), Code 1971, is amended by adding the following new section:

"1. Counties and sanitary districts incorporated under the provisions of chapter three hundred fifty-eight (358) of the Code may own, acquire, establish, construct, purchase, equip, improve, extend, operate, maintain, reconstruct, and repair within or without the limits of the county or sanitary district, works and facilities useful and convenient for the collection, treatment, purification, and disposal in a sanitary manner of the liquid and solid waste, sewage, and industrial waste of the county or sanitary district, including sanitary disposal projects as defined in section four hundred six point two (406.2) of the Code, also swimming pools or golf courses, and may acquire by gift, grant, purchase, condemnation, or otherwise all necessary lands, rights-of-way, and property therefor, within or without the county or sanitary district,

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may purchase and acquire an interest in a sanitary disposal project or such works and facilities which are owned by a city, county, or sanitary district and which are to be jointly used by them, and may issue revenue bonds to pay all or any part of the cost of establishing, acquiring, purchasing, constructing, equipping, improving, extending, reconstructing, repairing, operating, or maintaining a sanitary disposal project or such works and facilities, including the amount agreed upon for the purchase and acquisition by a county or sanitary district of an interest in the sanitary disposal project or works and facilities which are owned by a city, county, or sanitary district and which are to be jointly used. As used in this section the words 'works and facilities', 'works', or 'facilities' shall include but not be limited to sanitary disposal projects as defined in section four hundred six point two (406.2) of the Code.

The construction, acquisition, improvement, equipment, custody, operation, and maintenance of any works for the collection, treatment, or disposal of sewage, swimming pools, golf courses, or sanitary disposal projects, and the collection of revenues for the service rendered, shall be under the supervision and control of the county or sanitary district.

2. Counties and sanitary districts may by resolution or ordinance provide a schedule of fees to be charged for the use of and the services and facilities to be rendered by the sanitary disposal project or for the collection and disposal of garbage and may pay the cost of establishing, acquiring, purchasing, constructing, equipping, improving, extending, reconstructing, repairing, maintaining, and operating sanitary disposal projects, garbage disposal plants, or incinerating plants out of the earnings of project or plant. Revenue bonds, payable solely out of the earnings of the project or plant, may be issued in the manner provided in this section.

3. Counties and sanitary districts incorporated under the provisions of chapter three hundred fifty-eight (358)

of the Code are authorized to borrow money from the federal government or a federal agency for any of the purposes referred to in this section by issuing revenue bonds under this section, and may deliver the bonds to the federal government or its agency, or may borrow money by issuing revenue bonds under this section and may deliver the bonds to the contractor in payment for the costs of any of the projects or improvements referred to in this section, or may sell the bonds at a public sale upon the same conditions provided by chapter seventy-five (75) of the Code, as applicable to bonds issued by counties and sanitary districts, and may use the proceeds from the sale of bonds to pay all or any part of the cost of the projects or improvements. As evidence of the loan, the county or sanitary district may issue its bonds payable solely from the revenues derived from the project or improvement. Bonds may be issued in amounts as necessary to provide sufficient funds to pay all costs of the project or improvement, including engineering, legal, and other expenses, together with interest to a date six months subsequent to the estimated date of completion. Such bonds are negotiable instruments, shall be executed by the chairman of the board of supervisors and county auditor of the county, or the trustees of the sanitary district, and shall be sealed with the corporate seal of the county or sanitary district. The principal and interest of the bonds shall be payable solely from the special fund provided for payment, and the bonds shall not be a general obligation of the county or sanitary district, nor shall they be payable by taxation, nor shall the county or sanitary district be liable by reason of the earnings being insufficient to pay the bonds. All details pertaining to the issuance of bonds and the terms and conditions thereof, shall be determined by resolution or ordinance of the county or sanitary district. Counties and sanitary districts may also borrow money and issue revenue bonds for the purpose of purchasing and acquiring sanitary

disposal projects or works and facilities useful and convenient for the collection, treatment, purification, and disposal in a sanitary manner of the liquid and solid waste, sewage, and industrial waste of any county or sanitary district and for the purpose of purchasing and acquiring an interest in any such projects, works, and facilities which are owned by a city, county, or sanitary district and which are to be jointly used. Bonds may be delivered to the seller of the sanitary disposal project or works and facilities or to the municipality selling an interest in its sanitary disposal project or sewage works and facilities in payment of the purchase price, or may be sold at public sale in the manner provided by chapter seventy-five (75) of the Code and the proceeds from the sale applied to the payment of the purchase price.

4. This section applies to all proceedings heretofore taken by counties and sanitary districts for any of the purposes referred to in this section, notwithstanding that a portion of the funds have been derived from sources other than the issuance of bonds.

5. Before the issuance of bonds, the governing body of the county or sanitary district by resolution or ordinance shall pledge the net earnings of the sanitary disposal project or works to the payment of the bonds and the interest thereon, and shall provide that the net earnings shall be set apart as a sinking fund for that purpose.

6. The governing body of the county or sanitary district may by resolution or ordinance, establish and maintain just and equitable rates or charges for the use of and the services rendered by such works, to be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses such works, by or through any part of the sewage system of the county or district, or that in any way uses or is served by such works. The governing body of the county or sanitary district may also by ordinance or resolution

establish and maintain just and equitable rates or charges for the use of and the services and facilities rendered by a sanitary disposal project. The governing body may readjust rates or charges from time to time and may charge and collect reasonable rates and charges for swimming and golfing. Rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair, maintenance, acquisition, purchase, construction, equipping, improving, and extension of the sanitary disposal project or works, and for the payment of the sums required to be paid into a sinking fund, which fund shall be sufficient to meet the principal and interest and other charges, except rates or charges for the use of swimming pools and golf courses, of the bonded indebtedness. All such rates or charges if not paid as by the ordinance or resolution provided, when due, shall constitute a lien upon the premises served by the sanitary disposal project or works, and shall be collected in the same manner as taxes.

7. The provisions of this section apply to the construction, equipment, operation, and maintenance of any sewage treatment plant, by any sanitary district operating under the provisions of chapter three hundred fifty-eight (358) of the Code; and any sanitary district may, in addition, use the power conferred upon it by chapter three hundred fifty-eight (358) of the Code to apply any of the provisions of this section relating to the construction, equipment, operation and maintenance of any sewage treatment plant of the sanitary district, or any combination of the power relating to sewage treatment plants granted such sanitary district by the provisions of this section and chapter three hundred fifty-eight (358) of the Code.

8. Counties and sanitary districts may issue from time to time negotiable interest bearing refunding bonds to refund at maturity or pursuant to redemption provisions or at any time before maturity with the consent of the holders a like

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principal amount of outstanding revenue bonds or obligations previously issued by the county or sanitary district pursuant to the provisions of this section. All refunding bonds shall comply with the pertinent provisions of this section and may be made subject to redemption in a manner and upon terms with or without premium, as stated on the face thereof. Refunding bonds shall be payable only from the net earnings of the sanitary disposal project or works and facilities and shall not constitute a general obligation of any such county or sanitary district or be payable in any manner by taxation. Refunding bonds may be issued in exchange for the outstanding bonds or obligations to be refunded or may be sold and the proceeds applied to the payment of outstanding bonds or obligations.

Bonds issued pursuant to the provisions of this section shall bear interest at a rate not exceeding seven percent per annum."

Sec. 281. Chapter three hundred forty-six (346), Code 1971, is amended by adding the following new sections:

"No county or other political corporation shall become indebted for its general or ordinary purposes to an amount exceeding in the aggregate one and one-fourth percent of the actual value of the taxable property within the corporation. The value of property shall be ascertained by the last tax list previous to the incurring of the indebtedness. Indebtedness incurred by a county solely for poor relief purposes is not for its general or ordinary purposes."

"No county, or other political corporation, shall become indebted for any purpose to an amount, in the aggregate, exceeding five percent of the actual value of the property within the corporation, to be ascertained by the last state and county tax lists previous to the incurring of the indebtedness."

"1. A county may contract with its county seat city for the joint purchase, acquisition, ownership, and control of

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property suitable as the site of a building for use and occupancy by the city and county jointly, and any county owning a site or any interest therein, may, upon terms which appear fair and just to the board of supervisors, contract with reference to the joint acquisition, ownership, control, improvement, use, and occupancy of the property, and with reference to the construction, use, and occupancy of a building. The contract shall set forth the amount of money to be contributed by the county and by the city toward the acquisition of a site and its improvement, or the proportion of their respective contributions and the purpose for which the building is to be used. The contract may provide for the amount of money to be contributed annually by the county and by the city for the upkeep, maintenance, and operation of the property and the building, or it may provide for the respective proportions of expense which the county and the city shall pay, and may provide for an adjustment at stated periods of the amounts or proportions to be paid. The contract may specify the part of property and building to be used and occupied by the county and by the city. Contracts shall be made on behalf of the county only when approved by resolution of the board of supervisors, and when made shall be binding upon the county and city during the period specified in the contract unless modified or abrogated by mutual consent.

2. When a county and city have agreed upon their respective portions or proportions of the cost of a building and site, the county may, for the purpose of paying its respective portion of the cost and for the purpose of equipping the portions of the building to be used and occupied by it, issue bonds. However, no bonds shall be issued by a county until the proposition has been approved by at least a majority of the votes cast for and against the proposition at an election. The proposition may be submitted at a general, regular, or special election pursuant to a resolution of the board of supervisors. Notice of the election setting forth the

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proposition as it is to be voted upon shall be given by publication once each week for at least three consecutive weeks in a newspaper having general circulation in the county, and if the election is unfavorable the proposition may be submitted at a subsequent election. To the extent not otherwise provided the general election laws are applicable to the election. Bonds issued by a city must be issued in accordance with the provisions of law relating to general corporate purpose bonds of a city.

3. County bonds may bear interest at a rate not exceeding seven percent per annum payable semiannually and the principal shall be scheduled to mature in not more than twenty years from the date of the bonds. When a county has issued bonds it shall annually levy on all taxable property in the county, a tax sufficient to pay the interest and principal of the bonds as they become due, and each county may levy taxes sufficient to pay its portion of the cost of operating, maintaining, and keeping insured the building acquired or constructed under this section.

4. Contracts for the construction of any building which involve the expenditure of five thousand dollars or more shall be entered into pursuant to advertisement for bids in a manner approved and authorized by both the board of supervisors of the county and the council of the city. A county may apply for and accept federal aid in the construction of a building under this section, subject to conditions and stipulations imposed in connection with the federal aid and as approved by the board of supervisors.

5. This section is a complete and independent law for providing joint county and city buildings."

"1. Any joint building acquired, owned, erected, constructed, controlled, or occupied in accordance with the authorization contained in this section is declared to be acquired, owned, erected, constructed, controlled, or occupied for a public purpose and as a matter of public need.

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2. Any county may join with its county seat to incorporate an 'Authority' for the purpose of acquiring, constructing, demolishing, improving, enlarging, equipping, furnishing, repairing, maintaining, and operating a public building, and to acquire and prepare the necessary site, including demolition of any structures, for the joint use of the county and city or any school district which is within or is a part of the county or city.

3. The incorporation of an authority shall be accomplished by the adoption of articles of incorporation by the governing body of each incorporating unit. For adoption, the affirmative vote of a majority of the members of each governing body is required. The articles of incorporation shall be executed for and on behalf of each incorporating unit by the following officers:

a. For the county, by the chairman of the board of supervisors.

b. For the city, by its mayor and city clerk.

4. The articles of incorporation shall set forth the name of the authority, the name of the incorporating units, the purpose for which the authority is created, the number, terms, and manner of selection of its officers including its governing body which shall be known as the 'commission', the powers and duties of the authority and of its officers, the date upon which the authority becomes effective, the name of the newspaper in which the articles of incorporation shall be published, and any other matters.

5. The authority shall be directed and governed by a board of commissioners of three members, one to be elected by the board of supervisors of the county from the area outside of the county seat, one to be elected by the council of the city from the area inside the city, and one to be elected by the joint action of the board of supervisors of the county and the council of the city, and if the governing bodies are unable to agree upon a choice for the third member within sixty days of the election of the first member, then the third

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member shall be appointed by the governor. The commissioners shall serve for six-year terms. Of the first appointees, the member appointed by the board of supervisors shall be for a term of two years, the member appointed by the city council shall be for a term of four years, and the member appointed by the joint action of the board and council shall be for a term of six years. The board of commissioners shall designate one of their number as chairman, one as secretary, and one as treasurer, and shall adopt bylaws and rules of procedure and provide therein for regular meetings and for the proper safekeeping of its records. No commissioner shall receive any compensation in connection with his services as commissioner. Each commissioner, however, shall be entitled to reimbursement for any necessary expenditures in connection with the performance of his duties.

6. The articles of incorporation shall be recorded in the office of the county recorder and filed with the secretary of state, and shall be published once in a newspaper designated in the articles of incorporation and having a general circulation within the county, and upon such recording and publication, the authority shall be deemed to come into existence.

7. Amendments may be made to the articles of incorporation if adopted by the governing body of each incorporating unit; provided that no amendment shall impair the obligation of any bond or other contract. Each amendment shall be adopted, executed, recorded, and published in the same manner as specified for the original articles of incorporation.

8. Any incorporating unit may make donations of property, real or personal, including gratuitous lease, to the authority as deemed proper and appropriate in aiding the authority to effectuate its purposes.

9. The authority shall be a body corporate with power to sue and be sued in any court of this state, have a seal and alter the same at its pleasure, and make and execute contracts, leases, deeds, and other instruments necessary

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or convenient to the exercise of its powers. In addition, it shall have and exercise the following public and essential governmental powers and functions and all other powers incidental or necessary to carry out and effectuate its express powers:

a. To select, locate, and designate an area lying wholly within the territorial limits of the county seat of the county in which the authority is incorporated as the site to be acquired for the construction, alteration, enlargement, or improvement of a building. The site selected is subject to approval by a majority of the members of each governing body of the incorporating units.

b. To acquire in the corporate name of the authority the fee simple title to the real property located within the area by purchase, gift, devise, or by the exercise of the power of eminent domain, or to take possession of real estate by lease.

c. To demolish, repair, alter, or improve any building within the designated area, to construct a new building within the area and to furnish, equip, maintain, and operate the building.

d. To construct, repair, and install streets, sidewalks, sewers, water pipes, and other similar facilities and otherwise improve the site.

e. To make provisions for off-street parking facilities.

f. To operate, maintain, manage, and enter into contracts for the operation, maintenance, and management of buildings, and to provide rules and regulations for the operation, maintenance and management.

g. To employ and fix the compensation of technical, professional, and clerical assistance as necessary and expedient to accomplish the objects and purposes of the authority.

h. To lease all or any part of a building to the incorporating units for a period of time not to exceed fifty years, upon rental terms agreed upon between the authority and the

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incorporating units. The rentals specified shall be subject to increase by agreement of the incorporating units and the authority if necessary in order to provide funds to meet obligations.

i. To procure insurance of any and all kinds in connection with the building. The bidding procedures provided in section twenty-three point eighteen (23.18) of the Code shall be utilized in the procurement of insurance.

j. To accept donations, contributions, capital grants, or gifts from individuals, associations, municipal and private corporations, and the United States, or any agency or instrumentality thereof, and to enter into agreements in connection therewith.

k. To borrow money and to issue and sell revenue bonds in an amount and with maturity dates not in excess of fifty years from date of issue, to provide funds for the purpose of acquiring, constructing, demolishing, improving, enlarging, equipping, furnishing, repairing, maintaining, and operating buildings, and to acquire and prepare sites, convenient therefor, and to pay all incidental costs and expenses, including, but not limited to architectural, engineering, legal, and financing expense and to refund and refinance revenue bonds as often as deemed advantageous by the board of commissioners.

l. The provisions of chapter twenty-three (23) of the Code applicable to other municipalities are applicable to an authority.

10. After the incorporation of an authority, and before the sale of any issue of revenue bonds, except refunding bonds, the authority shall submit in a single countywide election to the legal voters of the city and county, at a general, primary, or special election called for that purpose, the question of whether an authority shall issue and sell revenue bonds, stating the amount, for any of the purposes for which it is incorporated. An affirmative vote of a

majority of the votes cast on the proposition is required to authorize the issuance and sale of revenue bonds. A notice of the election shall be published once each week for at least two weeks in some newspaper published in the county. The notice shall name the time when the question shall be submitted, and a copy of the question to be submitted shall be posted at each polling place during the day of election. The authority shall call this election with the concurrence of both incorporating units, and it shall establish the voting precincts and polling places, and appoint the election judges, and in so doing such election procedures shall be in accordance with the provisions of chapters forty-nine (49) and fifty (50) of the Code.

11. When the board of commissioners decides to issue bonds subject to the election requirement, it shall adopt a resolution describing the area to be acquired, the nature of the existing improvements, the disposition to be made of the improvements, and a general description of any new buildings to be constructed.

12. The resolution shall set out the limit of the cost of the project, including the cost of acquiring and preparing the site, determine the period of usefulness and fix the amount of revenue bonds to be issued, the date or dates of maturity, the dates on which interest is payable, the sinking fund provisions, and all other details in connection with the bonds. The board shall determine and fix the rate of interest of any revenue bonds issued, in a resolution adopted by the board prior to the issuance. The resolution, trust agreement, or other contract entered into with the bondholders may contain covenants and restrictions concerning the issuance of additional revenue bonds as necessary or advisable for the assurance of the payment of the bonds authorized.

13. Bonds shall be issued in the name of the authority and are declared to have all the qualities and incidents of negotiable instruments under the laws of this state.

14. Bonds issued under this section may be issued as serial or term bonds, shall be of such denomination or denominations and form, including interest coupons to be attached, shall be payable at such place or places and bear such date as the board of commissioners fix by the resolution authorizing the bonds, shall mature within a period not to exceed fifty years, and may be redeemable prior to maturity with or without premium, at the option of the board of commissioners, upon terms and conditions the board shall fix by the resolution authorizing the issuance of bonds. The board of commissioners may provide for the registration of bonds in the name of the owner as to the principal alone or as to both principal and interest upon terms and conditions the board determines. All bonds issued by an authority shall be sold at a price so that the interest cost to the commission of the proceeds of the bonds shall not exceed seven percent per annum, payable semiannually, computed to maturity, and shall be sold in the manner and at the time the board of commissioners determines.

15. Bonds issued by an authority, and the interest thereon, shall be payable solely from the revenues derived from the operation, management, or use of the buildings acquired or to be acquired by the authority, which revenues shall include payments received under any leases or other contracts for the use of the buildings. Bonds shall recite that the principal and interest thereon are payable only from the revenues pledged, and shall state on their face that they are not an indebtedness of the authority or a claim against the property of the authority.

16. Bonds shall be executed in the name of the commission by the chairman of the board of commissioners or by another officer of the commission as the board, by resolution, may direct, and be attested by the secretary, or by another officer of the commission as the board, by resolution, may direct, and shall be sealed with the commission's corporate

seal. In case any officer whose signature appears on the bonds or coupons shall cease to be such officer before delivery of the bonds, his signature shall be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

17. In its discretion, the authority may, issue refunding bonds to refund its bonds prior to their maturity, refund its outstanding matured bonds, refund matured coupons evidencing interest upon its outstanding bonds, refund interest at the coupon rate that has accrued upon its outstanding matured bonds, and refund its bonds which by their terms are subject to call or redemption before maturity. All bonds redeemed or purchased shall be canceled.

18. To secure the payment of revenue bonds and for the purpose of setting forth the covenants and undertakings of the authority in connection with the issuance of revenue bonds and the issuance of any additional revenue bonds payable from such revenue income to be derived from the operation, management, or use of the buildings acquired or to be acquired by the authority, the authority may execute and deliver a trust agreement except that no lien upon any physical property of the authority shall be created.

19. The resolution shall provide for the creation of a sinking fund account into which shall be payable from the revenues of the project, from month to month as such revenues are collected, the sums in excess of the cost of maintenance and operation of the project and the cost of administration of the authority, sufficient to comply with the covenants of the bond resolution and sufficient to pay the accruing interest and retire the bonds at maturity. The board of commissioners, in a resolution, may provide for other accounts as necessary for the sale of the bonds. Moneys in the accounts shall be applied in the manner provided by the resolution, the trust agreement, or other contract with the bondholders.

20. No such bonds shall constitute a debt of the authority

or of any public body within the meaning of any statutory or constitutional limitation as to debt.

21. From and after the issuance of bonds the board of commissioners shall establish and fix rates, rentals, fees, and charges for the use of any and all buildings or space owned and operated by the authority, sufficient at all times to pay maintenance and operation costs and to pay the accruing interest and retire the bonds at maturity and to make all payments to all accounts created by any bond resolution and to comply with all covenants of any bond resolution.

22. When an incorporating unit enters into a lease with the authority, the governing body of the incorporating unit shall provide by ordinance or resolution for the levy and collection of a direct annual tax sufficient to pay the annual rent payable under the lease as and when it becomes due and payable. The tax shall be levied and collected in like manner with the other taxes of the incorporating unit and shall be in addition to all other taxes authorized to be levied by that incorporating unit. This tax shall not be included within and shall be in addition to any statutory limitation of rate or amount for that incorporating unit. The fund realized from the tax levy shall be set aside for the payment of the annual rent and shall not be disbursed for any other purpose until the annual rental has been paid in full.

23. All leases, contracts, deeds of conveyance, bonds, or other instruments in writing on behalf of the authority, shall be executed in the name of the authority by the chairman and secretary of the authority, or by other officers as the board of commissioners, by resolution, directs, and the seal of the authority shall be affixed.

24. All property owned by any authority shall be exempt from taxation by the state or any taxing unit of the state.

25. When all bonds issued by an authority have been retired, the authority may convey the title to the property owned by the authority to the incorporating units in accordance

with the provisions therefor contained in the articles of incorporation, or, if none, in accordance with any agreement adopted by the respective governing bodies of the incorporating units, and the authority. The proposition of whether a conveyance shall be made shall be submitted to the legal voters of the city and county, utilizing the election procedures provided for bond issues, and an affirmative vote equal to at least a majority of the total votes cast on the proposition shall be required to authorize the conveyance. If the proposition does not carry, the authority shall continue to operate, maintain, and manage the building under a lease arrangement with the incorporating units."

Sec. 282. Section three hundred forty-seven point twenty-three (347.23), Code 1971, is amended as follows:

347.23 CITY HOSPITAL CHANGED TO COUNTY HOSPITAL. Any hospital organized and existing as a city ~~or town~~ hospital ~~under the provisions of chapter 380~~ may become a county hospital organized and managed as provided for in this chapter, upon a proposition for such purpose being submitted to and approved by a majority of the electors of both the ~~town or~~ city in which such hospital is located, and of the county under whose management it is proposed that such hospital be placed, at any general or special election called for such purpose~~, said~~. The proposition shall be placed upon the ballot by the board of supervisors when the said board of supervisors is requested by a petition therefor signed by qualified electors of the county equal in number to five percent of the votes cast for governor at the last general election; said proposition may be submitted at the next general election or at a special election called therefor. Upon the approval of said proposition ~~as aforesaid~~ the hospital, its assets and liabilities, will become the property of the county and this chapter will govern its future management. The question shall be submitted in substantially the following form: "Shall the municipal hospital of .....,

Iowa, be transferred to and become the property of, and be managed by the county of ....., Iowa?"

For the purpose of computing whether or not said proposition is carried, the votes of the residents of the ~~town or~~ city in which said hospital is located shall be counted both for the purpose of ascertaining whether or not the proposition is carried within the city ~~or town~~ and also for the purpose of ascertaining whether or not the proposition is carried within the county.

Sec. 283. Section three hundred forty-eight point two (348.2), unnumbered paragraph one (1), Code 1971, is amended as follows:

348.2 CONSOLIDATION--POWERS OF TRUSTEES. In all counties of the state having a population of one hundred thirty-five thousand inhabitants or over, and in which ~~there is located a city containing one hundred twenty five thousand population or over, and~~ consolidation of hospital service has been completed as contemplated in this chapter, said board of hospital trustees shall:

Sec. 284. Section three hundred forty-eight point four (348.4), Code 1971, is amended as follows:

348.4 SALE OF PROPERTY AFTER CONSOLIDATION. In all cities ~~containing a population of one hundred twenty five thousand inhabitants or over,~~ located in counties in which both a public county and city hospital are being conducted under separate supervision and management, such cities are hereby authorized and directed, when consolidation is completed under this chapter and upon the recommendation of the board of hospital trustees, to sell the property now owned and used by such cities for hospital purposes, both real and personal, at public or private sale, the proceeds of such sale to be used, first, for the retirement and payment of any outstanding bonds issued in connection with the purchase of such hospital property, and the remainder, if any, shall be turned into the county public hospital fund.

Sec. 285. Section three hundred forty-eight point five (348.5), Code 1971, is repealed.

Sec. 286. Section three hundred fifty-six point one (356.1), Code 1971, is amended by adding the following new subsection:

"For the confinement of persons subject to imprisonment under the ordinances of a city."

Sec. 287. Section three hundred fifty-six point fifteen (356.15), Code 1971, is amended as follows:

356.15 EXPENSES. All charges and expenses for the safe-keeping and maintenance of prisoners shall be allowed by the board of supervisors, except those committed or detained by the authority of the courts of the United States, in which cases the United States must pay such expenses to the county, and those committed for violation of a city ordinance, in which case the city shall pay expenses to the county.

Sec. 288. Section three hundred fifty-six point twenty (356.20), Code 1971, is amended as follows:

356.20 VIOLATION OF CITY ORDINANCE. When the imprisonment is under the judgment of any court, police court, ~~police magistrate,~~ mayor, or other tribunal of a city ~~or town~~, for the violation of any ordinance, ~~by-law, or other regulation thereof,~~ the marshal or chief of police shall superintend the labor, and furnish the tools and materials, if necessary, at the expense of the city ~~or town~~ requiring the labor, and ~~such~~ the city ~~or town~~ shall be entitled to the earnings of its convicts.

Sec. 289. Section three hundred fifty-seven point one (357.1), unnumbered paragraph three (3), Code 1971, is amended as follows:

~~In case the proposed~~ A benefited water district ~~is~~ located wholly within the corporate limits of ~~any~~ a city ~~or town, only the council of the city or town shall have the authority to establish the water district, and~~ is not subject to the provisions of this chapter ~~referring to the board of~~

~~supervisors shall be applicable to the city or town council.~~

Sec. 290. Section three hundred fifty-seven point twelve (357.12), Code 1971, is amended as follows:

357.12 ELECTION. When the preliminary design and assessment have been approved by the board of supervisors, a date not more than thirty days after such approval shall be set for an election within the district to determine whether or not the proposed improvement shall be constructed and to choose candidates for the offices of trustee within the district. ~~Except that where the benefited water district is wholly within the corporate limits of a city or town, the members of the city or town council shall be the trustees, and the provisions hereinafter referring to the election and terms of trustees are not applicable.~~ Notice of the election, including the time and place of holding the same, shall be given in the same manner as for the public hearing heretofore provided for. The vote shall be by ballot which shall state clearly the proposition to be voted upon, and any legal voter residing within the district at the time of the election shall be entitled to vote. Judges will be appointed to serve without pay, by the board of supervisors from among the qualified voters of the district who will have charge of the election. The proposition shall be deemed to have carried if a majority of those voting thereon vote in favor of the same.

Sec. 291. Section three hundred fifty-seven B point twelve (357B.12), Code 1971, is amended as follows:

357B.12 ANTICIPATION OF TAX. Benefited fire districts may anticipate the collection of taxes outlined by sections 357B.9 and 357B.11 and for such purposes may issue bonds payable in not more than ten equal installments and the rate of interest thereon shall not exceed seven percent per annum, payable at such place and shall be in such form as the trustees shall designate by resolution. Sections 23.12 to 23.16, inclusive, and ~~chapter 408~~ provisions relating to general corporate purpose bonds of a city, so far as applicable, shall

apply to such bonds.

Sec. 292. Section three hundred fifty-seven B point fifteen (357B.15), Code 1971, is amended as follows:

357B.15 JOINING WITH CITY OR TOWN--ELECTION. No benefited fire district shall join with any city ~~or town~~ for any joint purpose ~~permitted in section 368.12~~ unless such joining is approved by the electors of the joint benefited fire district as provided in this section. The trustees of a benefited fire district shall have the power, when authorized by a majority vote of the electors thereof at a special election called for that purpose, upon notice given in the same manner provided in section 357B.9, to own, use, or operate jointly with any city ~~or town~~, fire apparatus, equipment, or facilities and to provide for the purchase, rental, or maintenance of such equipment, facilities, and services.

Sec. 293. Section three hundred fifty-eight point twenty (358.20), unnumbered paragraph two (2), Code 1971, is amended as follows:

In no case shall such rates, rentals, or charges, or the funds accruing from the collection thereof, be used to meet that part of the cost of any construction within the district which has been financed by special assessment against benefited properties. ~~The provisions of chapter 393 shall apply to sanitary districts organized under this section insofar as they are applicable.~~

Sewer rentals, charges, or rates may supplant or replace, in whole or in part, any millage levy taxes which may be, or have been, authorized by the board of trustees for any of the following purposes:

1. To meet interest and principal payments on bonds legally authorized for the financing of sanitary utilities in any manner.

2. To pay costs of the construction, maintenance, or repair of such sanitary facilities or utilities, including payments to be made under any contract between municipalities

for either the joint use of sewerage or sewage facilities, or for the use by one municipality of all or a part of the sewerage or sewer system of another municipality.

When a sewer rental ordinance has been passed and put into effect, prior ordinances or resolutions providing for millage taxes against real and personal property for such purposes, or the portion thereof replaced, may be repealed.

Sec. 294. Section three hundred fifty-eight point twenty-two (358.22), unnumbered paragraph two (2), Code 1971, is amended as follows:

Such assessments may be made to extend over a period of ten years, payable in as nearly equal annual installments as practicable, and certificates or bonds may be issued in anticipation thereof. Proceedings for improvements to be made and paid for, in whole or in part, by special assessments, as herein authorized shall be initiated by resolution of necessity, and said resolution and the plat, schedule, hearings, notices, objections, orders, assessments, levies, contracts, bonds, certification of assessments, liens, payment, tax sales, and appeals, and the issuance and sale of certificates, and bonds, shall correspond, as near as may be, to the provisions therefor ~~contained in chapters 391, 391A and 396, and all~~ relating to special assessment bonds of a city, which provisions ~~of said chapters~~ shall govern such proceedings, to the extent applicable, except as modified hereby. A majority vote of the board of trustees shall be requisite and sufficient for any action required by the board under the provisions of this section.

Sec. 295. Chapter three hundred fifty-eight (358), Code 1971, is amended by adding the following new section:

"A sanitary district may enter into contracts with persons or firms outside its limits for the processing of sewage but the rate for processing shall not be less than that charged the inhabitants of the district.

A district entering into a contract may lay sewer lines

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in highways outside the district upon first obtaining the permission of the state highway commission in the case of primary roads and the board of supervisors in case of secondary roads, on written application designating the particular highway and part thereof, the use of which is desired.

A sanitary district adjoining a border of the state and owning and operating a sewage disposal plant, may contract with the governing body of any legal entity in an adjacent area in another state, to process the sewage from the area. The contract shall be subject to approval of the state department of health."

Sec. 296. Section three hundred fifty-eight A point eight (358A.8), Code 1971, is amended as follows:

358A.8 COMMISSION APPOINTED. In order to avail itself of the powers conferred by this chapter, the board of supervisors shall appoint a commission, to be known as the county zoning commission, to recommend the boundaries of the various original districts, and appropriate regulations and restrictions to be enforced therein. Such commission shall, with due diligence, prepare a preliminary report and hold public hearings thereon before submitting its final report; and the board of supervisors shall not hold its public hearings or take action until it has received the final report of such commission. After the adoption of such regulations, restrictions, and boundaries of districts, the zoning commission may, from time to time, recommend to the board of supervisors amendments, supplements, changes or modifications. <u>The zoning commission, with the approval of the board of supervisors, may contract with professional consultants, regional planning commissions, the Iowa development commission, or the federal government, for local planning assistance.</u>

Sec. 297. Section three hundred fifty-eight B point two (358B.2), unnumbered paragraphs four (4) and five (5), are amended as follows:

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A county library district shall be established, if a majority of the electors~~,~~ voting on the proposition, and residing outside of cities ~~and towns~~ maintaining a free public library, ~~as provided by section 378.1~~ favor it.

The result of the election within cities ~~and towns~~ maintaining a free public library ~~under the above mentioned provision~~ shall be considered separately, and no ~~such~~ city ~~or town~~ shall be included within the county library district unless a majority of its electors, voting on the proposition, favor its inclusion. In such cases the boundaries of an established district may vary from those of the proposed district.

Sec. 298. Section three hundred fifty-eight B point nine (358B.9), Code 1971, is amended as follows:

358B.9 METHODS OF SERVICE. Library service shall be accomplished by one or more of the following methods in whole or in part:

1. By the establishment of depositories of books or other educational materials to be loaned at stated times and places.

2. By the transportation of books or other educational materials by conveyances for lending the same at stated times and places.

3. By the establishment of branch libraries for lending books and other educational materials.

4. By contracting for library service with ~~the trustees of~~ a free public library of any city ~~or town~~.

Sec. 299. Section three hundred fifty-eight B point thirteen (358B.13), Code 1971, is amended as follows:

358B.13 MAINTENANCE EXPENSE ON PROPORTIONATE BASIS. The maintenance of a county library shall be on a proportionate population basis whereby each taxing unit as hereinafter defined shall bear its share in proportion to its population to the whole of said county library district. The board of library trustees shall on or before July 10 of each year make an estimate of the amount it deems necessary for the maintenance of the county library and shall transmit said estimate

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in dollars to the board or boards of supervisors and to the city ~~and-town~~ councils within the district. The entire rural area of each county in the library district shall be considered as a separate taxing unit. Each city ~~and-town~~ which is a part of the county library district shall be considered as a separate taxing unit. The board of supervisors and the council of each city ~~and-town~~ composing said county library district shall make the necessary millage levies accordingly for library maintenance purposes ~~of~~ , but the county levy may not ~~to~~ exceed two mills. Any unexpended balance in the library maintenance fund at the end of the fiscal year shall remain in said fund and be available without reappropriation.

Sec. 300. Section three hundred fifty-eight B point fourteen (358B.14), Code 1971, is amended as follows:

358B.14 NOT APPLICABLE TO CONTRACT SERVICE. The provisions of this chapter pertaining to the establishment of a county library district shall not apply to any area receiving library service from any city ~~or-town~~ library ~~under-the-provisions-of-chapter-378~~, unless the petition for a county library district ~~shall~~, in addition to the required signatures of electors, ~~be~~ is signed by the governing body of the area receiving library service under contract.

Sec. 301. Section three hundred fifty-eight B point sixteen (358B.16), Code 1971, is amended as follows:

358B.16 WITHDRAWAL OF CITY ~~OR-TOWN~~ FROM DISTRICT. Whenever ~~any-incorporated~~ a city ~~or-town,-having-maintained-an-association-library-for-at-least-ten-years-prior-to-the-establishment-of-a-county-library-which-has-become-a-part-of-the-tax-supported-city-or-town-library-and-being-a-part-of-the-county-library-district,-and-having-levied-a-tax-of-its-own-equal-to-or-greater-than-that-of-the-county-library-district-for-the-same-purpose,-shall-decide~~ decides to withdraw from the county library district, it may do so by giving notice by certified mail to the board of library trustees of said county library and the county auditor prior to July 10, by the

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governing body of ~~said-incorporated~~ the city ~~or-town~~, of its withdrawal from the county library district, and thereafter ~~said-incorporated~~ the city ~~or-town~~, shall cease to be a part of or included in ~~said~~ the county library district.

Sec. 302. Chapter three hundred fifty-eight B (358B), Code 1971, is amended by adding the following new sections:

"Whenever a local county historical association is formed in a county having a free public library, the trustees of the library may unite with the historical association and set apart the necessary room to care for articles which come into the possession of the association. The trustees may purchase necessary receptacles and materials for the preservation and protection of articles which are of a historical and educational nature and may pay for the same out of the library fund."

"1. Contracts may be made by a school corporation, township, county, or the trustees of any county library district for the use by their residents of a city library. Townships and counties may enter into contracts, but may only contract for the residents outside of cities. A contract by a county shall supersede all contracts by townships or school corporations within the county outside of cities.

2. Contracts shall provide for the rate of tax to be levied. They may, by mutual consent of the contracting parties, be terminated at any time. They may also be terminated by a majority of the voters represented by either of the contracting parties, voting on a proposition to terminate which shall be submitted by the governing body upon a written petition of voters in a number not less than five percent of those who voted in the area for governor at the last general election.

3. The proposition may be submitted at any election provided by law which covers the area of the unit seeking to terminate the contract. The petition shall be presented to the governing body not less than forty days before the

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election at which the question is to be submitted.

4. The board of trustees of any township which has entered into a contract shall at the April meeting levy a tax not exceeding one-fourth mill on the dollar on all taxable property in the township to create a fund to fulfill its obligation under the contract.

The board of supervisors, after it makes such contract, shall levy annually on the taxable property of the county outside of cities, a tax of not more than one mill to create a fund to fulfill its obligation under the contract.

5. Voters of that part of any county outside of cities in a number of not less than twenty-five percent of those in the area who voted for governor at the last general election may petition the board of supervisors to submit the proposition of requiring the board of supervisors to provide library service for them and their area by contract as provided by this section.

6. The board of supervisors shall submit the proposition to the voters of the county residing outside of cities at the next election, primary or general, provided that the petition has been filed not less than forty days prior to the date of the election at which the question is to be submitted.

7. If a majority of those voting upon the proposition favors it, the board of supervisors shall within thirty days appoint a board of library trustees from residents of the petitioning area. Vacancies shall be filled by the board of supervisors.

8. The board of trustees is authorized to contract with any library for library use or service for the benefit of the residents and area represented by it.

9. The board of supervisors shall levy annually on the taxable property of the county outside of cities, a tax of not more than one mill to create a fund to fulfill the contract obligations of the trustees appointed by it."

Sec. 303. Section three hundred fifty-nine point twenty-four (359.24), Code 1971, is amended as follows:

OFFICES ABOLISHED

359.24 CLERK AND TRUSTEES ABOLISHED. Where a ~~town or~~ a city~~, not acting under a special charter,~~ constitutes one or more civil townships the boundary lines of which coincide throughout with the boundary lines of the ~~town or~~ city, the offices of township clerk and trustee are abolished.

Sec. 304. Section three hundred fifty-nine point twenty-six (359.26), Code 1971, is amended as follows:

359.26 TRANSFER OF FUNDS. The moneys and assets belonging to such civil township shall become the moneys and assets of the city ~~or town~~ in which said civil township is situated, and the township clerks shall turn such moneys and assets over to the city ~~or town~~ treasurer or clerk, to be disbursed by ~~such~~ the city ~~or town~~ in the same manner and for the same purposes as required by law for the disposition of township funds, and such cities ~~or towns~~ shall assume all liabilities of a civil township to which the provisions of this section ~~shall~~ apply.

Sec. 305. Section three hundred fifty-nine point twenty-seven (359.27), Code 1971, is amended as follows:

359.27 PAYMENT OF FUNDS. County treasurers are hereby authorized to pay over to the ~~city or town~~ treasurers or clerks of cities which come under the provisions of sections 359.24, 359.25 and 359.26 all funds which would otherwise be paid over to the township clerks of such townships.

Sec. 306. Section three hundred fifty-nine point forty-five (359.45), Code 1971, is amended as follows:

359.45 ANTICIPATORY BONDS. Townships may anticipate the collection of taxes authorized by sections 359.43 and 359.44, and for such purposes may issue bonds payable in not more than ten equal annual installments and at a rate of interest not exceeding seven percent per annum and payable at such place and be in such form as the board of trustees shall

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designate by resolution. Sections 23.12 to 23.16, inclusive, and ~~chapter 408~~ provisions of law relating to essential corporate purpose bonds of a city, so far as applicable, shall apply to such bonds.

Sec. 307. Section three hundred fifty-nine point forty-six (359.46), subsection one (1), Code 1971, is amended as follows:

1. For each day of service of eight hours necessarily engaged in official business, to be paid out of the county treasury, four dollars each. ~~In townships embraced entirely within the limits of special charter cities, the compensation of township trustees shall be four dollars per day.~~

Sec. 308. Chapter three hundred sixty-seven (367), Code 1971, is amended by adding the following new section:

"When the mayor is absent or unable to act, the mayor pro tem may hold mayor's court, but only in cases of violation of a city law."

Sec. 309. Section four hundred three point fourteen (403.14), subsection two (2), Code 1971, is amended as follows:

2. As used in this section, the term "urban renewal project powers" shall include the rights, powers, functions and duties of a municipality under this chapter, ~~including~~ except the following:

a. The power to determine an area to be a slum or blighted area or combination thereof and to designate such area as appropriate for an urban renewal project and to hold any public hearings required with respect thereto;

b. The power to approve urban renewal plans and modifications thereof;

c. The power to establish a general plan for the locality as a whole;

d. The power to formulate a workable program under section 403.3;

e. The power to make the determinations and findings provided for in section 403.4, and section 403.5, subsection

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4;

f. The power to issue general obligation bonds;

g. The power to appropriate funds, to levy taxes and assessments, and to exercise other powers provided for in section 403.6, subsection 8.

Sec. 310. Section four hundred nine point fourteen (409.14), unnumbered paragraph one (1), Code 1971, is amended as follows:

No county auditor or recorder shall hereafter file or record, nor permit to be filed or recorded, any plat purporting to lay out or subdivide any tract of land into lots and blocks within any city having a population by the latest federal census of twenty-five thousand or over, or within a city of any size ~~having a plan commission organized under the provisions of chapter 373~~ which by ordinance adopts the restrictions of this section or, except as hereinafter provided, within two miles of the limits of such city, unless such plat has been first filed with and approved by the council of such city as provided in section 409.7, and by the city plan commission ~~as required by law~~ in cities where such commission exists.

Sec. 311. Section four hundred fourteen point twenty-two (414.22), Code 1971, is repealed.

Sec. 312. Section four hundred nineteen point eleven (419.11), Code 1971, is amended as follows:

419.11 TAX EQUIVALENT TO BE PAID--ASSESSMENT PROCEDURE--APPEAL. Any municipality acquiring, purchasing, constructing, reconstructing, improving or extending any industrial buildings, as provided in this chapter, shall annually pay out of the revenue from such industrial buildings to the state of Iowa and to the city, town, school district and any other political subdivision, authorized to levy taxes, a sum equal to the amount of tax, determined by applying the millage rate of the taxing district to the assessed value of the property, which the state, county, city, town, school district or other

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political subdivision would receive if the property were owned by any private person or corporation, any other statute to the contrary notwithstanding. For purposes of arriving at such tax equivalent, the property shall be valued and assessed by the assessor in whose jurisdiction the property is located, in accordance with chapter 441, but the municipality, the lessee on behalf of the municipality, and such other persons as are authorized by chapter 441 shall be entitled to protest any assessment and take appeals in the same manner as any taxpayer. Such valuations shall be included in any summation of valuations in the taxing district for all purposes known to the law. Income from this source shall be considered under the provisions of section ~~24.3~~ 94, subsection 1, paragraph b, of this Act. If and to the extent the proceedings under which the bonds authorized to be issued under the provisions of this chapter so provide, the municipality may agree to cooperate with the lessee of a project in connection with any administrative or judicial proceedings for determining the validity or amount of any such payments and may agree to appoint or designate and reserve the right in and for such lessee to take all action which the municipality may lawfully take in respect of such payments and all matters relating thereto, provided, however, that such lessee shall bear and pay all costs and expenses of the municipality thereby incurred at the request of such lessee or by reason of any such action taken by such lessee in behalf of the municipality. Any lessee of a project which has paid, as rentals additional to those required to be paid pursuant to section 419.5, the amounts required by the first sentence of this section to be paid by the municipality shall not be required to pay any such taxes to the state or to any such county, city, town, school district or other political subdivision, any other statute to the contrary notwithstanding. This section shall not be applicable to any municipality acquiring, purchasing, constructing, reconstructing, improving, or extending any

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buildings for the purpose of establishing, maintaining, or assisting any private college or university.

Sec. 313. Sections four hundred twenty point fourteen (420.14), four hundred twenty point sixteen (420.16), four hundred twenty point thirty-one (420.31), and four hundred twenty point thirty-four (420.34) through four hundred twenty point forty (420.40), Code 1971, are repealed.

Sec. 314. Section four hundred twenty point forty-one (420.41), Code 1971, is amended as follows:

420.41 APPLICABILITY OF PROVISIONS.

~~1.--Except-as-hereinafter-in-this-section-provided,-the provisions-of-this-Code-which,-by-their-terms,-are-made-applicable-to-all-municipal-corporations,-shall-be-applicable-to cities-organized-under-special-charter,-and-the-provisions of-this-Code,-applicable-by-their-terms-to-municipal corporations-of-a-certain-population,-shall-be-applicable to-cities-under-special-charter-of-like-population,-and-except as-hereinafter-in-this-section-provided,-said-special-charters shall-have-no-further-force-and-effect.~~

~~2.--To-whatever-extent-provisions-made-applicable-by-subsection-1-of-this-section-to-cities-organized-under-special charter-shall-be-inconsistent-with-the-provisions-of-this chapter,-the-provisions-so-made-applicable-shall-be-construed to-provide-additional-rights,-powers-and-privileges-to-such cities-or-to-provide-alternative-procedures-which-such-cities may-adopt-or-avail-themselves-of-at-the-election-of-their respective-governing-bodies-or-appropriate-officers,-insofar as-such-provisions,-so-made-applicable,-are-susceptible-to such-construction.--Insofar-as-such-provisions,-so-made-applicable,-are-not-susceptible-to-such-construction-the-provisions of-this-chapter-shall-be-controlling.~~

~~3.--Notwithstanding-the-provisions-of-subsection-1-of-this section,-nothing-herein-contained~~ 1. No state law shall be deemed to impair, alter or affect the provisions of any such special charter or any existing amendment thereto in any of

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the following respects:

a. As an act of incorporation or as evidence thereof.

b. In respect of authority to license, tax and regulate various persons, occupations, amusements, places and objects, as said general subjects of licensing, taxing and regulation are more specifically set forth in the respective charters of such cities.

c. In respect of the levy and collection of taxes for city purposes, in accordance with provisions of the respective charters of such cities and other provisions of law relating to such levy and collections including, but without limitation, provisions relating to liens, distraint, tax sales, redemptions, tax deeds and other provisions incident to the levy and collection of taxes; provided that this paragraph shall apply only with respect to cities which prior to and currently with the taking effect of this subsection collect general city taxes directly or by or through their own officers, rather than indirectly and by or through any other public body or officer thereof.

d. In respect of the election or appointment of a clerk, treasurer, police magistrate and marshal or in respect of the authority, functions, duties or compensation of any thereof.

e. In respect of the power or authority of any such city to borrow and expend money and issue bonds or other evidences of indebtedness therefor.

f. In respect of the appropriation, condemning or taking of land and property by any such city for public purposes and in respect of procedure and appeals in connection with any such taking.

g. In respect of the power to enact, make, adopt, amend and repeal ordinances necessary or proper in connection with any provisions referred to in paragraphs "a" to "f" inclusive, of this subsection.

~~4.--Notwithstanding-the-provisions-of-subsection-1-of-this~~

~~section,-the~~ 2. The fiscal year for special charter cities, which prior to and concurrently with the taking effect of this subsection collect general city taxes directly through their own officers, and for all departments, boards and commissions thereof, shall be as established by city ordinance.

~~5.--Notwithstanding-the-provisions-of-subsection-1-of-this section,-special~~ 3. Special charter cities which prior to and concurrently with the taking effect of this subsection collect general city taxes directly through their own officers, shall, within the applicable provisions of ~~chapter-404~~ sections 79 through 90, inclusive, of this Act, make the appropriations for the necessary expenditures for the next ensuing fiscal year by ordinance. The proposed ordinance shall, upon first reading, be placed on file with the clerk for public inspection, and, upon second reading, if and as amended, forthwith be published in a newspaper of general circulation, together with the time and place for a public hearing on said proposed ordinance, which hearing shall be not less than ten days prior to the council meeting at which it shall be placed upon its passage.

Sec. 315. Section four hundred twenty point forty-three (420.43), Code 1971, is amended as follows:

420.43 APPLICATION OF CERTAIN TERMS. Whenever the words "boards of supervisors", "county auditor or recorder of deeds", and "county treasurer" are used in any section made applicable by this chapter to special charter cities, the words "city council", "city clerk" or "city recorder", and "city collector or treasurer" shall be respectively substituted.

This section shall not be construed as depriving boards of supervisors, county auditors, and county treasurers of their powers to spread tax levies and collect taxes certified by cities acting under special charter as provided in ~~sections~~ section 420.206 and ~~404.3~~ other state law. Nothing contained herein shall be deemed to affect the procedure for the assessment of property by the city or county assessor.

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Sec. 316. Sections four hundred twenty point forty-six (420.46), four hundred twenty point fifty-nine (420.59) through four hundred twenty point sixty-one (420.61), inclusive, four hundred twenty point one hundred fifty-six (420.156), four hundred twenty point one hundred fifty-eight (420.158), four hundred twenty point one hundred sixty (420.160) through four hundred twenty point one hundred sixty-four (420.164), inclusive, four hundred twenty point one hundred sixty-six (420.166), through four hundred twenty point one hundred eighty (420.180), inclusive, four hundred twenty point one hundred eighty-two (420.182) through four hundred twenty point one hundred eighty-nine (420.189), inclusive, four hundred twenty point two hundred four (420.204), four hundred twenty point two hundred five (420.205), four hundred twenty point two hundred fifty (420.250) through four hundred twenty point two hundred eighty-five (420.285), inclusive, and four hundred twenty point two hundred eighty-nine (420.289) through four hundred twenty point three hundred four (420.304), inclusive, Code 1971, are repealed.

Sec. 317. Section four hundred forty-one point twenty-one (441.21), subsection two (2), Code 1971, is amended as follows:

2. For the purpose of computing the debt limitations for municipalities, political subdivisions and school districts ~~as provided in sections 407.1 and 407.2~~, the term "actual value" ~~as used in said sections shall mean~~ means the "actual value" as determined by this section and entered opposite each item, and as listed on the tax list as provided in section 443.2 as "actual value".

Whenever any board of review or other tribunal charges the assessed value of property, all applicable records of assessment shall be adjusted to reflect such change in both assessed value and actual value of such property.

Sec. 318. Section four hundred forty-three point twenty-two (443.22), Code 1971, is amended as follows:

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443.22 UNIFORM ASSESSMENTS MANDATORY. All assessors and assessing bodies, including the department of revenue having authority over the assessment of property for tax purposes, shall comply with the provisions of sections ~~420.284,~~ 428.4, 428.29, 434.15, 435.7, 438.13, 441.21, 441.45 and 443.5. The department of revenue having authority over such assessments, shall exercise its powers and perform its duties under section 421.17 and other applicable laws so as to require the uniform and consistent application of said section.

Sec. 319. Section four hundred forty-six point twenty-one (446.21), Code 1971, is amended as follows:

446.21 APPLICABLE STATUTE. ~~Section 391.68 shall apply to~~ In all tax sales made under the provisions of ~~this Act.~~ section 446.19, any holder of any special assessment certificate against a lot or parcel of ground, or any holder of a bond payable in whole or in part out of a special assessment against any lot or parcel of ground, or any city within which such lot or parcel of ground is situated, which lot or parcel of ground has been sold for taxes, either general or special, shall be entitled to an assignment of any certificate of tax sale of said property for any general taxes or special taxes thereon, upon tender to the holder or to the county auditor of the amount to which the holder of the tax sale certificate would be entitled in case of redemption.

Sec. 320. Section four hundred fifty-three point one (453.1), Code 1971, is amended as follows:

453.1 DEPOSITS IN GENERAL. The treasurer of state, and of each county, ~~city, town,~~ county public hospital, merged area hospital, memorial hospital and school corporation, the treasurer or other financial officer of each city, and each township clerk and each county recorder, auditor, sheriff, each clerk and bailiff of the municipal court, and clerk of the district court, and each secretary of a school board shall deposit all funds in their hands in such banks as are first approved by the executive council, board of supervisors, ~~city~~

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~~or town council~~, board of hospital trustees, memorial hospital commission, board of school directors, or city council, respectively; provided, however, that the treasurer of state and the treasurer or other financial officer designated by the governing body of each political subdivision shall invest all funds not needed for current operating expenses in time certificates of deposit in banks listed as approved depositories pursuant to this chapter or in investments permitted by section 452.10. The list of public depositories and the amounts severally deposited therein shall be a matter of public record. The term "bank" means a bank or a private bank, as defined in section 524.103.

Sec. 321. Section four hundred fifty-three point four (453.4), Code 1971, is amended as follows:

453.4 LOCATION OF DEPOSITORIES. Deposits by the treasurer of state shall be in banks located in this state; by a county officer or county public hospital officer or merged area hospital officer, in banks located in his county or in an adjoining county within this state; by a memorial hospital treasurer, in a bank located within this state which shall be selected by such memorial hospital treasurer and approved by the memorial hospital commission; by a city ~~or town~~ treasurer or other city financial officer, in banks located in the city ~~or town~~, but in the event there is no bank in such city ~~or town~~ then in any other bank located in this state which shall be selected as such depository by the city ~~or town~~ council; by a school treasurer or by a school secretary in a bank within this state which shall be selected by the board of directors or the trustees of such school district; by a township clerk in a bank located within this state which shall be selected by such township clerk and approved by the trustees of such township. Provided, that deposits may be made in banks outside of Iowa for the purpose of paying principal and interest on bonded indebtedness of any municipality when such deposit is made not more than ten days

before the date such principal or interest becomes due.

Sec. 322. Section four hundred fifty-three point nine (453.9), Code 1971, is amended as follows:

453.9 INVESTMENT OF SINKING FUNDS. The governing council or board who by law are authorized to direct the depositing of funds shall be authorized to direct the treasurer or other designated financial officer to invest any fund not an active fund needed for current use and which is being accumulated as a sinking fund for a definite purpose, the interest of which is used for the same purpose, in the certificates provided by section 454.19, or make time deposits of such funds as provided in this chapter and receive time certificates of deposit therefor, or in United States government bonds, or in local certificates or warrants issued by any municipality or school district within the county, or in municipal bonds which constitute a general liability, and the treasurer or other officer when so directed shall so invest such fund.

Sec. 323. Section four hundred fifty-three point thirteen (453.13), Code 1971, is amended as follows:

453.13 INVESTMENT REPORT TO STATE AUDITOR. The treasurer, or other financial officer designated by the governing body, of each political subdivision except townships shall submit an investment report to the auditor of state on forms provided within fifteen days following the close of each fiscal year of the political subdivision. The report shall be comprised of the following information, all of which shall relate to the previous calendar year: Total demand deposits placed in depositories; total funds invested; description and disposition of investments; dates of investment; rates of interest earned or return on the investments; and such other information as the auditor of state may reasonably require pertaining to public funds.

Sec. 324. Section four hundred fifty-four point six (454.6), Code 1971, is amended as follows:

454.6 DUTY OF TREASURERS. It shall be the duty of all

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school treasurers, city ~~and-town~~ treasurers or other financial officers designated by the city council, and township clerks of the county to keep on file with the county treasurer a list of such depositories.

Sec. 325. Chapter four hundred fifty-five (455), Code 1971, is amended by adding the following new section:

"Any board, as defined in section four hundred fifty-five point four (455.4) of the Code, may by contract permit any city to discharge adequately treated sewage into drainage ditches. The contract shall fix the rental, make provision for termination, and shall provide that no nuisance shall be created."

Sec. 326. Section four hundred sixty-nine point thirty-one (469.31), Code 1971, is repealed.

Sec. 327. Section four hundred seventy-one point four (471.4), Code 1971, is amended by adding the following new subsection:

"Upon all cities for any public purpose."

Sec. 328. Chapter four hundred seventy-three A (473A), Code 1971, is amended by adding the following new section:

"A metropolitan planning commission may contract with professional consultants, the Iowa development commission, or the federal government, for local planning assistance."

Sec. 329. Section four hundred seventy-eight point twenty-one (478.21), Code 1971, is amended as follows:

478.21 RAILWAY AND HIGHWAY CROSSING AT GRADE. Wherever a railway track crosses or shall hereafter cross a highway, street or alley, the railway company owning such track and the state highway commission, in the case of primary highways, the board of supervisors of the county in which such crossing is located, in the case of secondary roads, or the council of the city ~~or-town~~, in the case of streets and alleys located within ~~such~~ a city ~~or-town~~, may agree upon the location and manner of crossing, or crossing protection, or upon a separation of grades so as to carry such highway over or under

the railway track, and upon any change, alteration, vacation or relocation of such highway, street or alley, and upon repairs, alteration, or elimination of any crossing, and upon the expense each party shall pay for such changes, except that if flasher light or gate signals are ordered installed the maintenance thereof shall be assumed by the railroad; provided, however, nothing ~~contained herein~~ in this section ~~shall be construed to affect any of~~ limits the provisions of ~~chapter 387~~ section 17 of this Act.

Sec. 330. Section four hundred seventy-eight point twenty-eight (478.28), Code 1971, is amended as follows:

478.28 RAILWAY CROSSINGS NEAR MISSISSIPPI RIVER. When in the construction of a railway it becomes necessary to cross another railway near the shore of the Mississippi river, each shall be so constructed and maintained at the point of crossing that the respective roadbeds thereof shall be above high-water mark in such river; but where the crossing occurs within the limits of any city ~~or town containing six thousand or more inhabitants~~, the council ~~or other governing authorities thereof~~ may establish the crossing grade.

Sec. 331. Section four hundred eighty-three point two (483.2), subsection eight (8), Code 1971, is amended as follows:

8. The signatures of a majority of the resident freehold taxpayers of the proposed district; except that in cities ~~of any form of government having a population of twenty-five thousand or over, not more than two thousand such signatures shall be required~~ the provisions of section 4 of this Act apply.

Sec. 332. Section four hundred eighty-four point eleven (484.11), Code 1971, is amended as follows:

484.11 FRANCHISES. Cities ~~and towns under any form of government~~ may, ~~as provided by law,~~ authorize or forbid the construction and operation of such railways upon, over, or along the streets, alleys, and public grounds within their

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limits and prescribe the conditions and regulations for such construction and operation. ~~The right to operate as a street railway shall not be granted for a period exceeding twenty-five years.~~

Sec. 333. Section four hundred ninety A point twenty-three (490A.23), Code 1971, is amended as follows:

490A.23 CITIES AND TOWNS--CONFLICT OF SERVICE. ~~The application of section 397.20 to public utilities, as defined in this chapter, with respect to the regulating of rates and services of such public utilities to the extent such jurisdiction and powers are conferred upon the commission in this chapter is hereby repealed.~~ All rights of municipal corporations to franchise and regulate use of streets, alleys and other public property, and all rights acquired by franchise or agreement shall be preserved in such municipalities, excepting only the duties and jurisdiction conferred upon the commission in this chapter. Whenever the corporate boundaries of any city ~~or town~~ are extended, utility service, as defined in section 490A.1, shall be provided in such extended area by the public utility or the municipally owned utility serving such city ~~or town~~ immediately prior to the extension of such boundaries. In the event service is provided, in such extended area, at the time of the extension of the corporate boundaries, by a public utility which does not have a municipal franchise for such city ~~or town~~, the facilities located within such extended area shall be purchased at the end of six years from the date the corporate boundaries shall have been extended by the franchised public utility of such city ~~or town~~ or by the municipal utility serving such city ~~or town~~ and the municipal franchised public utility or municipally owned utility shall furnish such service without interruption upon the acquisition thereof. The franchised or municipally owned utility shall pay to the utility serving in the annexed area the fair and reasonable value of its properties within such annexed area by exchange of other

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electric utility property outside such city ~~or town~~ on a fair and reasonable basis giving due consideration to revenue from and value of the respective properties. In the event the public utilities involved are unable to agree as to the terms of such exchange, either utility may file an application with the commission requesting that the commission determine such fair and reasonable terms for such exchange. After notice and hearing the commission shall determine fair and reasonable terms for such exchange, or in the event no appropriate properties can be exchanged the commission shall fix and determine the fair and reasonable value of the property within the annexed area, and such transfer shall be made as directed by the commission. Until such determination by the commission, the facilities shall remain in place and service to the public shall be maintained by the owner. However, the utility not having a municipal franchise and serving such annexed area shall not extend service to any additional points of delivery within such annexed area if the commission, after notice and hearing, with due consideration of any unnecessary duplication of facilities, shall determine that such extension is not in the public interest. Provided, however, that production, generation, high-voltage transmission facilities and high-voltage transformers owned by a utility in territory annexed to a city ~~or town~~ shall be exempt from the operation of this section, and provided further that if a public utility not having a municipal franchise at the time of the extension of the corporate boundaries subsequently acquires a municipal franchise ~~as contemplated by chapter 397~~ within six years of the extension of the corporate boundaries such utility shall be exempt from the operation of this section. ~~All other laws and parts of laws inconsistent with this chapter are hereby repealed; provided, however, that nothing in this chapter shall be construed to repeal or impair any provision of chapter 397, except as expressly provided in this section with respect to section 397.28.~~

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Sec. 334. Section five hundred nine A point one (509A.1), Code 1971, is amended as follows:

509A.1 AUTHORITY OF GOVERNING BODY. The governing body of the state, county, school district, ~~city, town~~ or any institution supported in whole or in part by public funds may establish plans for and procure group insurance, health or medical service for the employees of the state, county, school district, ~~city, town~~ or tax-supported institution.

Sec. 335. Section five hundred nine A point two (509A.2), Code 1971, is amended as follows:

509A.2 SOURCES OF FUNDS. The funds for such plans shall be created ~~from the following sources:~~ solely from the contributions of employees, or from contributions wholly or in part by the governing body.

~~1. Contributions from employees who elect to participate in any such plan, and~~

~~2. Contributions authorized by the city council from the general fund of said city in amounts not exceeding the aggregate amounts assessed against and collected from employees who elect to participate in any such plan. The funds for each plan shall be kept separately.~~

~~3. Solely from the contributions of employees, except as provided in subsections 1 and 2 above, for any plan established after July 4, 1962, or from contributions wholly or in part by the governing body.~~

Sec. 336. Section five hundred nine A point four (509A.4), Code 1971, is amended as follows:

509A.4 PARTICIPATION OPTIONAL. Participation in any such plan shall be optional with all employees eligible to the benefits thereof as provided by the rules and regulations adopted by the governing body pursuant thereto. Election to participate therein shall be in writing signed by the employee and filed with the ~~city council~~ governing body.

Sec. 337. Section five hundred nine A point eleven (509A.11), Code 1971, is amended as follows:

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509A.11 DEFINITIONS. For purposes of this division the following terms shall have the following meaning:

1. The words "governing body" means the executive council of the state, the board of supervisors of counties, the school boards of school districts, ~~the city or town council of cities or towns~~ and the superintendent or other person in charge of an institution supported in whole or in part by public funds.

2. The words "public body" means the state, a county, school district, ~~city, town~~ or institution supported in whole or in part by public funds.

Sec. 338. Section five hundred forty-six A point one (546A.1), Code 1971, is amended as follows:

546A.1 LICENSE REQUIRED. It shall be unlawful for any person, firm or corporation to sell, dispose of, or offer for sale at public auction at any place outside the limits of any city ~~or town~~ in the state of Iowa, or within the limits of any city ~~or town~~ in the state of Iowa that has not by ordinance ~~enacted pursuant to the provisions of section 368.6~~ provided for the licensing of sales by auction, any new merchandise, unless such person, firm or corporation and the owners of such merchandise, if it is not owned by the vendors, shall have first secured a license as herein provided and shall have complied with the regulations hereinafter set forth.

Sec. 339. Section five hundred forty-six A point five (546A.5), Code 1971, is amended as follows:

546A.5 ISSUANCE OF LICENSE. Upon the filing of such application and after the applicant has fully complied with all the provisions of this chapter, the board of supervisors, by its chairman, shall issue to the applicant a license authorizing the holding of such auction sale as proposed in said application. Such license shall not be transferable, and shall be valid only in the county where issued, and shall not be valid in any ~~town or~~ city in such county which has

enacted an ordinance ~~pursuant-to-section-368.6~~ providing for the licensing of auction sales.

Sec. 340. Section five hundred sixty-five point six (565.6), Code 1971, is amended as follows:

565.6 GIFTS TO MUNICIPAL CORPORATIONS. Counties, ~~cities, towns, the park board of any city or town, and~~ civil townships wholly outside of any city ~~or town~~, and school corporations, are authorized to take and hold property, real and personal, by gift and bequest; and to administer the same through the proper officer in pursuance of the terms of the gift or bequest. No title shall pass unless accepted by the governing board of the corporation ~~,~~ or township~~, or park board~~. Conditions attached to such gifts or bequests become binding upon the corporation ~~,~~ or township~~, or park board~~ upon acceptance thereof.

Sec. 341. Section five hundred sixty-five point eight (565.8), Code 1971, is amended as follows:

565.8 TAX VOTED TO MAINTAIN. When any county~~, city, or town shall receive~~ receives by gift or devise, property, real or personal, for the purpose of establishing any institution of benevolence including hospitals, and no sufficient fund or endowment is provided for its maintenance, or is received upon condition that the donee or devisee provide for aiding the maintenance of such institution by a tax levy upon the assessed property of such municipality, it shall be the duty of the governing board of such municipality to submit by resolution to the qualified electors thereof at a regular or special election the question whether there shall be levied upon the assessed property of such municipality an annual tax not exceeding three-fourths mill on the dollar for the purpose of aiding the maintenance of such institution. The said proposition shall be submitted in the manner provided for similar propositions in the title on elections.

Sec. 342. Section five hundred sixty-five point twelve (565.12), Code 1971, is amended as follows:

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565.12 CONDITION AS TO ANNUITY. When a gift or bequest is conditioned upon the payment of an annuity to the donor, or any other person, the governing board of ~~such municipality~~ a county or city may, upon acceptance of such gift or bequest, agree to pay such annuity providing the amount thereof does not exceed five percent of the amount of the gift or bequest and does not exceed the amount realized from a one mill tax levy upon the taxable property of said municipality.

Sec. 343. Section five hundred sixty-five point thirteen (565.13), Code 1971, is amended as follows:

565.13 ANNUITY TAX. To provide for the payment of such annuity, ~~said municipality~~ the county or city, through its proper officers, shall annually thereafter levy a tax, not exceeding three-fourths mill if levied by a county, sufficient to pay such annuity.

Sec. 344. Section five hundred sixty-five point fourteen (565.14), Code 1971, is amended as follows:

565.14 LIMITATION ON ACCEPTANCE. No agreement shall be made by a county unless the annuity provided for therein, and all annuities provided for under prior agreements, may be paid from the proceeds of one annual tax levy of three-fourths mill.

Sec. 345. Section five hundred sixty-six point seventeen (566.17), Code 1971, is amended as follows:

566.17 DELEGATES TO CONVENTIONS. Every ~~city,~~ county, ~~town,~~ or township having a cemetery under its control may delegate not to exceed two officials from each cemetery so controlled to attend meetings of cemetery officials, and certain expenses, including association dues, not to exceed twenty-five dollars, of said delegates may be paid out of the cemetery fund of said ~~city,~~ county, ~~town,~~ or township. ~~The expense of such delegates shall not exceed the expenses allowed under section 363.42.~~

Sec. 346. Section five hundred sixty-six point eighteen (566.18), Code 1971, is amended as follows:

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566.18 SUBSCRIBING TO PUBLICATIONS. The cemetery officials of every ~~city,~~ county~~,~~ ~~town,~~ or township having a cemetery under its control may subscribe to one or more publications devoted exclusively to cemetery management, but said subscriptions may be paid out of the cemetery fund of the ~~city,~~ county~~,~~ ~~town,~~ or township.

Sec. 347. Section six hundred thirteen A point three (613A.3), Code 1971, is amended as follows:

613A.3 ACTUAL KNOWLEDGE OF DEFECT AS DEFENSE. In any action subject to the provisions of this chapter ~~or section 389.12~~, an affirmative showing that the injured party had actual knowledge of the existence of the alleged obstruction, disrepair, defect, accumulation, or nuisance at the time of the occurrence of the injury, and a further showing that an alternate safe route was available and known to the injured party, shall constitute a defense to the action.

Sec. 348. Section six hundred thirteen A point eight (613A.8), Code 1971, is amended as follows:

613A.8 OFFICERS AND EMPLOYEES DEFENDED. The governing body shall defend any of its officers and employees, whether elected or appointed and, except in cases of malfeasance in office or willful or wanton neglect of duty, shall save harmless and indemnify such officers and employees against any tort claim or demand, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of duty. Any independent or autonomous board or commission of a municipality having authority to disburse funds for a particular municipal function without approval of the governing body shall similarly defend, save harmless and indemnify its officers and employees against such tort claims or demands. ~~This section is intended to confer power in addition to that conferred by section 368A.1.~~

Sec. 349. Section seven hundred nine point twenty-five (709.25), Code 1971, is amended as follows:

709.25 LARCENY FROM PARKING METER. If any person opens,

steals, takes and carries away, or attempts to open, steal, take and carry away money, regardless of the value or amount thereof, from a parking meter erected and maintained by a city ~~or town pursuant to section 390.7~~, he shall be guilty of larceny from a parking meter and upon the first conviction thereof he shall be punished by imprisonment in the penitentiary or county jail for not more than one year, or by fine of not more than five hundred dollars, or by both such fine and imprisonment; upon each subsequent conviction thereof he shall be punished by imprisonment in the penitentiary for not more than five years, or by fine of not more than one thousand dollars, or by both such fine and imprisonment.

Sec. 350. Section seven hundred fifty point five (750.5), Code 1971, is amended as follows:

750.5 DUTY OF CITY COUNCIL TO INSTALL--COSTS. The council of each city of two thousand or more population shall~~, and the council of any town may,~~ install ~~in such place as said council may determine~~ at least one ~~such~~ locked-in radio receiving set as ~~may be~~ prescribed by the commissioner of public safety for use in law enforcement and police work. ~~The cost of any such installation shall be paid from the public safety fund of said city or town.~~

Sec. 351. Section seven hundred fifty point six (750.6), unnumbered paragraph one (1), and subsection one (1), Code 1971, is amended as follows:

750.6 ADDITIONAL COMMUNICATIONS SYSTEMS. ~~The council of any city or town and the~~ The board of supervisors of any county shall have in addition to the foregoing the discretionary authority:

1. To purchase, lease, own, and maintain additional radio, electronic communications and telecommunications systems as may be deemed necessary by said agency for the efficient operation of the law-enforcement agencies under its jurisdiction, and to pay the cost thereof from the general fund of said county~~, or the public safety fund of said city~~

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or-town.

EXPLANATION

This bill is basically the unanimous proposal of the Municipal Laws Review Study Committee, which was established by the 63rd General Assembly, First Session. The purpose of the bill is to implement the home rule amendment to the Constitution.

The home rule amendment passed the 61st General Assembly by a vote of 55-0 in the Senate and 103-2 in the House of Representatives. It passed the 62nd General Assembly by a vote of 61-0 in the Senate and 113-9 in the House of Representatives, was adopted by the people in 1968 by a vote of 486,749 to 256,236 and thus represents the will of a substantial majority of Iowans.

The present law relating to cities and towns, generally contained in Title XV of the Code, chapters 363 through 420, contains many restrictions upon city and town government, and much detailed "enabling" legislation, permitting cities and towns to exercise powers relating to city government. The home rule amendment now grants all general powers to cities and towns, except taxing powers. Therefore, much of the present law is considered unnecessary and burdensome to cities.

This proposal substitutes the City Code of Iowa, consisting of nine Divisions, for a large part of what is presently Title XV of the Code. However, it provides that both the new and the present law will be in effect for a two-year period, giving cities the option to function under the new law, and if necessary, test its constitutionality in the courts, before present law is repealed or amended.

Following is a brief synopsis of the nine Divisions of the proposed City Code of Iowa:

Division I. Definitions and General Provisions.

Words used repeatedly in the City Code are defined in section two. "City" is defined to mean a municipal corpora-

tion including a town, but not including a county, township, school district, or any special purpose district or authority. It will no longer be necessary to refer to "cities and towns" throughout the Code, although any remaining references to towns are not harmful, as a town is also a city, under this definition.

This Division also includes standards for notice and publication in section three, and for petitions by voters in section four, which are referred to throughout the other eight Divisions. Conflict of interest provisions, as contained in the present law, are included in this Division. Section seven provides that valid city measures adopted before the enactment of this bill will remain valid unless irreconcilable.

The final sections of Division I include a separability clause and a provision for the two-year transition period during which cities may elect to come under the new law, or continue to function under present law.

Division II. Powers and Duties of Cities.

A city's constitutional home rule power is described in broad, general terms in the first sections of this Division. No specific powers are listed, because such a listing might be construed as a limitation upon cities. Instead, certain limits are listed, and in general effect the remainder of the City Code is also a series of limitations upon the general powers of a city under home rule. This Division indicates that when the state has established limits on conduct, such as those related to health and traffic safety, a city may make the limits more restrictive within its jurisdiction, but not less restrictive, and that state procedures are to be substantially followed by a city in the exercise of its powers, where applicable state procedures are given. Other sections describe a city's extraterritorial jurisdiction, authority for joint action, and limits on disposing of an interest in real property.

In Division II, city powers to require railroads to pro-

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vide crossing constructions and safety devices are stated. The city's duties in relation to city property, and its powers to require abatement of nuisance and to require other actions by property owners, are listed. These provisions are similar to present law.

Division III. City Development.

Part 1 of this Division has definitions applicable to the Division, and Part 2 includes provisions similar to present law, providing for a city to change its name, for cities to agree not to annex specific territory, and for annexation on application of all owners of a territory.

In order to permit better long-range planning and orderly development in the interest of all cities, a city development board is created in Part 3 of this Division, to study and rule upon petitions and plans for incorporation of new cities, discontinuance or consolidation of cities, and annexation or severance of territory.

The city development board consists of three members appointed by the governor. It is a state agency which meets with local representatives from the cities and territories involved to determine if proposals are in the public interest. Proposals approved are still subject to election. This concept, while not in the present Code of Iowa, is a part of Suggested State Legislation proposed by the Advisory Commission on Intergovernmental Relations, and similar legislation was introduced in a recent session of the General Assembly.

Division IV. Organization of City Government.

The present optional forms of city government are described in this Division, including mayor-council, commission, and council-manager forms. Only very minor changes were made in any of these forms, but much repetitious or ambiguous language was removed. In addition, beginning at section fifty-two, a city is provided the option of adopting a home rule charter to control its form of government. The home

rule charter may be proposed by the council, or on petition of the voters a charter commission shall be established. A city may not change its form of government more often than once in six years.

The Committee has sought the assistance of Iowa's four special charter cities in drafting proposals to enable them to continue under their present form of government, and substantial parts of chapter 420 of the Code will be retained for the use of special charter cities only.

Part 2 of this Division includes a description of the major powers and duties of the council and mayor in all cities.

Division V. City Elections.

Since most of the general election law of the state is applicable to city elections, this Division is brief and spells out those provisions which are especially applicable only to city elections. Procedures for a nonpartisan primary or a run-off election in lieu of a primary are included, as well as procedures for determining those elected from a slate of council candidates who run at large.

Division VI. City Legislation.

Legislative measures of a city, including ordinances, amendments to ordinances, resolutions, motions, and city codes are the subject of this Division. The measures are defined in Division I, and methods of adoption are prescribed here.

Generally the methods follow present law although some alternatives are provided for proposing and publicizing ordinances.

In addition, a city is required to compile and adopt a city code, which includes nearly all ordinances in effect, at least once in five years. However, the city code need not be published in bound volumes. The requirement is only that it be compiled in a form accessible to the citizens. A city is also permitted to adopt other codes, such as a standard building code, by reference.

Division VII. City Finance.

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Part 1 of this Division deals with taxes and funds.

In the area of taxation, the Committee has adopted a policy of maintaining the present law, except for simplification and rearrangement.

A study of municipal financing, commonly called the "Dubuque Study", and conducted by Baxter-McDonald Company under the combined sponsorship of the City of Dubuque, the League of Iowa Municipalities, and the Office for Planning and Programming, has been the basis for most of the changes made in city budgeting and accounting procedures by this proposal. The Dubuque Study recommends that the seven functional funds be eliminated and their functions combined into the general fund. This recommendation has been incorporated into Part 1 of Division VII. Other funds required or authorized under the present Code, such as debt service, trust and agency, and emergency funds, are retained.

An innovation in city funds is the capital improvements reserve fund, which is limited to an annual levy of two and one-half mills for a specific time and purpose. If the combined general fund and capital improvements reserve fund will exceed thirty mills, the question of establishment of the reserve fund must be submitted to the voters. The Committee believes that such a fund will be a savings to the property taxpayer, because it will eliminate the need to issue bonds and pay high interest rates for some necessary capital improvements.

The separate mill levies itemized in Part 1 of Division VII were considered outside the thirty mill limit on cities and towns, either because the law states that they are not subject to any limitation, because they can be levied only after an election, or because they were not listed in chapter 404 of the Iowa Code as alternate levies.

Other recommendations of the Dubuque Study are incorporated in Part 2 of Division VII. The Study urges that all cities move to a program-performance type of budgeting, and

prepare an operating budget for three years and a capital improvement plan for five years. While conceding the desirability of such provisions, the Committee feels that it is impractical to make such changes an immediate requirement, and so provided for the establishment of a state-level city finance committee, with broad representation of city officials knowledgeable in city accounting, to assist cities to move gradually toward these desirable goals. The city finance committee will be under the state comptroller's office, and will establish guidelines to permit transfers of city moneys between or within programs and funds, although major transfers will require a budget amendment process. The committee will hear budget protests. Since these procedures are different to some extent from the present budget process, cities will not be covered by chapter 24 of the Code if this proposal is adopted.

Part 3. General Obligation Bonds.

Parts 3 through 7 of Division VII were prepared with the cooperation of local bond counsel and financial consultants.

Part 3 of this Division controls general obligation bonds issued by a city. General obligation bonds are divided into "essential corporate purpose" bonds and "general corporate purpose" bonds. Bonds for an essential corporate purpose may be issued without an election, while bonds for a general corporate purpose have a "reverse referendum" procedure, whereby the city publishes notice of intent to issue the bonds, and voters may petition for an election. Those purposes listed as "essential" are similar to the purposes for which bonds may be issued without an election under present law.

Part 4. Special Assessments.

Part 4 provides detailed procedures for special assessments and special assessment bonds. This part is a compilation and revision of present law as contained primarily in chapters 391, 391A, and 417 of the Code.

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Part 5. Revenue Financing.

Part 5 provides procedures for revenue bond financing and use of pledge orders by a city utility, combined city utility, city enterprise, or combined city enterprise.

Part 6. Contract Letting Procedure.

Part 6 contains procedures regulating contracts for amounts over ten thousand dollars, with a special provision for emergencies.

Division VIII. City Utilities.

The city utilities Division is based upon four present Iowa Code chapters which regulate municipal utilities and utility boards of trustees. This Division requires the question of the original establishment or discontinuance of a city utility, or combined utility system, or the formation or dissolution of a board to administer a city utility, to be submitted to the voters. If a utility board is established it has all powers of a city relating to the administration of the utility, with the exception of taxing and bonding powers, and the power to hold title to real property. The board is also required to make complete reports to the council. It will be permitted to issue revenue bonds under the provisions of Part 5 of Division VII. Presently functioning utility boards may continue to function with the added powers in this Division, unless dissolved by the voters.

Division IX. Administrative Agencies of Cities.

All agencies established by a city except those to administer city utilities, zoning commissions, and boards of adjustment, or others which may be separately controlled by state law, are subject to the provisions of this Division. These provisions replace over ten chapters of present law. Generally, Division IX provides that the council may establish or dissolve agencies, and designate their powers and duties, as needed. However, some protections for present library and hospital boards are included. The council may not delegate to an administrative agency certain powers relating to revenue

bond financing. As in the case of boards of trustees of municipal utilities, present administrative agencies may continue to function until altered as provided in this Division.

Section 196 of the bill is the main repealer section, which lists the chapters in Title XV which will be completely repealed and replaced by the City Code of Iowa. However, this section and following amendatory sections will not be in effect for a two-year period. During that time, a city may choose to follow present law, or may follow one or more Divisions of the City Code in lieu of present law. In addition to the chapters listed in this section, parts of chapter 420, relating to special charter cities, are to be repealed because they are duplicated in the City Code, but the unique provisions for special charter cities will remain in chapter 420.

The remaining sections of the bill make a number of changes in the Code of Iowa to make it consistent with the provisions of the City Code. Population restrictions and a number of specific and limited grants of power have been removed. Chapter 413 was repealed, so the state department of health is given authority to promulgate and enforce a modern state housing code. In some instances a number of sections which authorized joint bonding action by cities and counties have been moved into the chapters relating to counties. Cities will be able to accomplish bonding under the new provisions in the City Code, but counties will still require specific authority for certain purposes.

CPA-34782

Amend House File 574 as follows:

1. Page 40, line 24, by striking the words "one and one-fourth" and inserting in lieu thereof the word "fifteen".

Filed - Lost 5/27
April 6, 1971

By UBAN of Black Hawk
District 38

Amend House File 574 as follows:

1. Page 61, line 25, by striking the words "a majority" and inserting in lieu thereof the words "sixty percent".

2. Page 143, line 26, by striking the words "a majority" and inserting in lieu thereof the words "sixty percent".

3. Page 157, line 31, by striking the words "a majority" and inserting in lieu thereof the words "sixty percent".

Filed - Adopted 5/27
April 15, 1971

By MENDENHALL of Allamakee, District 13
ELLSWORTH of Dubuque, District 50
ANANIA of Polk, District 65
HANSEN of Black Hawk, District 37
HOLDEN of Scott, District 75
KNOBLAUCH of Carroll, District 28
SORG of Linn, District 47
WELLS of Linn, District 44
KEHE of Bremer, District 12

Amend House File 574 as follows:

Page 95, by adding after line 22, the following new subsection:

3. If a city enters into an agreement with one or more public or private agencies, as defined in chapter twenty-eight E (28E) of the Code, for joint or cooperative action in planning, owning, constructing, or operating physical facilities to be used in connection with a city utility, the provisions of sections one hundred fifty-nine (159) through one hundred seventy-three (173), inclusive, of this Act shall apply and be available, and the provisions of sections one hundred seventy-five (175) through one hundred eighty (180), inclusive, of this Act shall not be mandatory.

Filed - Lost 5/27
April 27, 1971

By HANSEN OF BLACK HAWK
District 37

Amend House File 574 by striking from page 40, lines 24 and 25, the words "one and one-fourth mills in any year. A" and inserting in lieu thereof the words "fifteen mills in any year for the general fund. On residences located on lots of more than ten acres used for agricultural or horticultural purposes, and on all other taxable property within the city, a".

Filed - W. D. 5/27
May 19, 1971

By UBAN of Black Hawk
District 38

Amend House File 574, page 40, line 24, by striking the words "one and one-fourth mills" and inserting in lieu thereof the following: "the mill rate levied under section three hundred nine point seven (309.7) of the Code by the board of supervisors of the county, for municipal street purposes".

Filed - W. D. 5/27
May 20, 1971

By KEHE of Bremer
District 12

Amend House File 574, page 108, by striking lines 25 through 35, inclusive, and line 1 of page 109, and inserting in lieu thereof the following:

"4. A condensed statement of council proceedings and a monthly financial report of the city must be published within thirty days of the date of the proceedings, in a monthly pamphlet furnished to the city library, if any, and made available for distribution to the public at the office of the mayor or city clerk."

Filed - W. D. 5/27
May 24, 1971

By LARSON of Story
District 34

Amend the Kreamer amendment to House File 574, filed May 26, 1971, by inserting after line 26 the following:

"3. Page 49, by striking all of lines 2 and 3".

Offered from the Floor
and Adopted
May 27, 1971

By KREAMER of Polk
District 63

Paragraph 2 will limit the use of these joint powers to those facilities constructed "within the State of Iowa". Local financing and bonding powers ought not be utilized to enable construction and operation of a plant outside the state.

Under paragraph 3 of this amendment, the city utility will not be able to use these powers if a separate entity such as a public power authority or super agency is created or utilized for construction, ownership or operation of the joint project.

Paragraph 4 would allow existing municipal utilities which now own generating plants or who purchase power from Cooperative G & T Associations, the Bureau of Reclamation or a privately owned utility to participate in such a joint project but it would prohibit customers which purchase energy from a privately owned utility on a retail basis from using energy from such jointly financed plant unless the utilities involved agree. The municipal utilities presently in the electric business would be able to gain the economies of scale that they seek in such joint ventures and yet the other utilities would be able to keep their present customers. This is basically the "live and let live" philosophy that the House and Senate have recently endorsed in their passage of House File 197.

In all other respects this amendment to the Hansen amendment to H. F. 574 would permit a city utility to have undivided joint ownership and participation in a public utility facility located within Iowa and revenue bonding powers would be available to finance its participation and ownership.

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 52, line 28, by striking the word "qualified" and inserting in lieu thereof the word "eligible".

2. Page 53, line 9, by striking the word "qualified" and inserting in lieu thereof the word "eligible".

3. Page 60, line 31, by striking the word "qualified" and inserting in lieu thereof the word "eligible".

Filed - w. d. 5/27
May 21, 1971

By UBAN of Black Hawk
District 38

HOUSE FILE 574

Amend House File 574, page 7, line 5, by striking the words "or a state law" and inserting in lieu thereof the words "and not inconsistent with the laws of the general assembly".

Filed - adopted 5/26
May 21, 1971

By WILLITS of Polk, District 57

HOUSE FILE 574

Amend House File 574, page 7, line 23 by striking "a motion,".

Filed - w. d. 5/26
May 21, 1971

By WILLITS of Polk, District 57

HOUSE CLIP SHEET
Friday, April 16, 1971

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 40, line 33, by striking the word "October" and inserting in lieu thereof the word "August".

2. Page 42, by striking from line 1 the words ", and as" and all of lines 2 and 3 and inserting in lieu thereof a period.

3. Page 43 by striking all of lines 5 through 8, inclusive.

4. Page 43, by striking all of lines 13 and 14 and inserting in lieu thereof the following: "in section twenty-four point six (24.6) of the Code.".

5. Page 47, by striking all of lines 19 through 35, inclusive.

6. By striking all of pages 48 through 53, inclusive.

7. Page 54, by striking all of lines 1 through 13, inclusive, and inserting in lieu thereof the following new section:

"Annually, a city shall prepare and adopt a budget, and shall certify taxes, as provided in chapter twenty-four (24) of the Code."

8. Page 64, by striking all of lines 3 through 5, inclusive.

9. Page 115, by striking all of lines 32 through 35, inclusive.

10. Page 116, by striking all of lines 1 through 30, inclusive.

11. Page 117, by striking all of lines 10 through 35, inclusive.

12. Page 118, by striking all of lines 1 through 27, inclusive.

13. Page 125, by striking all of lines 29 through 35, inclusive.

14. Page 126, by striking all of lines 24 through 11, inclusive.

15. Page 180, by striking all of lines 24 through 35, inclusive.

16. By striking all of page 181.

17. Page 182, by striking all of lines 1 and 2

18. Renumber sections as required by these amendments.

Filed - Lost 5/27
April 15, 1971

By KEHE of Bremer
District 12

HOUSE FILE 574

Amend House File 574 as follows:

1. By striking from page 13 all of lines 14 through 35, inclusive, all of pages 14 through 21, inclusive, and from page 22 all of lines 1 through 15, inclusive, and inserting in lieu thereof the following:

"Sec. 23. A city development appeal board is hereby created. The board shall consist of three members appointed by the governor, subject to confirmation by two-thirds of the members of the senate. The members of the board shall be qualified electors of the state and shall hold no other elective or appointive public office. The initial appointments must be for terms of two and four years. Successive appointments must be for four years, or to fill an unexpired term in case of a vacancy. Members are eligible for reappointment.

Sec. 24. The board shall hold a regular meeting once during July of each odd-numbered year, and select a chairman. At its initial meeting the board shall establish rules of procedure with reference to petition for and conduct of hearings. The board's rules are subject to chapter seventeen A (17A) of the Code, as applicable. At each regular meeting thereafter the board shall review its rules and prepare a report to the governor and the general assembly.

Sec. 25. The board is established for the purpose of adjudicating disputes arising between cities on questions involving annexation.

Sec. 26. For the regular meetings each member is entitled to receive from the state his actual and necessary expenses and forty dollars compensation for each day spent in the performance of board duties. The office of planning and programming shall be the office of record for the board, and shall provide staff assistance, as required, and shall budget funds to cover expenses and compensation of members of the board for the regular meetings.

Sec. 27. When agreement cannot be reached as provided in section three hundred sixty-two point twenty-six (362.26), subsection seven (7), of the Code, cities may individually or jointly appeal to the board for a decision, and the decision shall be binding for a period of ten years. Requests for adjudication shall be made to the office of planning and programming.

Sec. 28. The board shall conduct a public hearing on the dispute, as soon as practicable, at a suitable location convenient to the cities involved. Notice of the hearing must be served upon the

council of each city involved, the county board of supervisors for each county which contains a portion of either of the cities, and any regional planning authority for the area involved. A notice of the hearing must be published as provided in section three (3) of this Act, except that there must be two publications in a newspaper having general circulation in each city and each territory involved in the dispute. Any person may submit written briefs and, in the board's discretion, may be heard on the proposal. The board may subpoena witnesses and documents relevant to the dispute. All costs of any hearing and deliberative meetings of the board for any dispute shall be paid equally by the cities to the dispute. Members of the board shall be entitled to their actual and necessary expenses and forty dollars compensation per day."

Sec. 29. A city, or a resident or property owner in the territory or city involved, may appeal a decision of the board to the district court of a county which contains a portion of any city or territory involved.

Appeal must be filed within thirty days of the filing of a decision.

2. Page 112, line 6, by striking the following: "three hundred sixty-two (362),".

Filed - Lost 5/26
May 21, 1971

By KEHE of Bremer, District 12
KNOKE of Pottawattamie, District 79
SCHROEDER of Pottawattamie
District 54

EXPLANATION OF AMENDMENT

This amendment strikes all of Division III, which established a state City Development Board to process all incorporation, annexation, consolidation, discontinuance, severance and name changes for cities, and replaces it with a simple City Development Appeal Board that will only deal with disputes between cities over territory they may now or in the future be considering for annexation. The procedure of handling all the actions listed above are now in chapter 362 of the Code, and this amendment leaves all of that chapter in the Code.

The amendment calls for the new board to meet regularly only once every two years to organize itself and to prepare and review rules under which it shall conduct business. When it is required to go into session to settle a dispute, the parties in the dispute shall pay the costs involved.

HOUSE CLIP SHEET
Monday, May 24, 1971

HOUSE FILE 574

Amend the Hansen amendment to House File 574, filed on April 27, 1971 and appearing on pages 1117 and 1118 of the House Journal, as follows:

1. Lines 5 and 6, by striking the words "public or private agencies, as defined in chapter twenty-eight E (28E) of the Code" and inserting in lieu thereof the words "cities or persons, as defined in this Act".

2. Line 8, by inserting after the word "facilities" the words "located within the state of Iowa".

3. Line 14, by inserting after the word "mandatory" the words ", provided, however, that the provisions of sections one hundred fifty-nine (159) through one hundred seventy-three (173) shall not apply or be available if a separate entity is created under chapter twenty-eight E (28E) of the Code for such purposes."

4. Line 14, by adding the sentence "Provided further, however, that electric energy from operation of such jointly financed generating, transmission or related facilities shall not be furnished to any city, town or other customer receiving central station service on a retail basis from any person as of the date of this Act except upon the voluntary agreement of the utilities involved."

Filed - Lost 5/27
May 21, 1971

By ELLSWORTH of Dubuque
District 50

ANDERSEN of Woodbury
District 23

EXPLANATION TO AMENDMENT

Under paragraph 1, the terms "cities" and "persons" are used because of their definition and use in other provisions of the bill. In this regard a cooperative would fall under the definition of a "person". The references to and broad terminology of Chapter 28E have been deleted because the legislature would not be able to maintain control over the use of the funds and credit of the cities and towns if the project goes outside the State of Iowa or is controlled by an agency of the federal or some other state government as Chapter 28E would otherwise permit.

HOUSE FILE 574

Amend House File 574, page 54, section 100, by striking in line 15 the following: "make an annual report available to the public," and inserting in lieu thereof the following: "publish an annual report as provided in section three (3) of this Act".

Filed - adopted 5/27
May 24, 1971

By ELLSWORTH of Dubuque
District 50

EXPLANATION OF AMENDMENT

This amendment would require that a city's annual financial statement be published in a newspaper of general circulation in the municipality as is now required under present law. In towns under 200 population the notice may be posted.

HOUSE FILE 574

Amend House File 574, page 12, line 32, by striking the word "may" and inserting in lieu thereof the word "shall".

Filed - w. d. 5/26
May 24, 1971

By JESSE of Polk
District 58

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 36, line 4, insert after the period the following:

"Also, a run-off election may be required in addition to a primary because of failure of a sufficient number of candidates to receive a majority vote in the regular city election."

2. Page 36, line 14, insert after the word "votes" the words "and a majority of the votes".

Filed w. d. 5/27
May 24, 1971

By TAYLOR of Dubuque
District 51

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 63, by striking lines 23 through 25 inclusive.
2. Page 87, by striking lines 11 through 13 inclusive.
3. Page 99, by striking lines 30 through 32 inclusive.

Filed - adopted 5/27

By ALT of Polk

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 92, line 4, by inserting after the word "within" the words "the state of Iowa whether within".

2. Page 92, line 21, by inserting after the word "payable" the words "solely and only".

3. Page 92, line 24, by inserting after the word "pay" the words "solely and only".

4. Page 93, line 1, by inserting after the word "Act" the words ", and specifically subject to the requirements of section one hundred eighty-four (184) hereof".

5. Page 98, line 33, by striking the word "forty" and inserting in lieu thereof the word "twenty".

6. Page 99, line 2, by striking the word "forty" and inserting in lieu thereof the word "twenty".

7. Page 101, line 8, by inserting after the word "project" the words ", except gasworks and electric light and power plants and systems".

8. Page 107, line 3, by inserting after the comma the words "or the proposal to generate power and electric energy by a city utility already engaged in the distribution of electricity at retail,". W.D. 5/27

9. Page 109, by striking lines 23, 24, and 25, and inserting in lieu thereof the following:

"A city may not acquire by condemnation any existing gasworks or electric light and power plants and systems or incomplete parts thereof for the purpose of operating any of them as a city utility unless and until the contract or franchise of the owner has expired or been surrendered."

10. Page 109, by adding after line 25 the following new section:

"Sec. 190. A city may confer by ordinance the power to appropriate and condemn private property for such purpose upon any person authorized to construct and operate gasworks and electric light and power plants and systems."

11. Page 118, line 35 by inserting after the word "pools" the words ", waterworks,". W.D. 5/27

12. By renumbering the sections and correcting the internal references where applicable.

Filed - Lost 5/27
May 24, 1971

By FREEMAN of Buena Vista
District 15
FISHER of Greene
District 56

HOUSE FILE 574

Amend House File 574 page 31, by striking lines 21 through 35, inclusive, and lines 1 through 7, inclusive of page 32, and inserting in lieu thereof the following:

"6. A condensed statement of council proceedings and a monthly financial report of the city must be published within thirty days of the date of the proceedings, in a monthly pamphlet furnished to the city library, if any, and made available for distribution to the public at the office of the mayor or city clerk."

Filed - W.D. 5/27
May 24, 1971

By LARSON of Story
District 34

House 11
May 25, 1971

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 25, line 10, insert after the period the following:

"Although the councilmen are candidates at large, they shall be candidates for a specific seat on the council Prior to each regular city election, the council shall assign a number to each council seat for which a councilman is to be elected, and each candidate shall indicate the council seat for which he is a candidate. Each council seat shall be considered a separate office, and the voters may cast one vote for a candidate for each office."

Filed - Lost 5/26
May 24, 1971

By TAYLOR of Dubuque
District 51

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 25, insert after line 20 the following:

"At the next regular city election following the effective date of this division, a city under the council-manager-at-large form which has not provided for a change to the council-manager-ward form, shall provide for the division of the city into five equal population wards, and shall elect a councilman from each of the five wards. Terms of the councilmen shall be staggered as provided in section fifty-nine (59), subsection four (4), of this Act. Subsequently this form shall be entitled the council-manager form."

Filed - Lost 5/26
May 24, 1971

By TAYLOR of Dubuque
District 51

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 23, lines 2 and 3, strike the word "twenty-five" and insert in lieu thereof the word "twenty".

2. Page 27, line 35, strike the word "twenty-" and strike the word "five" from page 28, line 1, and insert in lieu thereof the word "twenty".

Filed - Lost 5/26
May 24, 1971

By TAYLOR of Dubuque
District 51

House 10
May 25, 1971

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 8, by adding after line 4 the following new section:

"A city may grant to any person a franchise to erect, maintain, and operate plants and systems for electric light, heating, and power, heating, telephone, telegraph, cable television, district telegraph and alarm, motor bus, trolley bus, street railway or other public transit, waterworks, or gasworks, within the city for a term of not more than twenty-five years. The franchise may be granted, amended, renewed, or extended only by an ordinance, but no exclusive franchise shall be granted, amended, extended or renewed.

No such ordinance shall become effective unless a majority of the persons voting thereon vote in favor thereof. The proposal may be submitted by the council on its own motion to the voters at any city election. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election or at a special election called for that purpose prior to the next regular city election. If a majority of those voting approves the proposal the city may proceed as proposed.

Notice of the election shall be given by publication once each week for four consecutive weeks in a newspaper of general circulation in the city. The election shall be held on a day not less than five nor more than twenty days after the last publication of notice.

The person asking for the granting, amending, renewal, or extension of a franchise shall pay the costs incurred in holding the election, including the notice thereof. No franchise shall be finally effective until an acceptance in writing has been filed with the council and payment of the costs have been made.

The franchise ordinance may regulate the conditions required and the manner of use of the streets and public grounds of the city, and it may, for the purpose of providing electrical, gas, heating, or water service, confer the power to appropriate and condemn private property upon the person so franchised."

2. By renumbering the sections and internal references where applicable to conform with this amendment.

Filed - w. ad. 5/26
May 24, 1971

By GLUBA of Scott, District 76
KENNEDY of Chickasaw, District 11
ANDERSEN of Woodbury, District 23
CAMP of Clinton, District 73
SMALL of Johnson, District 69
WILLITS of Polk, District 57
HANSEN of Black Hawk, District 37

House 2
May 25, 1971

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 7, by adding after line 19 the following new section:

"A city may grant to any person a franchise to erect, maintain, and operate plants and systems for electric light, heating, and power, heating, telephone, telegraph, cable television, district telegraph and alarm, motor bus, trolley bus, street railway or other public transit, waterworks, or gasworks, within the city for a term of not more than twenty-five years. The franchise may be granted, amended, extended, or renewed only by an ordinance, but no exclusive franchise shall be granted, amended, extended, or renewed.

An ordinance granting, amending, extending, or renewing a franchise shall not become effective unless approved by the voters of the city. The proposal shall be submitted by the council at the next regular city election or at a special election called for that purpose prior to the next regular city election. If a majority of those voting approves the proposal the ordinance may become effective as provided in this section.

Notice of the election shall be given by publication once each week for four consecutive weeks in a newspaper of general circulation in the city. The election shall be held on a day not less than five nor more than twenty days after the last publication of notice.

The person asking for the granting, amending, extension, or renewal of a franchise shall pay the costs incurred in holding the election, including the costs of the notice. A franchise shall not be finally effective until an acceptance in writing has been filed with the council and payment of the costs has been made.

The franchise ordinance may regulate the conditions required and the manner of use of the streets and public grounds of the city, and it may, for the purpose of providing electrical, gas, heating, or water service, confer the power to appropriate and condemn private property upon the person franchised."

2. By renumbering the sections and internal references where applicable to conform with this amendment.

Filed - Adopted as amended 5/26
May 24, 1971

By KEHE of Bremer
District 12
KREAMER of Polk
District 63

HOUSE FILE 574

Amend House File 574 by striking from page 158, lines 31 through 35, inclusive, by striking pages 159 through 166, inclusive, and by striking lines 1 through 12, inclusive, from page 167.

Filed
May 25, 1971

By TAYLOR of Dubuque
District 51

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 167, line 27, by striking the word "qualified" and inserting in lieu thereof the word "eligible".
2. Page 170, line 18, by striking the word "legal" and inserting in lieu thereof the word "qualified".
3. Page 176, line 29, by inserting the word "eligible" before the word "voters".
4. Page 177, line 11, by inserting the word "Eligible" before the word "voters".

Filed - adopted as amended 5/27
May 25, 1971

By UBAN of Black Hawk
District 38

HOUSE FILE 574

Amend the Freeman amendment to House File 574 filed on May 24, 1971 and appearing on page 1661 of the House Journal by striking lines 2 and 3 and inserting in lieu thereof the following:

"1. Page 92, line 5, by inserting after the word "city" the words "except that no project which involves gasworks or electric light and power plants and systems, shall be constructed or operated outside the State of Iowa."

Filed - adopted 5/27
May 25, 1971

By FREEMAN of Buena Vista
District 15

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 20, line 23, strike the words "qualified voters of the territory" and insert in lieu thereof the following: "unless a majority of the voters in the territory has signed the petition, the proposal shall first be submitted to the voters of the territory. If a majority of those voting in the territory approves the proposal, or if a majority of the voters in the territory has signed the petition, the proposal shall then be submitted to the voters of the city, and the proposal is authorized if a majority of those voting in the city approves".
2. Page 20, strike lines 24 and 25.

Filed - Lost 5/27
May 25, 1971

By TAYLOR of Dubuque
District 51

House 5
May 26, 1971

HOUSE FILE 574

Amend House File 574 by striking from page 8, lines 17 through 27, inclusive, and inserting in lieu thereof the following:

"Sec. 16. 1. A city may not dispose of an interest in real property for less than fair market value except to a governmental body for a public purpose.

2. A city may not sell an interest in real property except as provided in subsection three (3) of this section unless it complies with the following procedure:

a. The council shall advertise for sealed bids for the property by the publication of notice as provided in section three (3) of this Act.

b. The notice must state the time and place for filing sealed bids, the time and place when sealed bids will be opened, a legal description of the property, and any further information which the council deems pertinent.

c. The council shall open, announce the amount of bids, and file all bids received, at the time and place specified in the notice. The council may make the sale to the person submitting the best bid which is not less than the fair market value of the property, or may reject all bids, fix a new date for receiving bids, and order publication of a new notice.

3. A city may sell an interest in real property to the person who owns all the abutting private property, or may lease real property for a term of more than three years, only after holding a public hearing on the proposal, and publishing notice of the hearing as provided in section three (3) of this Act."

Filed - Adopted 5/26
May 25, 1971

By JESSE of Polk
District 58

HOUSE FILE 574

Amend House File 574 by inserting on page 27, line 13, after the comma the words "chief of police,".

Filed - Lost 5/26
May 25, 1971

By TAYLOR of Dubuque
District 51

Amend the Uban amendment to House File 574, filed May 25, 1971, as follows:

1. By striking all of lines 2 through 4.

2. By striking in lines 7 and 8, the word "eligible" and inserting in lieu thereof the word "qualified".

3. By striking in lines 9 and 10, the word "eligible" and inserting in lieu thereof the word "qualified".

Offered from the Floor
and Adopted
May 27, 1971

By UBAN of Black Hawk
District 38

HOUSE CLIP SHEET
Friday, May 28, 1971

HOUSE FILE 574

Amend House File 574 as follows:

Page 58, line 30 by striking the words "or useful".

Page 67, line 19 by inserting after the word "by", the words "ordinance of".

Page 70, line 4 by inserting after the word "against" the word "specially".

Page 70, line 25 by inserting after the word "against" the words"specially".

Page 74, line 3 by inserting after the word "mailed" the words "by certified mail".

Page 74, line 8 by inserting after the word "be" the word "specially".

Page 76 is amended by striking all of lines 14, 15 and 16.

Page 77, line 17 by striking all after the letters "erty" and by inserting in lieu thereof the words "specially benefited in the assessment district."

Page 77, line 21 by inserting after the word "may" the words "assess the deficiency to the city or".

Page 77, line 25, by inserting after the word "be" the word "specially".

Page 77, line 27, by inserting after the word "assessments" the words "or as reduced by the court".

Page 82, line 18 by striking the word "may" and inserting in lieu thereof the word "shall".

Offered from the Floor
and Adopted
May 27, 1971

By SKINNER of Polk
District 60

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 39, line 8, strike "and adopt by ordinance".

2. Page 39, line 14, after the word "code", insert the words "by ordinance".

Offered from the Floor
and Adopted
May 27, 1971

By GOODE of Davis
District 98

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 52, by striking all of lines 34 and 35, inclusive, and inserting in lieu thereof the following:

"Upon the filing of any such protest, the county auditor shall immediately prepare a true and complete copy of the written protest, together with the budget to which the objections are made, and shall transmit the same forthwith to the state appeal board, and shall also send a copy of the protest to the council.

The state appeal board shall proceed to consider the protest in accordance with the same provisions that protests to budgets of municipalities are considered under chapter 24 of the Code, except that final disposition of appeals of city budgets shall be made on or before November 24 of each year. The state appeal board shall certify its decision with respect to the protest to the county auditor, and such decision shall be final.

The county auditor shall make up his records in accordance with such decision and the levying board shall make its levy in accordance therewith. Upon receipt of such decision, the county auditor shall immediately notify both parties thereof, whereupon the council shall correct its records accordingly, if necessary."

2. Page 53, by striking all of lines 1 through 30.

Filed - adopted as amended 5/27
May 26, 1971

By KREAMER of Polk
District 63

Amend the Kehe, Kreamer amendment to House File 574, filed May 24, 1971, by striking all of lines 13 through 20 and inserting in lieu thereof the following:

"No such ordinance shall become effective unless a majority of the persons voting thereon vote in favor thereof. The proposal may be submitted by the council on its own motion to the voters at any city election. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election or at a special election called for that purpose prior to the next regular city election. If a majority of those voting approves the proposal the city may proceed as proposed."

Offered from the floor
and adopted
May 26, 1971

By GLUBA of Scott
District 76
SCHROEDER of Pottawattamie
District 54

Amend the Kehe, Kreamer amendment filed May 24 to House File 574, line 14, by inserting after the word "franchise" the words "other than a cable television franchise".

Offered from the floor
and lost
May 26, 1971

By JESSE of Polk
District 58

HOUSE FILE 574
By COMMITTEE ON CITIES AND TOWNS
(AS AMENDED AND PASSED BY THE HOUSE)

Passed House, Date 1-26-72 Passed Senate, Date 1-18-72
Vote: Ayes 91 Nays 4 Vote: Ayes 46 Nays 3
Approved March 10, 1972

A BILL FOR

An Act relating to home rule for cities; establishing the City Code of Iowa which provides for powers and duties of cities including the power to impose penalties by ordinance, city development, organization of city government, city elections, city legislation, city finance including the power to issue bonds, city utilities, and administrative agencies of cities; coordinating the Code of Iowa with the City Code of Iowa; repealing incompatible chapters in Title fifteen (15) and reenacting provisions from Title fifteen (15) which belong in other parts of the Code of Iowa; removing inconsistent references, incorrect provisions, limited grants of power, and restrictions based upon population; and providing for a state housing code and penalties for violation thereof, to be enforced in cooperation with city officials.

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

DIVISION I. Definitions and Miscellaneous Provisions

Section 1. Sections one (1) through one hundred ninety-four (194) of this Act, inclusive, are entitled and may be cited as the "City Code of Iowa".

Sec. 2. As used in the City Code of Iowa, unless the context otherwise requires:

1. "City" means a municipal corporation including a town, but not including a county, township, school district, or any special-purpose district or authority. When used in relation to land area, "city" includes only the area within the city limits.

2. "Municipal" means pertaining to or characteristic of a city.

3. "Council" means the governing body of a city.

4. "Councilman" means a member of a council, including an alderman.

5. "Clerk" means the recording and record-keeping officer of a city regardless of title.

6. "Secretary" of a utility board means the recording and record-keeping officer of the utility board regardless of title.

7. "Charter" means the form of government selected by a city as provided in division four (IV) of this Act.

8. "Officer" means a natural person elected or appointed to a fixed term and exercising some portion of the power of a city.

9. "Person" means an individual, firm, partnership, domestic or foreign corporation, company, association or joint stock association, trust, or other legal entity, and includes a trustee, receiver, assignee, or similar representative thereof, but does not include a governmental body.

10. "Governmental body" means the United States of America or an agency thereof, a state, a political subdivision of a state, a school corporation, a public authority, a public district, or any other public body.

11. "Shall" imposes a duty.

12. "Must" states a requirement.

13. "May" confers a power.

14. "Property", "real property", and "personal property" have the same meaning as provided in section four point one (4.1) of the Code.

15. "Voters" means a person eligible to register to vote, or eligible to vote if registration is not required.

16. "Qualified voter" means a voter who is also registered if registration is required.

17. "Measure" means an ordinance, amendment, resolution, or motion.

18. "Ordinance" means a city law of a general and permanent nature.

19. "Amendment" means a revision or repeal of an existing ordinance or city code.

20. "Resolution" or "motion" means a council statement of policy or a council order for action to be taken, but "motion" does not require a recorded vote.

21. "Recorded vote" means a record, roll-call vote.

22. "City utility" means all or part of a waterworks, gasworks, sanitary sewage system, electric light and power plant and system, or heating plant which is owned by a city including all land, easements, rights-of-way, fixtures, equipment, accessories, improvements, appurtenances, and other property necessary or useful for the operation of the utility.

23. "Administrative agency" means an agency established by a city for any city purpose or for the administration of any city facility, as provided in division nine (IX) of this Act, except a board established to administer a municipal utility, a zoning commission and zoning board of adjustment, or any other agency which is controlled by state law. An administrative agency may be designated as a board, board of trustees, commission, or by another title. If an agency is advisory only, such a designation must be included in its

title.

Sec. 3. Unless otherwise provided by state law:

1. If notice of an election, hearing, or other official action is required by this Act, the notice must be published at least once, not less than ten nor more than twenty-five days before the date of the election, hearing, or other action.

2. A publication required by this Act must be in a newspaper published at least once weekly and having general circulation in the city. However, if the city has a population of two hundred or less, a publication may be made by posting in three public places in the city which have been permanently designated by ordinance.

Sec. 4. If a petition of the voters is authorized by this Act, the petition is valid if signed by voters of the city equal in number to ten percent of the persons who voted at the last preceding regular city election, but not less than ten persons, unless otherwise provided by state law.

Sec. 5. When used in this section, "contract" means any claim, account, or demand against or agreement with a city, express or implied.

A city officer or employee shall not have an interest, direct or indirect, in any contract or job of work or material or the profits thereof or services to be furnished or performed for his city. A contract entered into in violation of this section is void. The provisions of this section do not apply to:

1. The payment of lawful compensation of a city officer or employee holding more than one city office or position, the holding of which is not incompatible with another public office or is not prohibited by law.

2. The designation of a bank or trust company as a depository, paying agent, or for investment of funds.

3. An employee of a bank or trust company, who serves as treasurer of a city.

4. Contracts made by a city of less than three thousand

population, upon competitive bid in writing, publicly invited and opened.

5. Contracts in which a city officer or employee has an interest solely by reason of employment, or a stock interest of the kind described in subsection nine (9) of this section, or both, if the contracts are made by competitive bid, publicly invited and opened, and if the remuneration of employment will not be directly affected as a result of the contract and the duties of employment do not directly involve the procurement or preparation of any part of the contract. The competitive bid requirement of this subsection shall not be required for any contract for professional services not customarily awarded by competitive bid.

6. The designation of an official newspaper.

7. A contract in which a city officer or employee has an interest if the contract was made before the time he was elected or appointed, but the contract may not be renewed.

8. Contracts with volunteer firemen or civil defense volunteers.

9. A contract with a corporation in which a city officer or employee has an interest by reason of stockholdings when less than five percent of the outstanding stock of the corporation is owned or controlled directly or indirectly by the officer or employee.

10. A contract made by competitive bid, publicly invited and opened, in which a member of a city board of trustees, commission, or administrative agency has an interest if he is not authorized by law to participate in the awarding of the contract. The competitive bid requirement of this subsection does not apply to any contract for professional services not customarily awarded by competitive bid.

Sec. 6. A measure voted upon is not invalid by reason of conflict of interest in an officer of a city, unless the vote of the officer was decisive to passage of the measure. If a specific majority or unanimous vote of a municipal body

is required by statute, the majority or vote must be computed on the basis of the number of officers not disqualified by reason of conflict of interest. However, a majority of all members is required for a quorum. For the purposes of this section, the statement of an officer that he declines to vote by reason of conflict of interest is conclusive and must be entered of record.

Sec. 7. A valid measure adopted by a city prior to the effective date of this Act remains valid unless the measure is irreconcilable with this Act.

Sec. 8. This Act, being necessary for the public safety and welfare, shall be liberally construed to effectuate its purposes. If any provision of this Act, or the application of this Act to any person or circumstance is held invalid, except for section nine (9), subsection two (2), of this Act, the invalidity does not affect other provisions or applications of the Act which can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

Sec. 9.

1. The provisions of this Act take effect on July 1, 1971, except that sections one hundred ninety-five (195) through three hundred fifty (350), inclusive, of this Act take effect on July 1, 1973.

2. Between July 1, 1971, and July 1, 1973, a city is not subject to the provisions of sections one (1) through one hundred ninety-four (194), inclusive, of this Act, divisions one (I) through nine (IX) of the City Code of Iowa, unless the council, by resolution, elects to act under and be subject to one or more of the divisions of the City Code of Iowa, in which case conflicting provisions of law are not applicable to that city. Such an election is conclusive until rescinded by the council.

3. On and after July 1, 1973, the provisions of sections one (1) through one hundred ninety-four (194), inclusive,

of this Act, divisions one (I) through nine (IX) of the City Code of Iowa, are applicable to all cities.

DIVISION II. Powers and Duties of Cities

Sec. 10. A city may, except as expressly limited by the Constitution **and not inconsistent with the laws of the general assembly,** exercise any power and perform any function it deems appropriate to protect and preserve the rights, privileges, and property of the city or of its residents, and to preserve and improve the peace, safety, health, welfare, comfort, and convenience of its residents.

Sec. 11.

1. A power of a city is vested in the city council except as otherwise provided by a state law.

2. The enumeration of a specific power of a city does not limit or restrict the general grant of home rule power conferred by the Constitution. A city may exercise its general powers subject only to limitations expressly imposed by a state or city law.

3. An exercise of a city power is not inconsistent with a state law unless it is irreconcilable with the state law.

4. a. A city may grant to any person a franchise to erect, maintain, and operate plants and systems for electric light and power, heating, telephone, telegraph, cable television, district telegraph and alarm, motor bus, trolley bus, street railway or other public transit, waterworks, or gasworks, within the city for a term of not more than twenty-five years. The franchise may be granted, amended, extended, or renewed only by an ordinance, but no exclusive franchise shall be granted, amended, extended, or renewed.

b. No such ordinance shall become effective unless a majority of the persons voting thereon vote in favor thereof. The proposal may be submitted by the council on its own motion to the voters at any city election. Upon receipt of a valid petition as defined in section four (4)

of this Act, requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election or at a special election called for that purpose prior to the next regular city election. If a majority of those voting approves the proposal the city may proceed as proposed.

c. Notice of the election shall be given by publication once each week for four consecutive weeks in a newspaper of general circulation in the city. The election shall be held on a day not less than five nor more than twenty days after the last publication of notice.

d. The person asking for the granting, amending, extension, or renewal of a franchise shall pay the costs incurred in holding the election, including the costs of the notice. A franchise shall not be finally effective until an acceptance in writing has been filed with the council and payment of the costs has been made.

e. The franchise ordinance may regulate the conditions required and the manner of use of the streets and public grounds of the city, and it may, for the purpose of providing electrical, gas, heating, or water service, confer the power to appropriate and condemn private property upon the person franchised.

Sec. 12. The following are limitations upon the powers of a city:

1. A city council shall exercise a power only by the passage of a motion, a resolution, an amendment, or an ordinance.

2. A city may not provide a penalty in excess of a one hundred dollar fine or in excess of thirty days imprisonment for the violation of an ordinance.

3. A city may not set standards and requirements which are lower or less stringent than those imposed by state law, but may set standards and requirements which are higher or more stringent than those imposed by state law, unless a state law provides otherwise.

4. A city may not levy a tax unless specifically authorized by a state law.

Sec. 13. A city may:

1. Acquire, hold, and dispose of property outside the

city in the same manner as within.

2. By contract, extend services to persons outside the city.

3. Enact and enforce ordinances relating to city property and city-extended services outside the city.

Sec. 14. A city or a board established to administer a city utility, in the exercise of any of its powers, may act jointly with any public or private agency as provided in chapter twenty-eight E (28E) of the Code.

A city may join with any governmental body to form an organization for promotion of city interests. The organization shall file an annual report with the city finance committee established in section ninety-one (91) of this Act.

Sec. 15. A city shall substantially comply with a procedure established by a state law for exercising a city power. If a procedure is not established by state law, a city may determine its own procedure for exercising the power.

Sec. 16. 1. A city may not dispose of an interest in real property for less than fair market value except to a governmental body for a public purpose.

2. A city may not sell an interest in real property, except as provided in subsection three (3) of this section, unless it complies with the following procedure:

a. The council shall advertise for sealed bids for the property by the publication of notice as provided in section three (3) of this Act.

b. The notice must state the time and place for filing sealed bids, the time and place when sealed bids will be opened, a legal description of the property, and any further information which the council deems pertinent.

c. The council shall open, announce the amount of bids, and file all bids received, at the time and place specified in the notice. The council may make the sale to the person submitting the best bid which is not less than the fair market value of the property, or may reject all bids, fix a new date for receiving bids, and order publication of a

new notice.

3. A city may sell an interest in real property to the person who owns all the abutting private property, or may lease real property for a term of more than three years, only after holding a public hearing on the proposal, and publishing notice of the hearing as provided in section three (3) of this Act.

Sec. 17. A city having a population of five thousand or more may by ordinance require a railroad company operating railroad tracks on or across a city street to construct or reconstruct, and maintain, an overpass or underpass to permit the street to pass over or under the tracks, and may establish specifications for the construction or reconstruction of such an overpass or underpass, subject to the following:

1. The requirement may not be enforced until the Iowa

state commerce commission approves the specifications for a construction or reconstruction, after examination and a determination that the overpass or underpass is necessary for public safety and convenience.

2. The council shall hold a hearing on the matter and shall give not less than twenty days notice of the hearing to the railroad companies involved, served in the same manner as an original notice.

3. A city may not require overpasses or underpasses of the same railroad company to be constructed closer than on every fourth parallel street, nor require a company to construct or contribute to the construction of more than one overpass or underpass each year, nor require the construction of approaches longer than a total of eight hundred feet for a single overpass or underpass.

4. A city which requires construction or reconstruction of an overpass or underpass shall provide for appraisal and assessment of resulting damage to private property, and shall pay the damages assessed, all as provided in chapter four hundred seventy-two (472) of the Code.

5. A city shall pay one-half of all required maintenance costs, and may allocate costs between railroad companies whose tracks are to be crossed by an overpass or underpass.

6. A city may enforce a requirement made as provided in this section by an action in mandamus, to be conducted and enforced as provided in section four hundred seventy-four point twenty-five (474.25) of the Code for actions brought by the Iowa state commerce commission. If the city prevails in the mandamus action, in addition to other remedies it may cause the required construction, reconstruction, or maintenance work to be done, and have judgment for the cost of the work against the companies.

Sec. 18. A city may require a railroad company to provide necessary structures, temporary and permanent, to carry its tracks during and after construction of a diverted channel

for flood control purposes, subject to the following:

1. The city shall give notice to the railroad company, served in the same manner as an original notice, stating:

a. The nature of the flood control project.

b. The place where the diverted channel will cross the company's right-of-way.

c. The specifications for construction of the diverted channel across the company's right-of-way.

d. Details of the city's requirement for the company to provide the necessary structures where the diverted channel crosses the right-of-way, including a designated period of time for construction, and a requirement that the construction be in a manner which does not interfere with the construction of the diverted channel or the free flow of water.

2. If the company does not comply with the requirement, the city may provide the necessary structures, and the railroad is liable for the cost of the construction, in addition to its liability for assessment for special benefits as other property is assessed. The cost of the construction may be collected by the city from the company by court action.

Sec. 19. A city may require a railroad company to place flagmen, or to construct, maintain, and operate suitable mechanical signal devices or gates, at railroad crossings upon public streets. However, the city or the railroad company may submit the matter to the Iowa state commerce commission for a hearing as provided in sections four hundred seventy-eight point twenty-two (478.22) and four hundred seventy-eight point twenty-three (478.23) of the Code, and the commission's determination as to the necessity for crossing protection, and the type of crossing protection required, may be appealed by either party to the district court. The court's review on appeal is limited to questions relating to jurisdiction, regularity of proceedings, and whether the decision appealed from is arbitrary, unreasonable, or without substantial supporting evidence.

Sec. 20.

1. As used in this section, "property owner" means the contract purchaser if there is one of record, otherwise the record holder of legal title.

2. A city is responsible for the care, supervision, and control of public grounds, streets, sidewalks, alleys, bridges, culverts, overpasses, underpasses, grade crossing separations and approaches, except those lawfully required to be maintained by a railroad company, and the city shall keep all public ways, squares, and commons open, in repair, and free from nuisance, with the following exceptions:

a. Public ways and grounds may be temporarily closed by resolution, and may be vacated by ordinance.

b. The abutting property owner is responsible for the prompt removal of snow, ice, and accumulations from the sidewalks.

c. The abutting property owner may be required by ordinance to maintain all property outside the lot and property lines and inside the curb lines upon the public streets, except that the property owner shall not be required to remove diseased trees or dead wood.

d. A city may serve notice on the abutting property owner, by certified mail to the property owner as shown by the records of the county auditor, requiring him to repair, replace, or reconstruct sidewalks.

e. If the abutting property owner does not perform an action required under this subsection within a reasonable time, a city may perform the required action and assess the costs against the abutting property for collection in the same manner as a property tax.

3. A city may:

a. Require the abatement of a nuisance, public or private, in any reasonable manner.

b. Require the removal of diseased trees or dead wood.

c. Require the removal, repair, or dismantling of a danger-

ous building or structure.

d. Require the numbering of buildings.

e. Require connection to public drainage systems from abutting property when necessary for public health or safety.

f. Require connection to public sewer systems from abutting property, and require installation of sanitary toilet facilities and removal of other toilet facilities on such property.

g. Require the cutting or destruction of weeds or other growth which constitutes a health, safety, or fire hazard.

h. If the property owner does not perform an action required under this subsection within a reasonable time after notice, a city may perform the required action and assess the costs against the property for collection in the same manner as a property tax. Notice may be in the form of an ordinance or by certified mail to the property owner as shown by the records of the county auditor, and shall state the time within which action is required. However, in an emergency a city may perform any action which may be required under this section without prior notice, and assess the costs as provided in this subsection, after notice to the property owner and hearing.

Sec. 21. If any amount assessed against property under section twenty (20) of this Act will exceed one hundred dollars, a city may permit the assessment to be paid in up to ten annual installments, in the same manner and with the same interest rates provided for assessments against benefited property under part four (4), division seven (VII) of this Act.

Sec. 22. When action is brought against a city for personal injuries alleged to have been caused by its negligence, the city may notify in writing any person by whose negligence it claims the injury was caused. The notice shall state the pendency of the action, the name of the plaintiff, the name and location of the court where the action is pending, a brief

statement of the alleged facts from which the cause arose, that the city belives that the person notified is liable to it for any judgment rendered against the city, and asking the person to appear and defend. A judgment obtained in the suit is conclusive in any action by the city against any person so notified, as to the existence of the defect or other cause of the injury or damage, as to the liability of the city to the plaintiff in the first named action, and as to the amount of the damage or injury. A city may maintain an action against the person notified to recover the amount of the judgment together with all the expenses incurred by the city in the suit.

DIVISION III. City Development

Part 1. Definitions.

Sec. 23. As used in this division, unless the context otherwise requires:

1. "Board" means the city development board established in section thirty (30) of this Act.

2. "Committee" means the board members, and the local representatives appointed as provided in section thirty-five (35) of this Act, to hear and make a decision on a petition or plan for city development.

3. "City development" means an incorporation, discontinuance, or boundary adjustment.

4. "Incorporation" means establishment of a new city.

5. "Discontinuance" means termination of a city.

6. "Boundary adjustment" means annexation, severance, or consolidation.

7. "Annexation" means the addition of territory to a city.

8. "Severance" means the deletion of territory from a city.

9. "Consolidation" means the combining of two or more cities into one city.

10. "Territory" means the land area proposed to be incorporated, annexed, or severed.

11. "Adjoining" means having a common boundary for not

less than two hundred feet. Land areas may be adjoining although separated by a roadway or waterway.

12. "Urbanized area" means the land area within three miles of the boundaries of a city of fifteen thousand or more population.

Part 2. General Provisions.

Sec. 24. A city may change its name as follows:

1. The council shall propose the name change and shall cause the question to be submitted at the next regular city election.

2. The council shall publish notice, as provided in section three (3) of this Act, of the proposed new name, and of the fact that the question will be submitted at the next regular city election.

3. If a majority of those voting on the question approves the proposed new name, the city clerk shall enter the new name upon the city records and file certified copies of the proceedings, including the council's proposal, proof of publication of notice, and certification of the election result, with the county recorder of each county which contains part of the city, and with the secretary of state. Upon proper filing the name change is complete and effective.

Sec. 25. A city is discontinued if, for a period of six years or more, it has held no city election and has caused no taxes to be levied. If the board receives knowledge of facts which cause an automatic discontinuance under this section, it shall make a determination that the city is discontinued, shall take control of the property of the discontinued city, and shall carry out all necessary procedures as if the city were discontinued under a petition or plan.

Sec. 26. A city may agree with another city or cities to refrain from annexing specifically described territory for a period not to exceed ten years. If such an agreement is in force, the board shall dismiss a petition or plan which violates the terms of the agreement.

Sec. 27. Territory owned by the state of Iowa may be annexed, but the attorney general must be served with notice of the hearing and a copy of the proposal.

Sec. 28. The right of the state highway commission to control access under the provisions of chapter three hundred six A (306A) of the Code is not affected by an annexation.

Sec. 29. All of the owners of land in a territory adjoining a city may apply in writing to the council of the adjoining city requesting annexation of the territory. The application must contain a map of the territory showing its location in relationship to the city.

If the territory is within the urbanized area of the city other than the city to which the request for annexation is directed, the application must be approved by the board. The application must also be approved by the council which receives the application. Upon receiving the required approval, the territory becomes a part of the adjoining city.

Part 3. City Development Board.

Sec. 30. A city development board is hereby created. The office for planning and programming shall provide office space, staff assistance, and shall budget funds to cover expenses and compensation of the board and committees. The board consists of three members appointed by the governor with the advice and consent of the senate. The initial appointments must be for terms of two, four, and six years. Successive appointments must be for six years, or to fill an unexpired term in case of a vacancy. Members are eligible for reappointment.

Each member is entitled to receive from the state his actual and necessary expenses and forty dollars compensation for each day spent in performance of board duties.

Sec. 31. The board shall conduct studies of city development, and shall submit an annual report to the governor and the general assembly.

The board may establish rules for the performance of its

duties and the conduct of proceedings before it. The board's rules are subject to chapter seventeen A (17A) of the Code, as applicable.

Sec. 32. A petition for incorporation, discontinuance, or boundary adjustment may be filed with the board by a city council, a county board of supervisors, a regional planning authority, or ten percent of the voters of a city or territory, based upon the number of persons who voted for governor at the last preceding general election. Notice of the filing, including a copy of the petition, must be served upon the council of each city for which a discontinuance or boundary adjustment is proposed, the board of supervisors for each county which contains a portion of a city to be discontinued or territory to be incorporated, annexed, or severed, and any regional planning authority for the area involved.

Within ninety days of receipt of a petition, the board shall initiate appropriate proceedings or dismiss the petition. The board may combine for consideration petitions or plans which concern the same territory or city.

The petition must include substantially the following information as applicable:

1. A general statement of the proposal.
2. A map of the territory, city, or cities involved.
3. Assessed valuation of platted and unplatted land.
4. Names of property owners.
5. Population density.
6. Description of topography.
7. Plant for disposal of assets and assumption of liabilities.
8. Description of existing municipal services, including but not limited to water supply, sewage disposal, and fire and police protection.
9. Plans for agreements with any existing special service districts.
10. In a case of annexation or incorporation, the petition

must state that none of the territory is within a city.

11. In a case of incorporation or consolidation, the petition must state the name of the proposed city.

Sec. 33. The board may dismiss a petition only if it finds that the petition does not meet the requirements of this part, or that substantially the same incorporation, discontinuance, or boundary adjustment has been disapproved by a committee formed to consider the proposal, or by the voters, within the two years prior to the date the petition is filed with the board. The board shall file for record a statement of each dismissal and the reason for it, and shall promptly notify the parties to the proceeding of its decision.

Sec. 34. Based on the results of its studies, the board may initiate proceedings for the incorporation, discontinuance, or boundary adjustment of a city. The board may request a city to submit a plan for boundary adjustment, or may formulate its own plan for incorporation, discontinuance, or boundary adjustment. A plan submitted at the board's initiation must include the same information as a petition and be filed and acted upon in the same manner as a petition. A petition or plan may include any information relevant to the proposal, including but not limited to results of studies and surveys, and arguments.

Sec. 35. If a petition is not dismissed, the board shall direct the appointment of local representatives to serve with board members as a committee to consider the proposal. Each local representative is entitled to receive from the state as compensation forty dollars for each day spent in performance of committee duties, and his actual and necessary expenses. Two board members and one local representative, or if the number of local representatives exceeds one, two board members and at least one-half of the appointed local representatives, are required for a quorum of the committee. A local representative must be a qualified voter of the territory or city he represents, and must be selected as follows:

1. From a territory to be incorporated, one representative appointed by the county board of supervisors. If the territory is in more than one county, the board shall direct the appointment of a local representative from each county involved.

2. From a city to be discontinued, one representative appointed by the city council.

3. From a territory to be annexed to or severed from a city, one representative appointed by the county board of supervisors.

4. From a city to which territory is to be annexed or from which territory is to be severed, one representative appointed by the city council.

5. From each city to be consolidated, one representative appointed by each city council.

Sec. 36. The committee shall conduct a public hearing on a proposal as soon as practicable. Notice of the hearing must be served upon the council of each city for which a discontinuance or boundary adjustment is proposed, the county board of supervisors for each county which contains a portion of a city to be discontinued or territory to be incorporated annexed, or severed, and any regional planning authority for the area involved. A notice of the hearing, which includes a brief description of the proposal and a statement of where the petition or plan is available for public inspection, must be published as provided in section three (3) of this Act, except that there must be two publications in a newspaper having general circulation in each city and each territory involved in the proposal. Any person may submit written briefs, and in the committee's discretion, may be heard on the proposal. The committee may consider any information relevant to the proposal. The board may subpoena witnesses and ducuments relevant to the proposal.

Sec. 37. Subject to section thirty-eight (38) of this Act, the committee shall approve any proposal which it finds to be in the public interest. A committee shall base its

finding upon all relevant information before the committee, including but not limited to the following:

1. Statements in the petition or plan, and evidence supporting those statements.

2. Recommendations of the regional planning authority for the area.

3. Commercial and industrial development.

4. Potential growth in population.

5. Cost and adequacy of existing services and facilities.

6. Potential effect of the proposal and of possible alternative proposals on the cost and adequacy of services and facilities.

7. Potential effect of the proposal on adjacent areas, and on any unit of government directly affected, including but not limited to the potential effect on future revenues of any such unit of government.

Sec. 38. The committee may not approve:

1. An incorporation unless it finds that the city to be incorporated will be able to provide customary municipal services within a reasonable time.

2. A discontinuance or severance if the city to be discontinued or the territory to be severed will be surrounded by one or more cities unless a petition for annexation of the same area is also filed and approved.

3. A discontinuance or severance unless it finds that the county or another city will be able to provide necessary municipal services to the residents.

4. An annexation unless the territory is adjoining the city to which it will be annexed, and the committee finds that the city will be able to provide to the territory substantial municipal services and benefits not previously enjoyed by such territory, and that the motive for annexation is not solely to increase revenues to the city.

5. A consolidation unless the cities are contiguous.

6. An incorporation of territory, any part of which is

within an urbanized area of a city, unless a petition for annexation of substantially the same territory to such city has been dismissed, disapproved, or voted upon unfavorably within the last five years.

Sec. 39. The committee may amend a petition or plan. If a petition or plan is substantially amended, the committee shall continue the hearing to a later date and serve and publish a notice describing the amended petition or plan, as required in section thirty-six (36) of this Act.

Sec. 40. The committee shall approve or disapprove the petition or plan as amended, within ninety days of the final hearing, and shall file its decision for record and promptly notify the parties to the proceeding of its decision. If a petition or plan is approved, the board shall set a date within ninety days for a special election on the proposal and shall appoint five election commissioners, except that in the case of a consolidation, the board shall appoint two election commissioners from each city involved. Election commissioners must be voters of the territory, city, or cities involved. In a case of incorporation, qualified voters of the territory may vote, and the proposal is authorized if a majority of those voting approves it. In a case of annexation or severance, qualified voters of the territory and of the city may vote, and the proposal is authorized if a majority of the total number of persons voting approves it. In a case of consolidation, qualified voters of each city to be consolidated may vote, and the proposal is authorized only if it receives a favorable majority vote in each city. The election commissioners shall serve and publish notice of the election as provided in section thirty-six (36) of this Act, and shall conduct the election in the same manner as other special city elections.

Sec. 41. If a proposal is authorized by the voters, and the election commissioners have certified the result, the board shall:

1. Serve and publish notice of the result as provided in section thirty-six (36) of this Act.

2. File with the secretary of state, the clerk of each city incorporated or involved in a boundary adjustment, and with the recorder of each county which contains a portion of any city or territory involved, copies of the proceedings includiing the original petition or plan and any amendments, the order of the board approving the petition or plan, proofs of service and publication of required notices, certification of the election result, and any other material deemed by the board to be of primary importance to the proceedings. Upon proper filing and expiration of time for appeal, or upon a subsequent date as provided in the proposal, the incorporation, discontinuance, or boundary adjustment is complete, except that if an appeal to any of the proceedings is pending, completion does not occur until the appeal is decided.

Sec. 42. When an incorporation, discontinuance, or boundary adjustment is complete, the board shall supervise procedures necessary to carry out the proposal. In the case of an incorporation, the election commissioners shall conduct an election for mayor and council of the city, who shall serve until their successors take office following the next regular city election. In the case of a discontinuance, the board shall publish two notices as provided in section thirty-six (36) of this Act that it will receive and adjudicate claims against the discontinued city for a period of six months, and shall cause necessary taxes to be levied against the property within the discontinued city to pay claims allowed. All records of a discontinued city shall be deposited with the county auditor of the county designated by the board, except that court records shall be deposited with the clerk of the district court of the county. In the case of boundary adjustments, the proper city officials shall carry out procedures necessary to implement the proposal.

Sec. 43. A city, or a resident or property owner in the

territory or city involved may appeal a decision of the board or a committee, or the legality of an election, to the district court of a county which contains a portion of any city or territory involved.

Appeal must be filed within thirty days of the filing of a decision or the second publication of notice of the result of an election.

Appeal of an approval of a petition or plan does not stay the election.

The court's review on appeal of a decision is limited to questions relating to jurisdiction, regularity of proceedings, and whether the decision appealed from is arbitrary, unreasonable, or without substantial supporting evidence. The court may reverse and remand a decision of the board or a committee, with appropriate directions.

DIVISION IV. Organization of City Government

Part 1. Forms of Government.

Sec. 44. The forms of city government are:

1. Mayor-council, or mayor-council with appointed manager.
2. Commission.
3. Council-manager-at-large.
4. Council-manager-ward.
5. Home rule charter.
6. Special charter.

A city when first incorporated has the mayor-council form. A city retains its form of government until it adopts a different form as provided in this part.

Upon the effective date of this Act, a city shall adopt by ordinance a charter embodying its existing form of government, which must be one of the forms provided in this part, and shall file a copy of its charter with the secretary of state, and maintain copies available for public inspection.

Sec. 45. A city may adopt a different form of government not oftener that once in a six-year period. A different form, other than a home rule charter or special charter, must be

adopted as follows:

1. Voters of the city, equal in number to at least twenty-five percent of the persons who voted at the last regular city election, may petition the mayor to adopt a different form of city government.

2. Within one week after receiving a valid petition, the mayor shall proclaim a special city election to be held within sixty days to determine whether the city shall change to a different form of government.

3. If a majority of the persons voting at the special election approves the proposed form, it is adopted.

4. If a majority of the persons voting at the special election does not approve the proposed form, that form may not be resubmitted to the voters within the next four years.

5. If the proposed form is adopted:

a. The elective officers provided for in the adopted form are to be elected at the next regular city election held more than sixty days after the special election at which the form was adopted, and the adopted form becomes effective at the beginning of the fiscal year which follows such regular city election.

b. The change of form does not alter any right or liability of the city in effect at the time of the special election at which the form was adopted.

c. All departments and agencies shall continue to operate until replaced.

d. All measures in effect remain effective until amended or repealed, unless they are irreconcilable with the adopted form.

e. Upon the effective date of the adopted form, the city shall adopt by ordinance a new charter embodying the adopted form, and shall file a copy of its charter with the secretary of state, and maintain copies available for public inspection.

Sec. 46. The filing of a petition for appointment of a home rule charter commission stays the special election on

adoption of another form of government until the charter proposed by the commission is filed, and both forms must be published as provided in section fifty-two (52) of this Act, and submitted to the voters at the special election.

Sec. 47. A city governed by the mayor-council form has a mayor and five councilmen elected at large, unless by ordinance a city so governed chooses to have a mayor elected at large and an odd number of councilmen but not less than five, including at least two councilmen elected at large and one councilman elected by and from each ward.

The mayor shall appoint a councilman as mayor pro tem, and a marshal or chief of police. Other officers must be selected as directed by the council. The mayor is not a member of the council and may not vote as a member of the council.

The council may by ordinance provide for a city manager, and prescribe his powers, duties, and compensation.

Sec. 48. A city governed by the commission form has five departments as follows:

1. Department of public affairs.
2. Department of accounts and finances.
3. Department of public safety.
4. Department of streets and public improvements.
5. Department of parks and public property.

A city governed by the commision form has a council composed of a mayor and four councilmen elected at large. The mayor administers the department of public affairs and each other councilman is elected to administer one of the other four departments.

A city governed by the commission form and having a council composed of a mayor and two councilmen elected at large may continue with a council of three until the form of government is changed as provided in section forty-five (45) or section fifty-two (52) of this Act.

The mayor shall supervise the administration of all depart-

ments and report to the council all matters requiring its attention. The mayor is a member of the council and may vote on all matters before the council.

The councilman elected to administer the department of accounts and finances is mayor pro tem.

The council may appoint a city treasurer or may, by ordinance, provide for his election.

Sec. 49. A city governed by the council-manager-at-large form has five councilmen elected at large for staggered four-year terms. At the first meeting after each city election, the council shall elect one of the councilmen to serve as mayor, and one to serve as mayor pro tem. The mayor is a member of the council and may vote on all matters before the council. As soon as possible after each city election, the council shall appoint a manager.

The council may by ordinance provide that the city will be governed by council-manager-ward form. The ordinance must provide for the election of the mayor and councilmen required under council-manager-ward form at the next regular city election.

Sec. 50. A city governed by council-manager-ward form has a council composed of a mayor and two councilmen elected at large, and one councilman elected from each of four wards. The mayor and other councilmen serve four-year staggered terms. The mayor is a member of the council and may vote on all matters before the council.

As soon as possible after each city election, the council shall appoint a city manager, and a councilman to serve as mayor pro tem.

Sec. 51. When a city adopts a council-manager-at-large or council-manager-ward form of government:

1. The city manager is chief administrative officer of the city.

2. The city manager shall:

a. Supervise enforcement and execution of the city laws.

b. Attend all meetings of the council.

c. Recommend to the council any measures necessary or expedient for the good government and welfare of the city.

d. Supervise the official conduct of all officers of the city whom he has appointed, and take active control of the police, fire, and engineering departments of the city.

e. Supervise the performance of all contracts for work to be done for the city, make all purchases of material and supplies, and see that such material and supplies are received, and are of the quality and character called for by the contract.

f. Supervise the construction, improvement, repair, maintenance, and management of all city property, capital improvements, and undertakings of the city, including the making and preservation of all surveys, maps, plans, drawings, specifications, and estimates for capital improvements, except property, improvements, and undertakings managed by a utility board of trustees.

g. Cooperate with any administrative agency or utility board of trustees.

h. Be responsible for the cleaning, sprinkling, and lighting of streets, alleys, and public places, and the collection and disposal of waste.

i. Provide for and cause records to be kept of the issuance and revocation of licenses and permits authorized by city law.

j. Keep the council fully advised of the financial and other conditions of the city, and of its future needs.

k. Prepare and submit to the council annually the required budgets.

l. Conduct the business affairs of the city and cause accurate records to be kept by modern and efficient accounting methods.

m. Make to the council not later than the tenth day of each month an itemized financial report in writing, showing

the receipts and disbursements for the preceding month. Copies of financial reports must be available at the clerk's office for public distribution.

n. Appoint a treasurer subject to the approval of the council.

o. Perform other duties at the council's direction.

3. The city manager may:

a. Appoint administrative assistants, with the approval of the council.

b. Employ, reclassify, or discharge all employees and fix their compensation, subject to civil service provisions and chapter seventy (70) of the Code, except the city clerk, deputy city clerk, and city attorneys.

c. Make all appointments not otherwise provided for.

d. Suspend or discharge summarily any officer, appointee, or employee that he has power to appoint or employ, subject to civil service provisions and chapter seventy (70) of the Code.

e. Summarily and without notice investigate the affairs and conduct of any department, agency, officer, or employee under his supervision, and compel the production of evidence and attendance of witnesses.

f. Administer oaths.

4. The city manager shall not take part in any election for councilmen, other than by casting his vote, and shall not appoint a councilman to city office or employment, nor shall a councilman accept such appointment.

Sec. 52. A city to be governed by the home rule charter form shall adopt a home rule charter in which its form of government is set forth. A city may adopt a home rule charter only by the following procedures:

1. A home rule charter may be proposed by:

a. The council, causing a charter to be prepared and filed and by resolution submitting it to the voters.

b. Voters of the city equal in number to at least twenty-

five percent of the persons who voted at the last regular city election petitioning the council to appoint a charter commission to prepare a proposed charter. The council shall, within thirty days of the filing of a valid petition, appoint a charter commission composed of not less than five nor more than fifteen members. The charter commission shall, within six months of its appointment, prepare and file with the council a proposed charter.

2. When a charter is filed, the council shall publish it at least twice in the manner provided in section three (3) of this Act, except that the publications must occur within sixty days of the filing of the home rule charter, with a two-week interval between each publication. The council shall provide copies of a proposed charter for public distribution by the city clerk.

3. The proposed home rule charter must be submitted at a special city election on a date selected by the mayor. The date of the election must be not less than thirty nor more than sixty days after the last publication of the proposed home rule charter.

4. If a proposed home rule charter is rejected by the voters, it may not be resubmitted in substantially the same form to the voters within the next four years. If a proposed home rule charter is adopted by the voters, no other form of government may be submitted to the voters for six years.

5. If a petition for the appointment of a charter commission is filed at any time within two weeks after the second publication of a charter proposed by the council, the submission to the voters of a charter proposed by the council must be delayed, a charter commission appointed, and the council proposal and the charter proposed by the charter commission must be submitted to the voters at the same special election.

6. The ballot submitting a proposed charter or charters must also submit the existing form of government as an alternative.

7. If only two forms of government are being voted upon, the form of government which receives the highest number of votes is adopted.

If more than two forms are being voted upon and no form receives a majority of the votes cast in the special election, there must be a run-off election between the two proposed forms which receive the highest number of votes in the special election. The run-off election must be held within thirty days following the special election and must be conducted in the same manner as a special city election.

8. If a home rule charter is adopted:

a. The elective officers provided for in the charter are to be elected at the next regular city election held more than sixty days after the special election at which the charter was adopted, and the adopted charter becomes effective at the beginning of the fiscal year which follows such regular city election.

b. The adoption of the charter does not alter any right or liability of the city in effect at the time of the special election at which the charter was adopted.

c. All departments and agencies shall continue to operate until replaced.

d. All measures in effect remain effective until amended or repealed, unless they are irreconcilable with the charter.

e. Upon the effective date of the home rule charter, the city shall adopt by ordinance the home rule charter, and shall file a copy of its charter with the secretary of state, and maintain copies available for public inspection.

Sec. 53. A home rule charter must contain and is limited to provisions for:

1. A council of an odd number of members, not less than five.

2. A mayor, who may be one of those council members.

3. Two-year or staggered four-year terms of office for the mayor and council members.

4. The powers and duties of the mayor and the council,

consistent with the provisions of this Act.

Sec. 54. A home rule charter may be amended by one of the following methods:

1. The council, by resolution, may submit a proposed amendment to the voters at a special city election, and the proposed amendment becomes effective if approved by a majority of those voting.

2. The council, by ordinance, may amend the charter. However, within thirty days of publication of the ordinance, if a petition valid under the provisions of section four (4) of this Act is filed with the council, the council must submit the ordinance amendment to the voters at a special city election, and the amendment does not become effective until approved by a majority of those voting.

3. If a petition valid under the provisions of section four (4) of this Act is filed with the council proposing an amendment to the charter, the council must submit the proposed amendment to the voters at a special city election, and the amendment becomes effective if approved by a majority of those voting.

Sec. 55. A city may not adopt the special charter form but a city governed by a special charter on the effective date of this Act is considered to have the special charter form although it may utilize elements of the mayor-council form in conjunction with the provisions of its special charter. In adopting and filing its charter as required in section forty-four (44) of this Act, a special charter city shall include the provisions of its charter and any provisions of the mayor-council form which are followed by the city on the effective date of this Act.

A special charter city may utilize the provisions of chapter four hundred twenty (420) of the Code in lieu of conflicting sections of this Act, until the city changes to one of the other forms of government as provided in this division.

Part 2. City Officers.

Sec. 56. The council.

1. A majority of all councilmen is a quorum.

2. A vacancy in an elective city office during a term of office must be filled by the council for the period of time until the next regular city election.

3. The council shall appoint a city clerk to maintain city records and perform other duties prescribed by state or city law.

4. Except as otherwise provided by state or city law, the council may appoint and remove city officers and employees, and prescribe their powers, duties, compensation, and terms. The appointment of a city manager must be made on the basis of his qualifications and not on the basis of political affiliation.

5. The council shall determine its own rules and maintain records of its proceedings. City records and documents, or accurate reproductions thereof, must be maintained for at least ten years, except that ordinances, council proceedings, and records and documents relating to real property transactions or bond issues must be maintained permanently.

6. Immediately following a regular or special meeting of the council, the clerk shall prepare a condensed statement of the proceedings of the council, including the total expenditure from each city fund, and cause the statement to be published in a newspaper of general circulation in the city. The statement shall include a list of all claims allowed and a summary of all receipts, and shall show the gross amount of the claim. However, in cities having more than one hundred fifty thousand population the council shall each month print in pamphlet form a detailed itemized statement of all receipts and disbursements of the city, and a summary of its proceedings during the preceding month, and furnish copies to the state library, the city library, the daily newspapers of the city, and to persons who apply at the office of the city clerk, and the pamphlet shall constitute

publication as required. Failure by the clerk to make publication is a misdemeanor. The provisions of this subsection are applicable in cities in which a newspaper is published, or in cities of two hundred population or over, but in all other cities, posting the statement in three public places in the city which have been permanently designated by ordinance is sufficient compliance with this subsection.

7. By ordinance, the council may divide the city into wards based upon population, change the boundaries of wards, or create new wards.

8. By ordinance, the council shall prescribe the compensation of the mayor, councilmen and other elected city officers, but an increase in the compensation of the mayor or councilmen shall not become effective during the term in which the increase is adopted, and the council shall not adopt such an ordinance during the months of November and December immediately following a regular city election.

9. A councilman, during the term for which he is elected, is not eligible for appointment to any city office if the office has been created or the compensation of the office has been increased during the term for which he is elected. A person who resigns from an elective office is not eligible for appointment to the same office during the time for which he was elected if during that time, the compensation of the office has been increased.

Sec. 57. The mayor.

1. The mayor is the chief executive officer of the city and presiding officer of the council. Except for the supervisory duties which have been delegated by law to a city manager, the mayor shall supervise all city officers and departments.

2. The mayor may take command of the police and govern the city by proclamation when he determines a time of emergency or public danger exists. Within the city limits, he has all the powers conferred upon the sheriff to suppress disorders.

3. The mayor pro tem is vice-president of the council. When the mayor is absent or unable to act, the mayor pro tem shall perform the mayor's duties, except that the mayor pro tem may not appoint, employ, or discharge officers or employees without the approval of the council. Official actions of the mayor pro tem when the mayor is absent or unable to act are legal and binding to the same extent as if done by the mayor. The mayor pro tem retains all his powers as a councilman.

DIVISION V. City Elections

Sec. 58. A city shall hold a regular city election on the first Tuesday after the first Monday in November of each odd-numbered year. A city may hold special, primary, or runoff city elections as provided by state law. All applicable provisions of state law relating to elections apply to city elections, unless inconsistent with the provisions of this division.

Sec. 59. Terms of city officers begin and end at noon on the first day of January which is not a Sunday or legal holiday, following a regular city election.

Except as otherwise provided by state law or the city charter, terms for elective offices are two years. However, the term of an elective office may be changed to two or four years by petition and election. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that the term of an elective office be changed, the council shall submit the question at a special city election to be held within thirty days. If a majority of the persons voting at the special election approves the changed term, it becomes effective at the beginning of the term following the next regular city election. If a majority does not approve the changed term, the mayor shall not submit the same proposal to the voters within the next four years.

At the first regular city election after the terms of councilmen are changed to four years, terms shall be staggered

as follows:

1. If an even number of councilmen are elected at large, the half of the elected councilmen who receive the highest number of votes are elected for four-year terms. The remainder are elected for two-year terms.

2. If an odd number of councilmen are elected at large, the majority of the elected councilmen who receive the highest number of votes are elected for four-year terms. The remainder are elected for two-year terms.

3. In case of a tie the mayor and clerk shall determine by lot which councilmen are elected for four-year terms.

4. If the councilmen are elected from wards, the councilmen elected from the odd-numbered wards are elected for four-year terms and the councilmen elected from even-numbered wards are elected for two-year terms.

Sec. 60. Candidates for elective city offices must be nominated as provided in sections sixty-one (61) through sixty-six (66), inclusive, of this Act, unless by ordinance a city chooses the provisions of chapters forty-four (44) or forty-five (45) of the Code. However, a special charter city may continue to hold partisan elections as provided in sections forty-three point one hundred twelve (43.112) through forty-three point one hundred eighteen (43.118), inclusive, and four hundred twenty point one hundred twenty-six (420.126) through four hundred twenty point one hundred thirty-eight (420.138), inclusive, of the Code.

Sec. 61. A voter of a city may become a candidate for an elective city office by filing with the city clerk a valid petition requesting that his name be placed on the ballot for that office. The petition must be filed at least four weeks before the date of the election, and must be signed by voters equal in number to at least two percent of those who voted to fill the same office at the last regular city election, but not less than ten persons.

The petitioners for an individual seeking election from

a ward must be residents of the ward at the time of signing the petition. An individual is not eligible for election from a ward unless he is a resident of the ward at the time he files the petition and at the time of election.

The petition must include the signature of the petitioners, a statement of their place of residence, and the date on which they signed the petition.

The petition must include the affidavit of at least one voter other than the petitioners and the individual for whom the petition is being filed, stating the affiant's knowledge, information, and belief as to the residence of the petitioners.

The petition must include the affidavit of the individual for whom it is filed, stating his name, his residence, that he is a candidate and eligible for the office, and that if elected he will qualify for the office.

The city clerk shall accept the petition for filing if on its face it appears to have the requisite number of signatures and if it is timely filed.

Sec. 62. Notice and a copy of the ballot for each regular, special, primary, or run-off city election must be published as provided in section three (3) of this Act, except that notice of a regular, primary, or run-off election may be published not less than five days before the date of the election. The published ballot must contain the names of all candidates, and may not contain any party designations. The published ballot must contain any question to be submitted to the voters.

A qualified voter may vote in the precinct in which he has been a resident for at least ten days immediately preceding the election.

Sec. 63. An individual for whom a valid petition is filed becomes a candidate in the regular city election for the office for which he has filed, except that a primary election must be held for offices for which the number of individuals for whom valid petitions are filed is more than twice the

number of positions to be filled. However, the council may by ordinance choose to have a run-off election, as provided in section sixty-six (66) of this Act, in lieu of a primary election.

Sec. 64. If a primary election is necessary, it must be held on the Tuesday two weeks before the date of the regular city election.

The names of those candidates who receive the highest number of votes in the primary, to the extent of twice the number of unfilled positions, must be placed on the ballot for the regular city election as candidates for the office for which they have filed.

Sec. 65. In a regular city election following a primary, the candidates who receive the highest number of votes cast for the office for which they have filed are elected, to the extent ncessary to fill the positions for which they have filed. In a regular city election when a council has chosen a run-off election in lieu of a primary, the candidates who receive the highest number of votes and a majority of the votes cast for the office for which they have filed are elected, to the extent necessary to fill the positions for which they have filed.

Sec. 66. A run-off election may be held only for positions unfilled because of failure of a sufficient number of candidates to receive a majority vote in the regular city election. Candidates who do not receive a majority of the votes cast for the office for which they have filed, but who receive the highest number of votes cast for that office in the regular city election, to the extent of twice the number of unfilled positions, are candidates in the run-off election.

Run-off elections must be held two weeks after the date of the regular city election and must be conducted in the same manner as regular city elections except that only voters qualified to vote in the last preceding regular city election are qualified to vote in the run-off.

Candidates in the run-off election who receive the highest number of votes cast for the office for which they have filed are elected to the extent necessary to fill the positions for which they have filed.

Sec. 67. A nomination or election to a city office may be contested in the manner provided in chapter sixty-two (62) of the Code for contesting elections to county offices, except that a statement of intent to contest must be filed with the city clerk within ten days after the nomination or election. The mayor is presiding officer of the court for the trial of a nomination or election contest, except that if the mayor's nomination or election is contested, the council shall elect one of its members other than the mayor to serve as presiding officer.

DIVISION VI. City Legislation.

Sec. 68. The subject matter of an ordinance or amendment must be generally described in its title.

Sec. 69. An amendment to an ordinance or to a city code must specifically repeal the ordinance or code, or the section or subsection to be amended, and must set forth in full the ordinance, code, section, or subsection as amended.

Sec. 70. A proposed ordinance or amendment must be received and placed on file at two council meetings prior to the meeting at which it is to be finally acted upon, unless this requirement is suspended by a recorded vote of not less than three-fourths of the council members.

However, if a summary of the proposed ordinance or amendment is published as provided in section three (3) of this Act, prior to its first filing, and copies are available at the time of publication at the office of the city clerk, the ordinance or amendment must be received and placed on file at one meeting prior to the meeting at which it is to be finally acted upon, unless this requirement is suspended by a recorded vote of not less than three-fourths of the council members.

Sec. 71. Passage of a measure requires an affirmative vote of not less than a majority of the council members. Each councilman's vote on an ordinance, amendment, or resolution must be recorded.

Sec. 72. The mayor may sign, veto, or take no action on an ordinance, amendment, or resolution passed by the council.

Sec. 73. Measures passed by the council, other than motions, become effective in one of the following ways:

1. If the mayor signs the measure, a resolution becomes effective immediately upon signing and an ordinance or amendment becomes a law when published, unless a subsequent effective date is provided within the measure.

2. If the mayor vetoes the measure, he shall explain his reasons for the veto in a message to the council at the time of the veto. Within thirty days after the mayor's veto, the council may pass the measure again by a vote of not less than two-thirds of the council members. If the mayor vetoes a measure and the council repasses the measure after the mayor's veto, a resolution becomes effective immediately upon repassage, and an ordinance or amendment becomes a law when published, unless a subsequent effective date is provided within the measure.

3. If the mayor takes no action on the measure, a resolution becomes effective fourteen days after the date of passage and an ordinance or amendment becomes a law when published, but not sooner than fourteen days after the date of passage, unless a subsequent effective date is provided within the measure.

Sec. 74. The city clerk shall:

1. Promptly record each measure, with a statement, where applicable, indicating whether the mayor signed, vetoed, or took no action on the measure, and whether the measure was repassed after the mayor's veto.

2. Publish all ordinances and amendments in the manner provided in section three (3) of this Act.

3. Authenticate all measures except motions with his signature and certification as to time and manner of publication, if any. The clerk's certification is presumptive evidence of the facts stated therein.

4. Maintain for public use copies of all effective ordinances and codes.

Sec. 75. At least once every five years, a city shall compile a city code containing all of the city ordinances in effect, except grade ordinances, bond ordinances, zoning ordinances, and ordinances vacating streets and alleys.

If a proposed city code contains only existing ordinances edited and compiled without change in substance, the council may adopt the code by ordinance.

If a proposed city code contains a proposed new ordinance or amendment, the council shall hold a public hearing on the proposed code before adoption. The clerk shall publish notice of the hearing as provided in section three (3) of this Act. Copies of the proposed city code must be available at the city clerk's office and the notice must so state. Within thirty days after the hearing, the council may adopt the proposed city code, which becomes law upon publication of the ordinance adopting it. If the council substantially amends the proposed city code after a hearing, notice and hearing must be repeated.

Ordinances and amendments which become effective after adoption of a city code may be compiled as supplements to the code, and upon adoption of the supplement by ordinance become part of the city code.

An adopted city code is presumptive evidence of the passage, publication, and content of the ordinances therein as of the date of the clerk's certification of the ordinance adopting the code or supplement.

Sec. 76. The compensation paid to a newspaper for any publication required by this division may not exceed three-

fourths of the fee provided in section six hundred eighteen point eleven (618.11) of the Code.

Sec. 77. A city may adopt the provisions of any code or portions of any code by an ordinance which identifies the code by subject matter, source, and date, and incorporates the provisions by reference without setting them forth in full. Such code or portion must be adopted in the manner provide in section seventy-five (75) of this Act.

Sec. 78. Immediately after the effective date of a measure establishing any zoning district, building lines, or fire limits, the city clerk shall certify the measure and a plat showing the district, lines, or limits, to the recorder of any county which contains part of the city. The county recorder shall record the measure and plat in the miscellaneous record or other book provided for special records, and shall index the record. The city shall pay the recording fee.

DIVISION VII. City Finance

Part 1. Taxes and Funds.

Sec. 79. A city may certify taxes to be levied by the county on all taxable property within the city limits, for all city government purposes. However, the tax levied by a city on lots of more than ten acres and the personal property thereon, occupied and used for agricultural or horticultural purposes, may not exceed one and one-fourth mills in any year. A city's tax levy for the general fund may not exceed thirty mills on the dollar of taxable value in any tax year, except for the levies authorized in section ninety (90) of this Act.

Sec. 80. Except as otherwise provided for special charter cities, a city's fiscal year and tax year is from January first through December thirty-first, inclusive. All city property taxes must be certified by a city to the county auditor on or before the fifteenth day of October of each year, unless otherwise provided by state law.

The county auditor shall place city taxes and assessments

upon the tax list for the current year, and the county treasurer shall collect city taxes and assessments in the same manner as other taxes. Delinquent city taxes and assessments draw the same interest and penalties as other taxes. Sales for delinquent city taxes and assessments must be made in the manner provided in chapter four hundred forty-six (446) of the Code. The county treasurer shall combine in one tax sale all taxes and assessments due from the same person and collectible by the county.

Sec. 81. All moneys received for city government purposes from taxes and other sources must be credited to the general fund of the city, except that moneys received for the purposes of the debt service fund, the trust and agency fund, the capital improvements reserve fund, the emergency fund, and other funds estabilshed by state law must be deposited as otherwise required or authorized by state law. All moneys received by a city from the federal government must be reported to the office for planning and programming.

Sec. 82. A city shall establish a debt service fund and shall certify taxes to be levied for the debt service fund in the amount necessary to pay:

1. Judgments against the city, except those authorized by state law to be paid from other funds.

2. Interest as it becomes due and the amount necessary to pay, or to create a sinking fund to pay, the principal at maturity of all general obligation bonds issued by the city.

Moneys pledged or available to service general obligation bonds, and received from sources other than property taxes, must be deposited in the debt service fund.

Sec. 83. A tax levied for the debt service fund is not invalid if it raises moneys in excess of those needed for a specific purpose. Only excess moneys remaining after retirement of all indebtedness payable from the fund may be transferred from the debt service fund to any other city fund,

subject to the terms of the original bond issue, and as provided in rules promulgated by the city finance committee created in section ninety-one (91) of this Act.

Sec. 84. A city may establish a trust and agency fund for the following purposes:

1. Accounting for pension and related employee benefit funds. A city may certify taxes to be levied for the trust and agency fund in the amount necessary to meet such obligations.

2. Accounting for gifts received by the city for a particular purpose.

3. Accounting for money and property received and handled by the city as trustee or custodian or in the capacity of an agent.

Sec. 85. A city may establish a capital improvements reserve fund, and may certify taxes not to exceed two and one-half mills on the dollar of taxable value each year to be levied for the fund for the purpose of accumulating moneys for the financing of specified capital improvements, or carrying out a specific capital improvement plan.

If the total of the levies for the capital improvements reserve fund and the general fund will not exceed thirty mills, the capital improvements reserve fund levy may be certified after inclusion in the city budget, subject to budget hearing and protest procedures.

If the total of the levies for the capital improvements reserve fund and the general fund will exceed thirty mills, the question of the establishment of a capital improvements reserve fund, the time period during which a levy will be made for the fund, and the millage to be levied therefor is subject to approval by the voters, and may be submitted at any city election upon the council's motion, or shall be submitted at the next regular city election upon receipt of a valid petition as provided in section four (4) of this Act.

If a continuing capital improvements levy is established

by election, it may be terminated in the same manner, upon the council's motion or upon petition. Balances in a capital improvements reserve fund are not unencumbered or unappropriated funds for the purpose of reducing tax levies. Transfers may be made between the capital improvements reserve fund, construction funds, and the general fund, as provided in rules promulgated by the city finance committee created in section ninety-one (91) of this Act.

Sec. 86. A city may establish an emergency fund and may certify taxes not to exceed one mill on the dollar of taxable value each year to be levied for the fund. Transfers may be made from the emergency fund to the general fund as provided in rules promulgated by the city finance committee created in section ninety-one (91) of this Act.

Sec. 87. A city may establish other funds and may certify taxes to be levied for the funds as provided by state law. The status of each account or fund must be included in the annual report required in section one hundred (100) of this Act.

Sec. 88. A city may negotiate short-term loans, and may issue warrants as provided in chapter seventy-four (74) of the Code, in anticipation of and not in excess of its estimated revenues for the current fiscal year, except that natural disaster loans from the state or federal government may be negotiated in anticipation of revenues for a period of time longer than the current fiscal year.

Sec. 89. On or before the third Monday of each month, the county treasurer shall pay to each city the tax revenues collected for each city fund up to the first day of that month, and the city shall credit the revenues to the proper fund and shall issue a receipt to the county treasurer.

Sec. 90. A city may certify, for the general fund levy, taxes which are not subject to the thirty-mill limit provided in section seventy-nine (79) of this Act, and which are in addition to any other moneys the city may wish to spend for

such purposes, as follows:

1. A tax not to exceed one-half mill for voting machines, as provided in section fifty-two point three (52.3) of the Code.

2. A tax not to exceed one-half mill for the support of a municipal band, subject to the following:

a. Upon receipt of a petition valid under the provisions of section four (4) of this Act, the council shall submit to the voters at the next regular city election the question of whether a tax shall be levied.

b. If a majority approves the levy, it may be imposed.

c. The levy can be eliminated by the same procedure of petition and election.

d. A tax authorized by an election held prior to the effective date of this Act may be continued until eliminated by the council, or by petition and election.

3. A tax not to exceed five mills for development, operation, and maintenance of a memorial building or monument, subject to the procedure provided in subsection two (2) of this section.

4. A tax not to exceed one-eighth mill for support of a symphony orchestra, subject to the provisions of subsection two (2) of this section.

5. A tax not to exceed one mill for the operation of cultural and scientific facilities, subject to the provisions of subsection two (2) of this section, except that the question may be submitted on the council's own motion.

6. A tax to aid in the construction of a county bridge, subject to the provisions of subsection two (2) of this section, except that the question must be submitted at a special election. The expense of a special election under this subsection must be paid by the county. The notice of the special election must include full details of the proposal, including the location of the proposed bridge, the rate of tax to be levied, and all other conditions.

7. A tax to aid a company incorporated under the laws of this state in the construction of a highway or combination bridge across any navigable boundary river of this state, commencing or terminating in the city and suitable for use as highway, or for both highway and railway purposes. This tax levy is subject to the provisions of subsections two (2) and six (6) of this section. The levy is limited to one-half of one percent of the assessed value of taxable property in the city. The estimated cost of the bridge must be at least ten thousand dollars, and the city aid may not exceed one-half of the estimated cost. The notice of the special election must include the name of the corporation to be aided, and all conditions required of the corporation. Tax moneys received for this purpose may not be paid over by the county treasurer until the city has filed a statement that the corporation has complied with all conditions.

8. If a tax has been voted for aid of a bridge under subsection seven (7) of this section, a further tax may be voted for this purpose of purchasing the bridge, subject to the provisions of subsection two (2) of this section. The levy under this subsection is limited to one and one-fourth percent of the assessed value of the taxable property in the city, payable in not less than ten annual installments.

9. A tax for the purpose of carrying out the terms of a contract for the use of a bridge by a city situated on a river over which a bridge has been built. The tax may not exceed two and one-half mills each year.

10. A tax for aid to a public transportation company, subject to the procedure provided in subsection two (2) of this section, except the question must be submitted at a special election. The levy is limited to one-eighth mill. In addition to any other conditions the following requirements must be met before moneys received for this purpose may be paid over by the county treasurer:

a. The public transportation company shall provide the

city with copies of state and federal income tax returns for the five years preceding the year for which payment is contemplated or for such lesser period of time as the company has been in operation.

b. The city shall, in any given year, be authorized to pay over only such sums as will yield not to exceed two percent of the public transportation company's investment as the same is valued in its tax depreciation schedule, provided that corporate profits and losses for the five preceding years or for such lesser period of time as the company has been in operation shall not average in excess of a two percent net return. Taxes levied under this subsection may not be used to subsidize losses incurred prior to the election required by this subsection.

11. 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 two mills 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.

12. If a city has entered into a lease of a building or complex of buildings to be operated as a civic center, a tax sufficient to pay the installments of rent and for maintenance, insurance, and taxes not included in the lease rental payments.

13. A tax not to exceed one-half mill each year for operating and maintaining a civic center owned by a city.

14. A tax not to exceed one-fourth mill for planning a sanitary disposal project.

15. A tax not to exceed one mill each year for an aviation authority as provided in section three hundred thirty A point fifteen (330A.15) of the Code.

16. If a city has joined with the county to form an authority for a joint county-city building, as provided in section

two hundred eighty (280) of this Act, and has entered into a lease with the authority, a tax sufficient to pay the annual rent payable under the lease.

17. A tax not to exceed one-fourth mill each year for a levee improvement fund in special charter cities as provided in section four hundred twenty point one hundred fifty-five (420.155) of the Code.

18. A tax not to exceed one and one-fourth percent on the assessed value to aid a railway as provided in section four hundred eighty-three point one (483.1) of the Code.

19. A tax not to exceed three-fourths mill each year to maintain an institution received by gift or devise, as provided in section five hundred sixty-five point eight (565.8) of the Code.

20. A tax to pay the premium costs on tort liability insurance as provided in section six hundred thirteen A point seven (613A.7) of the Code.

Part 2. Budgeting and Accounting.

Sec. 91. As used in this part, unless the context otherwise requires, "committee" means the city finance committee. A nine-member city finance committee is hereby created. Members of the committee are:

1. The auditor of state or his designee.

2. The state comptroller or his designee.

3. A representative of the division of municipal affairs within the office for planning and programming, to be designated by the director of the office for planning and programming.

4. Four city officials who are regularly involved in budget preparation. One official must be from a city with a population of at least two thousand but not over five thousand, one from a city with a population of over five thousand but not over fifteen thousand, one from a city with a population of over fifteen thousand but not over fifty thousand, and one from a city with a population of over fifty

thousand. The governor shall select the city officials from a slate of three for each position nominated by the league of Iowa municipalities.

5. One certified public accountant experienced in city accounting, to be selected by the governor.

6. One operations research analyst experienced in cost effectiveness analysis of city services to be selected by, and serve at the pleasure of, the budget and financial control committee of the general assembly.

City official members and the certified public accountant are appointed for a four-year term, except that of the initial appointments, two city official members are to be appointed for a two-year term. When a city official member no longer holds the office which qualified him for appointment, he may no longer be a member of the committee. Any person appointed to fill a vacancy during a term is appointed to serve for the unexpired portion of the term. Any member is eligible for reappointment.

Sec. 92. The committee is located for administrative purposes within the office of the state comptroller. The comptroller shall provide office space, staff assistance, and shall budget funds to cover expenses of the committee.

Each member is entitled to receive his actual and necessary expenses incurred in the performance of committee duties. Each member other than the state official members is also entitled to receive forty dollars compensation for each day spent in performance of committee duties.

Sec. 93. The committee shall:

1. Promulgate rules relating to budget amendments and the procedures for transferring moneys between funds, and other rules and regulations necessary or desirable in order to exercise its powers and perform its duties. The committee's rules are subject to chapter seventeen A (17A) of the Code, as applicable.

2. Select its officers, except that the state comptroller

or his designee shall serve as chairman.

3. Establish guidelines for program-performance budgeting and accounting and the preparation of capital improvement plans by cities. The guidelines should provide that budgets, accounts, and financial reports of cities account for all city receipts and expenditures in terms of city government programs and anticipated or actual performance levels within each program wherever practicable. The guidelines and the deadlines for initiation of program-performance budgeting and accounting and for preparation of capital improvement plans may be modified for different cities. However, as soon as practicable, the committee may require all cities of over two thousand population to prepare and adopt a tentative budget for a two-year or a three-year period and a capital improvement plan for a five-year period. The budget for the second and third following years may be less detailed than that for the next following year. A city shall hold a public hearing on its capital improvement plan before adoption of the plan. The committee shall, where practicable, utilize recommendations from the national committee on governmental accounting.

4. Review and comment on the form of proposed budgets of selected cities, chosen as determined by its rules. The committee may require the submission of a city's form of budget presentation at any time. The committee shall not disapprove the form of any proposed budget which substantially meets the guidelines it has established, but may make recommendations to a city for improvement of its subsequent budgets at the earliest practicable time. If the committee disapproves the form of a proposed city budget, it shall notify the mayor as soon as possible, and shall specify in detail the changes recommended before future budgets will be acceptable. At the request of the council, at least two

members of the committee shall meet with city officials to advise and assist them in complying with the recommendations of the committee.

6. Conduct studies of municipal revenues and expenditures, including comparative evaluations of the efficiency and effectiveness of programs of public service in comparable cities. Study areas may be selected each year by the committee. Cities must submit any information requested by the committee during the conduct of any of its studies. Forty-five days prior to the approval of any study by the committee, a draft report must be made available to each city mentioned in the study and written comments of any such city must be attached to the final report describing the study.

Sec. 94. Annually, a city shall prepare and adopt a budget, and shall certify taxes as follows:

1. A budget must be prepared for at least the following fiscal year. When required by rules of the committee, a tentative budget must be prepared for one or two ensuing years. A proposed budget must show estimates of the following:

a. Expenditures for each program.

b. Income from sources other than property taxation.

c. Amount to be raised by property taxation, and the property tax rate expressed in dollars per one thousand dollars assessed valuation.

A budget must show comparisons between the estimated expenditures in each program in the following years and the actual expenditures in each program during the two preceding years. Wherever practicable, as provided in rules of the committee, a budget must show comparisons between the levels of service provided by each program as estimated for the following year, and actual levels of service provided by each program during the two preceding years.

2. Not less than twenty days before the date that a budget must be certified to the county auditor, the clerk shall provide a sufficient number of copies of the budget to meet rea-

sonable demands of taxpayers, and have them available for distribution at the offices of the mayor and clerk and at the city library, if any, or at three places designated by ordinance for posting notices.

3. The council shall set a time and place for public hearing on the budget before the final certification date and shall publish notice before the hearing as provided in section three (3) of this Act. Proof of publication must be filed with the county auditor.

4. At the hearing, any resident or taxpayer of the city may present to the council objections to any part of the budget for the following fiscal year or arguments in favor of any part of the budget.

5. After the hearing, the council shall adopt a budget for at least the following fiscal year, and the clerk shall certify the necessary tax levy for the following year to the county auditor and the county board of supervisors. The tax levy certified may be less than but not more than the amount estimated in the proposed budget, unless an additional tax levy is approved at a city election. A copy of the complete budget as adopted must be transmitted to the county auditor and the state comptroller.

Sec. 95. At the time required by law, the county board of supervisors shall levy the taxes necessary for each city fund for the following fiscal year. The levy must be as shown in the adopted city budget and as certified by the clerk, subject to any changes made by the council after a protest hearing, and any additional tax rates approved at a city election. A city levy is not valid until proof of publication or posting of notice of a budget hearing is filed with the county auditor.

Sec. 96. A city budget as finally adopted for the following fiscal year becomes effective January first and constitutes the city appropriation for each program and purpose specified therein until amended as provided in this section. A city

budget for the current fiscal year may be amended for any of the following purposes:

1. To permit the appropriation and expenditure of unexpended, unencumbered cash balances on hand at the end of the preceding fiscal year which had not been anticipated in the budget.

2. To permit the appropriation and expenditure of amounts anticipated to be available from sources other than property taxation, and which had not been anticipated in the budget.

3. To permit transfers from the debt service fund, the capital improvements reserve fund, the emergency fund, or other funds established by state law, to any other city fund, unless specifically prohibited by state law.

4. To permit transfers between programs within the general fund.

A budget amendment must be prepared and adopted in the same manner as the original budget, as provided in section ninety-four (94) of this Act, and is subject to protest as provided in section ninety-seven (97) of this Act, except that the committee may by rule provide that amendments of certain types or up to certain amounts may be made without public hearing and without being subject to protest.

Sec. 97. Within a period of ten days after the final date that a budget or amended budget may be certified to the county auditor, persons affected by the budget may file a written protest with the county auditor, specifying their objections to the budget or any part of it. A protest must be signed by qualified voters equal in number to one-fourth of one percent of the votes cast for governor in the last preceding general election in the city, but not less than ten persons, and at least three of the signers must have filed a written objection or appeared and objected to the budget at the budget hearing held by the council.

Upon the filing of any such protest, the county auditor shall immediately prepare a true and complete copy of the written protest, together with the budget to which the objections are made, and shall transmit the same forthwith to the state appeal board, and shall also send a copy of the protest to the council.

The state appeal board shall proceed to consider the protest in accordance with the same provisions that protests to budgets of municipalities are considered under chapter 24 of the Code, except that final disposition of appeals of city budgets shall be made on or before November 24 of each year. The state appeal board shall certify its decision with respect to the protest to the county auditor, and such decision shall be final.

The county auditor shall make up his records in accordance with such decision and the levying board shall make its levy in accordance therewith. Upon receipt of such decision, the county auditor shall immediately notify both parties thereof, whereupon the council shall correct its records accordingly, if necessary.

Sec. 98. A city shall keep separate accounts corresponding to the programs and items in its adopted or amended budget, as recommended by the committee.

A city shall keep accounts which show an accurate and detailed statement of all public funds collected, received,

or expended for any city purpose, by any other city officer, employee, or other person, and which show the receipt, use, and disposition of all city property. Public moneys may not be expended or encumbered except under an annual or continuing appropriation.

Sec. 99. If a city has an encumbrance system and encumbrances are not liquidated by December thirty-first of the year in which obligations have been encumbered, such unliquidated encumbrances may be retained upon the books of the city until liquidated, all in accordance with generally accepted governmental accounting practices approved by the committee. Liquidated encumbrances must be reported in the same manner as expended funds.

Sec. 100. Not later than April first of each year, a city shall **publish an annual report as provided in section three (3) of this Act.**
containing a summary for the preceding fiscal year of all collections and receipts, all accounts due the city, and valorem taxes on all the taxable property within the city through its debt service fund which is required to be established by section eighty-two (82) of this Act.

2. "City enterprise" means any of the following, including the real estate, fixtures, equipment, accessories, appurtenances, and all property necessary or useful for the opera-

tion of any of the following:

a. Parking facilities systems, which may include parking lots and other off-street parking areas, parking ramps and structures on, above, or below the surface, parking meters, both on-street and off-street, and all other fixtures, equipment, accessories, appurtenances, and requisites useful or convenient for the successful operation of a parking facilities system.

b. Civic centers or civic systems, which may include auditoriums, music halls, theatres, sports arenas, armories, exhibit halls, meeting rooms, convention halls, or combinations of these.

c. Recreational facilities or recreational facilities systems, including, without limitation, real and personal property, water, buildings, improvements, and equipment useful and suitable for administering recreation programs, and also including without limitation, zoos, museums, and centers for art, drama, and music, as well as those programs more customarily identified with the term "recreation" such as public sports, games, pastimes, diversions, and amusement, on land or water, whether or not such facilities are located in or as a part of any public park.

d. Port facilities or port facilities systems, including without limitation, real and personal property, water, buildings, improvements and equipment useful and suitable for taking care of the needs of commerce and shipping, and also including without limitation, wharves, docks, basins, piers, quay walls, warehouses, tunnels, belt railway facilities, cranes, dock apparatus, and other machinery necessary for the convenient and economical accommodation and handling of watercraft of all kinds and of freight and passengers.

e. Airport and airport systems.

f. Solid waste collection systems and disposal systems.

g. Bridge and bridge systems.

h. Hospital and hospital systems.

i. Transit systems.

j. Stadiums.

3. "Essential corporate purpose" means:

a. The opening, widening, extending, grading, and draining the right-of-way of streets, highways, avenues, alleys, public grounds, and market places, and the removal and replacement of dead or diseased trees thereon; the construction, reconstruction, and repairing of any street improvements; the acquisition, installation, and repair of traffic control devices; and the acquisition of real estate needed for any of the foregoing purposes.

b. The acquisition, construction, improvement, and installation of street lighting fixtures, connections, and facilities.

c. The construction, reconstruction, and repair of sidewalks and pedestrian underpasses and overpasses, and the acquisition of real estate needed for such purposes.

d. The acquisition, construction, reconstruction, extension, improvement, and equipping of works and facilities useful or convenient for the collection, treatment, and disposal of sewage and industrial waste in a sanitary manner, for the collection and disposal of solid waste, and for the collection and disposal of surface waters and streams.

e. The acquisition, construction, reconstruction, enlargement, improvement, and repair of bridges, culverts, viaducts, underpasses, grade crossing separations, and approaches thereto.

f. The settlement, adjustment, renewing, or extension of any part or all of the legal indebtedness of a city, whether evidenced by bonds, warrants, or judgments, or the funding or refunding of the same, whether or not such indebtedness was created for a purpose for which general obligation bonds might have been issued in the original instance.

g. The undertaking of any project jointly or in cooperation with any other governmental body which, if undertaken

by the city alone, would be for an essential corporate purpose, including the joint purchase, acquisition, construction, ownership, or control of any real or personal property.

h. The acquisition, construction, reconstruction, improvement, and extension of works and facilities useful or convenient for the control and elimination of any and all sources of air, water, and noise pollution, and the acquisition of real estate needed for such purposes.

i. The acquisition, construction, reconstruction, and improvement of all water, and real and personal property, useful for the protection or reclamation of property situated within the corporate limits of cities from floods or high waters, and for the protection of property in cities from the effects of flood waters, including the deepening, widening, alteration, change, diversion, or other improvement or watercourses, within or without the city limits, the construction of levees, embankments, structures, impounding reservoirs, or conduits, and the establishment, improvement, and widening of streets, avenues, boulevards, and alleys across and adjacent to the project, as well as the development and beautification of the banks and other areas adjacent to flood control improvements.

4. "General corporate purpose" means:

a. The acquisition, construction, reconstruction, extension, improvement, and equipping of city utilities, city enterprises, and public improvements as defined in section one hundred fifteen (115) of this Act, other than those which are essential corporate purposes.

b. The acquisition, construction, reconstruction, enlargement, improvement, and equipping of community center houses, recreation grounds, recreation buildings, juvenile playgrounds, swimming pools, recreation centers, parks, and golf courses, and the acquisition of real estate therefor.

c. The acquisition, construction, reconstruction, enlargement, improvement, and equipping of city halls, jails, police

stations, fire stations, garages, libraries, and hospitals, including buildings to be used for any combination of the foregoing purposes, and the acquisition of real estate therefor.

d. The acquisition, construction, reconstruction, and improvement of dams.

e. The equipping of fire, police, sanitation, street, and civil defense departments.

f. The acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of receiving vaults, mausoleums, and other cemetery facilities.

g. The acquisition of ambulances and ambulance equipment.

h. The removal, replacement, and planting of trees, other than those on public right-of-way.

i. The acquisition, purchase, construction, reconstruction, and improvement of greenhouses, conservatories, and horticultural centers for growing, storing, and displaying trees, shrubs, plants, and flowers.

j. The aiding in the planning, undertaking, and carrying out of urban renewal projects under the authority of chapter four hundred three (403) of the Code, and all of the purposes set out in section four hundred three point twelve (403.12) of the Code.

k. The undertaking of any project jointly or in cooperation with any other governmental body which, if undertaken by the city alone, would be for a general corporate purpose, including the joint purchase, acquisition, construction, ownership, or control of any real or personal property.

l. Any other facilities or improvements which are necessary for the operation of the city or the health and welfare of its citizens.

5. The "cost" of any project for an essential corporate purpose or general corporate purpose includes construction contracts and the cost of engineering, architectural, technical, and legal services, preliminary reports, property val-

uations, estimates, plans, specifications, notices, acquisition of real and personal property, consequential damages or costs, easements, rights-of-way, supervision, inspection, testing, publications, printing and sale of bonds, and provisions for contingencies.

Sec. 103.

1. A city which proposes to carry out any essential corporate purpose within or without its corporate limits, and to contract indebtedness and issue general obligation bonds to provide funds to pay all or any part of the cost of a project must do so in accordance with the provisions of this division.

2. Before the council may institute proceedings for the issuance of bonds for an essential corporate purpose, a notice of the proposed action, including a statement of the amount and purposes of the bonds, and the time and place of the meeting at which the council proposes to take action for the issuance of the bonds, must be published as provided in section three (3) of this Act. At the meeting, the council shall receive oral or written objections from any resident or property owner of the city. After all objections have been received and considered, the council may, at that meeting or any adjournment thereof, take additional action for the issuance of the bonds or abandon the proposal to issue the bonds. Any resident or property owner of the city may appeal the decision of the council to take additional action to the district court of the county in which any part of the city is located, within fifteen days after the additional action is taken, but the additional action of the council is final and conclusive unless the court finds that the council exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal, are in lieu of the provisions contained in chapter twenty-three (23) of the Code, or any other law.

Sec. 104.

1. A city which proposes to carry out any general corporate purpose within or without its corporate limits, and to contract indebtedness and issue general obligation bonds to provide funds to pay all or any part of the costs of a project, must do so in accordance with the provisions of this division.

2. Before the council may institute proceedings for the issuance of bonds for a general corporate purpose, a notice of the proposed action, including a statement of the amount and purposes of the bonds, and the time and place of the meeting at which the council proposes to take action for the issuance of the bonds, must be published as provided in section three (3) of this Act. At the meeting the council shall receive oral or written objections from any resident or property owner of the city. After all objections have been received and considered, the council may, at the meeting or any adjournment thereof, take additional action for the issuance of the bonds or abandon the proposal to issue the bonds. Any resident or property owner of the city may appeal the decision of the council to take additional action to the district court of the county in which any part of the city is located, within fifteen days after the additional action is taken, but the additional action of the council is final and conclusive unless the court finds that the council exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal, are in lieu of the provisions contained in chapter twenty-three (23) of the Code and any other law.

3. If at any time before the date fixed in the notice for taking action for the issuance of bonds for any general corporate purpose, a petition is filed with the city clerk, signed by qualified voters of the city equal in number to two percent of those who voted for the office of governor at the last preceding general election as shown by the election registers or poll lists, asking that the question of issuing bonds be submitted to the voters of the city, the council

shall either abandon the proposal by resolution or shall call a special city election to vote upon the question of issuing the bonds.

4. If a petition is filed and the council calls an election to vote on the question of issuing general corporate purpose bonds, the proposition must be submitted in the following form:

"Shall the *(insert the name of the city)* issue its bonds in an amount not exceeding the amount of $..... for the purpose of .....?.

5. Notice of the election must be given by publication once each week for at least three consecutive weeks in a newspaper of general circulation in the city. The notice must state the date of the election, the hours of opening and closing the polls and the location thereof, and the question to be submitted. The election must be held on a date not less than five nor more than twenty days after the last publication of the notice. Such notice is sufficient and is in lieu of any other notice required by any other statute. At the election the ballot used for the submission of the proposition must be in substantially the form for submitting special questions at general elections.

6. The proposition of issuing general corporate purpose bonds is not carried or adopted unless the vote in favor of the proposition is equal to at least **sixty percent** of the total vote cast for and against the proposition at the election. If the proposition of issuing the general corporate purpose bonds is approved by the voters, the city may proceed with the issuance of the bonds.

Sec. 105.

1. A city may sell general obligation bonds at public or private sale in the manner prescribed by chapter seventy-five (75) of the Code.

2. General obligation funding or refunding bonds issued for the purposes specified in section one hundred two (102),

subsection four (4), paragraph f, of this Act may be exchanged for the evidences of the legal indebtedness being funded or refunded, or such funding or refunding bonds may be sold in the manner prescribed by chapter seventy-five (75) of the Code and the proceeds applied to the payment of such indebtedness. Funding or refunding bonds may bear interest at the same rate as, or at a higher or lower rate or rates of interest than the indebtedness being funded or refunded.

Sec. 106. A city may issue general obligation bonds pursuant to a resolution adopted at a regular or special meeting by a majority of the total number of members to which the council is entitled. Each paragraph of section one hundred two (102), subsections four (4) and five (5), of this Act, describes a separate category. Separate categories of essential corporate purposes and of general corporate purposes may be incorporated in a single notice of intention to institute proceedings for the issuance of bonds, or separate categories may be incorporated in separate notices, and after an opportunity has been provided for filing petitions and objections, or after a favorable election has been held, if required, the council may include in a single resolution and sell as a single issue of bonds, any number or combination of essential corporate purposes or general corporate purposes. If an essential corporate purpose is combined with a general corporate purpose in a single notice of intention to institute proceedings to issue bonds, then the entire issue is subject to the referendum requirement provided in section one hundred four (104) of this Act.

Sec. 107. As provided by resolution of the council, general obligation bonds may:

1. Bear dates.

2. Bear interest at rates not exceeding the limitations imposed by chapter seventy-five (75) of the Code.

3. Mature in one or more installments.

4. Be in either coupon or registered form.

5. Carry registration and conversion privileges.

6. Be payable as to principal and interest at times and places.

7. Be subject to terms of redemption prior to maturity with or without premium.

8. Be in one or more denominations.

9. Be designated with a brief reference to purpose, or if issued for a combination of purposes, be designated "corporate purpose bond".

10. Contain other provisions not in conflict with the laws of the state of Iowa.

Sec. 108. General obligation bonds must be executed by the mayor and city clerk. If coupons are attached to the bonds, they must be executed with the original or facsimile signature of the clerk. A general obligation bond is valid and binding if it bears the signatures of the officers in office on the date of the execution of the bonds, notwithstanding that any or all such persons whose signatures appear thereon have ceased to be such officers prior to the delivery thereof.

Sec. 109. General obligation bonds issued pursuant to this part are negotibale instruments.

Sec. 110. Taxes for the payment of general obligation bonds must be levied in accordance with chapter seventy-six (76) of the Code, and the bonds are payable from the levy of unlimited ad valorem taxes on all the taxable property within the city through its debt service fund authorized by section eighty-two (82) of this Act.

Sec. 111. No action may be brought which questions the legality of general obligation bonds or the power of the city to issue the bonds or the effectiveness of any proceedings relating to the authorization and issuance of the bonds from

and after sixty days from the time the bonds are ordered issued by the city.

Sec. 112. The provisions of chapter twenty-four (24) of the Code do not apply to any bonds issued pursuant to this part.

Sec. 113. The enumeration of this part of specified powers and functions is not a limitation of the powers of cities, but the provisions of this part and the procedures prescribed for exercising the powers and functions enumerated in this part shall control and govern in the event of any conflict with the provisions of any other section, part, or division of this Act or with the provisions of any other law.

Sec. 114. Projects and proceedings for the issuance of general obligation bonds commenced before the effective date of this Act may be consummated and completed as required or permitted by any statute or other law amended or repealed by this Act as though the repeal or amendment had not occurred, and the rights, duties, and interests flowing from such projects and proceedings remain valid and enforceable. Without limiting the foregoing, projects commenced prior to the effective date may be financed by the issuance of general obligation bonds under any such amended or repealed law or by the issuance of general obligation bonds under this Act. For the purposes of this section, commencement of a project includes but is not limited to action taken by the council or authorized officer to fix a date for a hearing in connection with any part of the project, and commencement of proceedings for the issuance of general obligation bonds includes but is not limited to action taken by the council to fix a date for either a hearing or a sale in connection with any part of the general obligation bonds, or to order any part thereof to be issued.

Part 4. Special Assessments

Sec. 115. As used in this part, unless the context otherwise requires:

1. "Public improvement" includes the principal structures, works, component parts, and accessories of any of the following:

a. Sanitary, storm, and combined sewers.

b. Drainage conduits, channels, and levees.

c. Street grading, paving, graveling, macadamizing, curbing, guttering, and surfacing with oil, oil and gravel, or chloride.

d. Street lighting fixtures, connections, and facilities.

e. Sewage pumping stations, and disposal and treatment plants.

f. Underground gas, water, heating, sewer, and electrical connections located in streets for private property.

g. Sidewalks and pedestrian underpasses or overpasses.

h. Drives and driveway approaches located within the public right-of-way.

i. Waterworks, water mains, and extensions.

j. Plazas, arcades, and malls.

k. Parking facilities.

l. Removal of diseased or dead trees from any public place, publicly owned right-of-way, or private property.

2. "Construction" includes materials, labor, acts, operations, and services necessary to complete a public improvement.

3. "Repair" includes materials, labor, acts, operations, and services necessary for the repair, reconstruction, reconstruction by widening, or resurfacing of a public improvement.

4. "Street" means a public street, highway, boulevard, avenue, alley, parkway, public place, plaza, mall, or publicly owned right-of-way or easement within the limits of the city.

5. "Lot" means a lot, part of lot, tract, or parcel of land under one ownership, including improvements. Two or more contiguous lots, tracts, or parcels upon which a single improvement has been erected by a common owner are one lot

for purposes of this part.

6. "Total cost" or "cost" of a public improvement includes the cost of engineering, preliminary reports, property valuations, estimates, plans, specifications, notices, legal services, acquisition of land, consequential damages or costs, easements, rights-of-way, construction, repair, supervision, inspection, testing, notices and publication, interest during construction and for not more than six months thereafter, and printing and sale of bonds.

7. "Gravel" includes gravel, crushed rock, cinders, shale, and similar materials suitable for street construction or repair.

8. "Oil" means any asphaltic or bituminous material suitable for street construction or repair.

9. "Sewer" means structures designed, constructed, and used for the purpose of controlling or carrying off streams, surface waters, waste, or sanitary sewage.

10. "Main sewer" means a sewer which serves as an outlet for two or more lateral sewers, and which is commonly referred to as an intercepting sewer, outfall sewer, or trunk sewer.

11. "Lateral sewer" means a sewer which contributes sewage, or surface or ground water from a local area to a main sewer or outlet.

12. "Sewer systems" are composed of the main sewers, sewage pumping stations, treatment and disposal plants, lateral sewers, drainage conduits or channels, and sewer connections in public streets for private property.

13. "District" means the lots or parts of lots within boundaries established by the council for the purpose of the assessment of the cost of a public improvement.

14. "Private property" means all property within the district except streets, property owned by the United States, and property owned by the city.

15. "Abutting lot" means a lot which abuts or joins the street in which the public improvement is located or which

abuts the right-of-way of the public improvement.

16. "Adjacent lot" means a lot within the district which does not abut upon the street or right-of-way of the public improvement.

17. "Street improvement" means the construction or repair of a street by grading, paving, curbing, guttering, and surfacing with oil, oil and gravel, or chloride, and street lighting fixtures, connections, and facilities.

18. "Proposal" means a legal bid on work advertised for a public improvement under part six (6) of this division.

19. "Paving" means any kind of hard street surface, including, but not limited to, concerete, bituminous concrete, brick, stabilized gravel, or combinations of these, together with or without curb and gutter.

20. "Engineer" means a professional engineer, registered in the state of Iowa, authorized by the council to render services in connection with the public improvement.

21. "Grade" means the longitudinal reference lines, as established by ordinance of the council, which designate the elevations at which a street or sidewalk is to be built.

22. "Final grade" means the grade to which the public improvement is proposed to be constructed or repaired as shown on the final plans adopted by the council.

23. "Railways" means all railways except street railways.

24. "Publication" means public notice given in the manner provided in section three (3) of this Act.

25. "Property owner" or "owner" means the owner or owners of property, as shown by the transfer books in the office of the county auditor of the county in which the property is located.

26. "Parking facilities" means parking lots or other off-street areas for the parking of vehicles, including areas below or above the surface of streets.

Sec. 116. A city may assess to private property within

the city the cost of construction and repair of public

improvements within the city, and main sewers, sewage pumping stations, disposal and treatment plants, waterworks, water mains, extensions, and drainage conduits extending outside the city.

Sec. 117. Paving, curbing, guttering, or sidewalks may not be constructed unless the improvement, when completed, will be to grade.

Sec. 118. A city may include underground gas, water, heating, sewer, or electrical connections to the street or property line for private property as a part of the public improvement, or a city may order the property owner to make, repair, or relocate such connections by publication of a notice once each week for two consecutive weeks in the manner provided by section three (3) of this Act, and if the order is not complied with at the end of thirty days after the date of the first publication, the city may cause the work to be done and assess the cost against the property served by the connection.

Sec. 119.

1. Property owners may initiate a plan for a public improvement to be paid for in whole or in part by special assessments, by written contract to be approved by the city and signed by all of the owners of record of all property affected by the proposed assessment. If all owners of record of all the property to be affected by the public improvement petition the council, said owners may, in their petition, waive notice to property owners by publication and mailing, as provided in section one hundred twenty-eight (128) of this Act, and the council may proceed to adopt a preliminary resolution, a plat, schedule and estimate, and resolution of necessity, and order preparation of detailed plans and specifications. Special assessments initiated without notice under this section are liens upon the property to be affected by the assessment, to the same extent as provided in section one hundred forty-three (143), subsection five (5),

of this Act, except that they shall be subordinate to any perfected lien unless the holder of such perfected lien consents in writing to the initiation of the public improvement.

2. A petition may be filed subsequent to the initiation by the council of a plan for a public improvement, and if the petition is received prior to advertising for bids, the public improvement petitioned for may be added by amendment to the resolution of necessity. If the petition is received subsequent to advertising for bids and prior to the completion of the work under contract, the council may, in its discretion, approve the petition and contract with the contractor at a cost not to exceed the unit prices bid at public letting for the construction of the public improvements petitioned for by property owners.

3. This section does not limit the power of a city to initiate a public improvement project on its own motion.

Sec. 120. To construct or repair a public improvement, the council shall proceed as follows:

1. Arrange for engineering services to prepare the plats, schedules, estimates of cost, plans, and specifications, and to supervise construction of the proposed improvement.

2. Adopt a preliminary resolution by the vote of a majority of all the members of the council. The preliminary resolution shall contain the following:

a. A description of the types or alternate types of improvement proposed.

b. The beginning and terminal points or general location of the proposed improvement.

c. An order to the engineer to prepare preliminary plans and specifications, estimated total cost of the work, and a plat and schedule, and to file them with the clerk.

d. A general description of the property or a designation of the lots which the council believes will be specially benefited by the improvement.

3. The preliminary resolution may also contain the following:

a. A statement of the proportion of the total cost which the council proposes to assess against specially benefited property.

b. A short and convenient designation for the public improvement by which it may be referred to in all subsequent proceedings.

4. A preliminary resolution may include more than one improvement or class of improvement.

5. A single improvement may be in more than one locality or street, and that portion of the street which has been improved by any railway, or which the city may require the railway to improve under franchise or contract, may be excluded.

Sec. 121. Preliminary plans and specifications must only be in sufficient detail to advise any person interested of the general nature, character, and type of the improvement.

Sec. 122. The estimated total cost of any public improvement constructed under this part must include all of the items of cost listed in section one hundred fifteen (115), subsection six (6), of this Act, which the council proposes to include as a part of the cost of the public improvement, and may not include an item to be known as the default fund amounting to not more than ten percent of the portion of the total cost of the improvement which the council proposes to assess against specially benefited property.

Sec. 123. The plat as prepared and filed by the engineer must show the following information:

1. The boundaries of the district containing the lots proposed to be assessed.

2. The location of each lot under separate ownership within the district, including the property of all railways and utilities subject to assessment.

3. The location of the improvement within the district,

together with the terminal points of all major parts proposed

to be assessed.

4. The type and general details of the improvement.

Sec. 124. Upon completion of the plat, the council shall determine the valuation of each lot within the proposed assessment district and shall report the valuations to the engineer, who shall show such valuations on the schedule before it is filed with the clerk. A valuation must be the present fair market value of the property with the proposed public improvement completed. As an aid in determining valuations, the council may appoint a committee of three persons skilled in the knowledge of real estate values within the city to appraise the present fair market value of each lot within a district and to file a written report of its appraisals with the council.

Sec. 125. The schedule, as prepared by the engineer, must show the following information for each lot within the district:

1. A description of each lot and the name of the property owner.

2. The valuation of each lot as determined by the council.

3. The total amount proposed to be assessed to each lot, including the assessment for the default fund, if any.

4. The amount of deficiency, if any, between the amount proposed to be assessed and the proportion of the estimated total cost of the public improvement allocated to each lot.

Sec. 126. When the plat, schedule, and estimate of cost have been filed, the council may, before adopting a proposed resolution of necessity, cause the estimate, valuation, or assessment of any lot or the boundaries of the district as reported by the engineer to be amended, and may adopt the plat, schedule, and estimate as amended or as filed.

Sec. 127. If, upon adoption of the plat, schedule, and estimate, the council determines to proceed with all or any part of the public improvement, it shall cause a proposed resolution of necessity to be prepared and introduced.

1. The resolution of necessity must include all of the following:

a. A brief description of the proposed public improvement.

b. A statement that there is on file in the office of the clerk an estimated total cost of the work, and a preliminary plat and schedule showing the amount proposed to be assessed to each lot for the improvement.

c. The date, time, and place the council will hear property owners subject to the assessment and interested parties for or against the improvement, its cost, the assessment, or the boundaries of the district.

2. A resolution of necessity may include:

a. Any number of streets or sewer lines for improvement.

b. All improvements which are included in the preliminary resolution.

c. A provision that unless a property owner files objections with the clerk at the time of hearing on the resolution of necessity, he is deemed to have waived all objections.

Sec. 128. The clerk shall publish notice of the date, time, and place of the hearing once each week for two consecutive weeks in the manner provided by section three (3) of this Act, the first publication of which shall be not less than ten days before the date of the hearing. The notice must be in substantially the following form:

NOTICE TO PROPERTY OWNERS

Notice is given that there is now on file for public inspection in the office of the clerk of ....., Iowa, a proposed resolution of necessity, an estimate of cost, and a plat and schedule showing the amounts proposed to be assessed against each lot and the valuation of each lot within a district approved by the council of ....., Iowa, for a ..... improvement of the type(s) and in the location(s) as follows: .....

The council will meet at ..... o'clock .....m., on .....

....., 19...., at the ....., at which time

the owners of property subject to assessment for the proposed improvement or any other person having an interest in the matter may appear and be heard for or against the making of the improvement, the boundaries of the district, the cost, the assessment against any lot, or the final adoption of a resolution of necessity. A property owner will be deemed to have waived all objections unless at the time of hearing he has filed objections with the clerk.

.....

Clerk.

Not less than ten days before the hearing, the clerk shall send a copy of the notice by certified mail to each property owner whose property is subject to assessment for the improvement at the address as shown by the records of the county auditor. If a property is shown to be in the name of more than one owner at the same mailing address, a single notice may be mailed addressed to all owners at that address. Failure to receive a mailed notice is not a defense to the special assessment.

Sec. 129. The council shall meet as specified in the published notice, and after hearing all objections and endorsements from property owners and other persons having an interest in the matter, and after considering all filed, written objections, may adopt or amend and adopt the proposed resolution of necessity, or may defer action until a subsequent meeting. A resolution of necessity requires for passage the vote of three-fourths of all the members of the council, or, in cities having but three members of the council, the vote of two members, and where a remonstrance has been filed with the clerk, signed by the owners subject to seventy-five percent of the amount of the proposed assessments for the entire public improvement included in the resolution of necessity, a resolution of necessity requires a unanimous vote of the council. An amendment which extends the boundaries of a district, increases the amount to be assessed against a lot, or adds

additional public improvements, is not effective until an amended plat, schedule, and estimate have been prepared and adopted, a notice published and mailed by certified mail to all affected property owners, and hearing held in the same manner as the original proceedings, or until all affected property owners agree in writing to the change. The adoption of a resolution of necessity is a legislative determination that the improvement is expedient and proper and that property assessed will be specially benefited thereby and this determination of the council is conclusive. Ownership of property to be assessed by any improvement shall not, except for fraud or bad faith, disqualify a council member from voting on any measure.

Sec. 130. After adopting a resolution of necessity, the council may, by resolution, order the engineer to prepare and file with the clerk detailed plans and specifications, and order the engineer and city attorney, or any attorney designated by the council, to prepare and file with the clerk a notice to bidders and form of contract.

Sec. 131. Contract letting procedures shall be as provided in part six (6) of this division. The council may award any number of contracts for construction of any public improvement.

Sec. 132. At any time after final adoption of the resolution of necessity, but before awarding the contract, the council may proceed as follows:

1. To direct the city attorney to file, in the district court of the county in which the property proposed to be assessed is located, a petition praying that the acts done by the council relative to the proposed public improvement be confirmed by decree.

2. The following must be filed with the petition in the office of the clerk of the court:

a. A copy of the resolution of necessity as adopted by the council.

b. A copy of the proposed schedule of assessments as adopted by the council under sections one hundred twenty-six

(126) and one hundred twenty-nine (129) of this Act, which schedule shows the maximum amount that the council proposes to assess against any lot.

c. Preliminary plans and specifications, or, if available, detailed plans and specifications as prepared by the engineer.

d. A copy of the proposed contract if prepared.

3. Notice of the filing of the petition must be given in the same manner as is provided for service of original notice by publication by the rules of civil procedure, except as follows:

a. No affidavit of inability to obtain personal service within the state of Iowa is required.

b. The original notice must name as defendants those property owners who, on the date of filing the petition, have an interest in the real property to be assessed as a part of the public improvement, and the original notice must state that a plat and schedule is on file in the office of the clerk of the district court where the action is pending. No property owner is an indispensable party to the action. Publication of plat and schedule as part of the original notice is not required, nor shall reference in the original notice to specific descriptions of affected real property or the amounts of proposed assessments be necessary.

4. The petition must be given precedence over any other business of the court, except criminal cases. The court shall set the petition for hearing within thirty days from the date of final publication of notice. As a part of its order, the court may provide for a pretrial conference to be held not earlier than twenty days from the date of final publication of notice and require the appearance at the pretrial conference of all interested parties. Failure to appear at the pretrail conference may be grounds for dismissing any objection.

5. If no person having an interest in property proposed

to be assessed has entered an appearance or filed an answer

within the time set for hearing on the petition, the court shall confirm the assessment, and order the clerk of court to certify its decree to the city clerk.

6. If any person having an interest in property proposed to be assessed has entered an appearance or filed an answer to the petition, the court shall hear the cause as an action triable in equity.

7. Upon the hearing the court may correct any irregularities or inequalities in valuations or in the schedule of assessments, and shall consider any objections because of alleged illegal procedure or fraud.

8. The court shall render a decision upon the hearing within seven days after the final submission of the cause.

9. The clerk of the court shall certify to the city clerk the final action of the court, within three days from the date of the final decree upon the petition, showing assessments as confirmed in the schedule of assessments.

10. An appeal from the decree of the district court must be perfected within thirty days from the date of the decree and the abstract must be served and filed in the office of the clerk of the supreme court within ninety days from the date of the district court decree.

11. A contract may or may not be let, in the discretion of the council, until appeals are finally determined, but the appeals need not delay the letting and execution of a contract for the work, if the council concludes the appeals were not taken in good faith.

12. An appeal does not, in the discretion of the council, delay the certification of an assessment or progress of an improvement, but upon decision of the appeal the assessment appealed from must be corrected and collected in the same manner as provided in section one hundred fifty-two (152)

of this Act.

13. Corrections of assessments or valuations made by order of the district court are conclusive and not subject to review on appeal, or otherwise, except as provided in subsections ten (10) through twelve (12), inclusive, of this section. When court confirmation is obtained there is no right of appeal under the provisions of section one hundred forty-four (144) of this Act.

14. If no contract is entered into within ninety days from the date of confirmation by the district court or within a further time allowed by the court on subsequent application, and if no appeal is pending, the court shall cancel the assessment, upon application of the city attorney.

15. The cost of all court proceedings are a legitimate item of expense in connection with a public improvement, and may be included within the final assessment against any property specially benefited in the assessment district.

Whenever on a hearing by the court, the amount of any assessment is reduced or canceled so that there is a deficiency in the total amount remaining assessed in the proceeding, the court may assess the deficiency to the city or distribute the deficiency upon the other property abutting upon or adjacent to the improvement or in the district assessed, in a manner the court finds to be just and equitable, not exceeding, however, the amount the property would be specially benefited by the improvement, and not exceeding twenty-five percent of the value of the lot as shown by the plat and schedule of assessments or as reduced by the court.

Sec. 133. In cities having a water utility under the management of a board of trustees and in which water connections are not installed by the trustees at public expense, the council shall notify the board at the time of the adoption of a preliminary resolution, of any proposed street paving

projects. The board shall report to the council the number of connections from water mains in streets to the curb lines of the proposed improvement necessary to serve private property

dependent upon those particular mains for water supply, and the numbers of the lots to be served by the connections, and the names of the owners. Notice must be given to property owners, at the same time and in the same manner as the notice provided in section one hundred twenty-**eight (128)** of this Act, to install the necessary connections within thirty days after hearing. For the purposes of the hearing, property owners who are notified to install water connections, but whose property is not within the proposed assessment district, may appear as interested parties. If upon hearing, the council determines to proceed with the improvement, and any property owner fails to make connections as required, the board of waterworks trustees shall cause them to be made and certify the cost to the council to be assessed against the property and collected in the same manner as provided in section one hundred **eighteen (118)** of this Act for other underground connections.

Sec. **134.**

1. Cities may assess the cost of a public improvement which extends through, abuts upon, or is adjacent to lands owned by the state, and the executive council shall pay the assessable portion of the cost of the improvement through or along the lands as provided. The executive council shall pay assessments from any funds of the state not otherwise appropriated.

2. When a state park or institutional road abutting on or adjacent to state lands on one side of the road is improved by paving, the state shall pay one-half the total assessed cost of the portion of the improvement abutting, or adjacent to state lands, lots, or portions thereof, but for any other type of improvement so constructed and located, the state shall pay the portion of the cost which would be assessable against state lands if they were privately owned.

3. When any portion of the cost of a public improvement is to be paid by the state under this section, the clerk shall

send, at the time of publication of the notice required by section one hundred twenty-eight (128) of this Act, a copy of the notice to the secretary of the executvie council by restricted certified mail.

4. Cities in which state buildings are located shall permit sewers for such buildings to be constructed through or under the streets of the city, and connections to be made to the sewer system of the city under the same regulations as for sewer connections to private property.

5. Subsections one (1) and three (3) of this section do not apply to lands under the jurisdiction and control of the state highway commission.

Sec. 135. The city may contract to pay not to exceed ninety percent of the engineer's estimated value of the acceptable work completed during the month to the contractor at the end of each month. Payment may be made in warrants drawn on any fund or funds from which payment for the work may be made. The warrants, unless paid upon presentation, draw interest at a rate not to exceed seven percent per annum from and after the date of presentation for payment. If such funds are depleted, anticipatory warrants may be issued, which do not constitute a violation of section eighty-eight (88) of this Act, even if the collection of taxes or special assessments or income from the sale of bonds applicable to the public improvement is after the end of the fiscal year in which the warrants are issued. If the city arranges for the private sale of anticipatory warrants, they may be sold and the proceeds used to pay the contractor. Such warrants may also be used to pay other persons furnishing services constituting a part of the cost of the public improvement.

Sec. 136.

1. The engineer for the city shall inspect all work done under this part, and within fifteen days of the final completion of the public improvement, he shall file a certificate with the clerk stating:

a. That he has inspected the completed work.

b. That the work has or has not been performed in compliance with the terms of the contract, and the particulars, if any, in which the work varies from the terms.

c. The total cost of the completed work.

2. Within fifteen days after the filing of the engineer's certificate, the council shall by resolution accept or reject the work.

3. Upon accepting the work, or within ten days thereafter, the council shall ascertain the total cost and by resolution determine the proportion or amount of the cost to be assessed against private property within the assessment district. If the council has elected to award more than one contract for the work, the council may elect to proceed separately with the acceptance and levy of assessments for the work done under each contract.

4. Upon accepting the work, the council may order payment of any amount due the contractor, to be made by warrants issued in the manner provided by section one hundred thirty-five (135) of this Act.

Sec. 137. Within thirty days after the council adopts a resolution fixing the amount to be assessed against private property, the engineer shall file with the clerk an assessment schedule showing:

1. A description of each lot to be assessed.

2. The valuation of each lot as fixed by the council.

3. The amount to be assessed against each lot, which shall include the assessment for the default fund, if any.

Sec. 138. Within ten days after filing of the assessment schedule, the council shall meet, consider, and adopt or amend and adopt, by resolution, the final assessment schedule. The resolution must:

1. Confirm and levy assessments.

2. State the number of installments, not exceeding fifteen, into which assessments of fifty dollars or more are

divided.

3. Provide for interest on all unpaid installments at not more than seven percent per annum.

4. State the time when assessments are payable.

5. Direct the clerk to certify the final schedule to the auditor of the county or counties in which the assessed property is located, and to publish notice thereof once each week for two consecutive weeks in the manner provided in section three (3) of this Act, the first publication of which shall be not more than fifteen days from the date of filing of the final schedule. On or before the second publication of the notice, the clerk shall send by certified mail to each property owner whose property is subject to assessment for the improvement, as shown by the records in the office of the county auditor, a copy of the notice. If a property is shown by the records to be in the name of more than one owner at the same mailing address, a single notice may be mailed to all owners at that address. Failure to receive a mailed notice is not a defense to the special assessment.

The county auditor shall place on the tax list the amounts to be assessed against each lot within the assessment district, as certified.

Sec. 139. The total cost of a public improvement, except for paving that portion of a street lying between railroad tracks and one foot outside of the tracks, or which is to be otherwise paid, must be assessed against all lots within the assessment district in accordance with the special benefits conferred upon the property, and not in excess of such benefits.

If an owner of property subject to special assessment divides the property into two or more lots, and if the plan of division is approved by the council, he may discharge the lien upon any of the lots by payment of the amount unpaid, calculated as determined by the council.

Sec. 140. A special assessment against a lot for a public

improvement may not be in excess of the amount of the assessment, as shown in the schedule confirmed by the court, or if court confirmation is not utilized, then on the original plat and schedule adopted by the council, and an assessment may not exceed twenty-five percent of the value of the lot as shown by the plat and schedule approved by the council.

However, special assessments for the construction or repair of underground connections for private property for gas, water, sewers, or electricity may be assessed to each lot for the actual cost of each connection for that lot, and the twenty-five percent limitation does not apply. Such connections shall not be installed to service railroad right-of-way without written agreement with the railway company owning or leasing the right-of-way.

Sec. 141. If the special assessment which may be levied against a lot is insufficient to pay its proportion of the cost of the improvement, or if no special assessment may be levied against a lot, the deficiency shall be paid from the city fund or funds designated by the council.

Sec. 142. The right-of-way of a railway company is subject to special assessments for public improvements, and such assessments constitute a debt due the city which is a paramount lien upon the track of the railway company owning or leasing the right-of-way within the limits of the city. The property of a railway to which a lien for unpaid special assessment has attached may not be released from the lien until the whole assessment is paid.

Sec. 143.

1. The first installment of each assessment, or the total amount if less than fifty dollars, is due and payable on January first next succeeding the date of the levy, unless the assessment is filed with the county auditor less than thirty days prior to January first. The first installment shall bear interest on the whole assessment from the date of acceptance of the work by the council to the first day of

June following the due date.

2. The succeeding annual installments, with interest on the whole unpaid amount, to the first day of June following the due date, are respectively due on January first annually, and must be paid at the same time and in the same manner as the March semiannual payment of ordinary taxes.

3. All future installments of an assessment may be paid on any date by payment of the then outstanding balance, plus interest to June first following the due date of the next maturing installment.

4. Each installment of an assessment with interest on the unpaid balance is delinquent after the thirty-first day of March next after its due date, and bears the same delinquent interest with the same penalties as ordinary taxes. When collected, the interest and penalties must be credited to the same fund as the special assessment.

5. From the date of adoption of the resolution of necessity, all special assessments with all interest and penalties become and remain a lien on the benefited properties until paid, and have equal precedence with ordinary taxes, and are not divested by any judicial sale.

6. The council may provide for semiannual payment of installments of an assessment in the resolution confirming and levying assessments. The election to provide for semiannual payments of installments of an assessment must be certified by the clerk to the auditor of the county or counties in which the assessed property is located, at the same time as the final schedule of assessments.

Sec. 144.

1. A person having an interest in property subject to special assessment may, within twenty days after the adoption of a resolution of necessity, test the regularity of the proceedings by a petition in equity filed in the district court of the county where the property is located. A petition does not stay further proceedings on the improvement by the

council, unless there is also filed a bond in an amount and with security approved by the court.

2. A person having an interest in any property specially assessed may appeal from the amount of assessment, at any stage of the special assessment procedure up to twenty days after the final publication of notice of filing of the final assessment schedule, by petition to the district court of the county where the property is located, if an objection to the amount of the assessment was timely filed at the hearing on the resolution of necessity, but such appeal is only to the amount of that assessment and does not stay further proceedings by the council on the improvement. No action shall be brought appealing the amount of any special assessment from and after twenty days after said final publication.

3. A person having an interest in property subject to special assessment has a right of appeal to the district court on the ground of fraud.

4. No action may be brought questioning the regularity of the proceedings pertaining to special assessments or the validity of any special assessment levied for any public improvement under this part, from and after sixty days after the final publication of notice of filing the final assessment schedule.

Sec. 145. Assessments levied and certified under the provisions of this part, including installments and interest, are payable at the office of the county treasurer of the county where the property assessed is located, except that assessments may be paid in full and without interest within thirty days after the date of certification, at the office of the county treasurer or the city clerk.

Sec. 146.

1. After certification of the final assessment schedule, the city may, by resolution, authorize and issue bonds in anticipation of the collection of unpaid special assessments. However, the total principal amount of bonds issued for a

public improvement may not exceed the total amount of unpaid special assessments less the proportionate unpaid amount assessed for the default fund.

2. All special assessment bonds are negotiable, must state on their face that they are issued under the provisions of this part, and are payable as to both principal and interest from the proceeds of the special assessments levied for the public improvement. Such bonds may bear interest at a rate not exceeding seven percent per annum payable annually or semiannually, must mature serially on June first of the years in which any of the principal is scheduled to become due, and may contain a provision that the city reserves the right and option of calling and redeeming any or all of the bonds prior to maturity on any interest payment date or within forty-five days thereafter upon the terms specified therein.

Such bonds must be called "improvement bonds", must designate the general type of improvement or improvements for which issued, and may be issued in any denomination, not exceeding ten thousand dollars.

Improvement bonds issued for any one levy must bear the same date and be divided into as many series as there are years in which installments of the special assessment mature, and each series must be as nearly equal in amount as practicable.

3. The proceeds of the special assessments and interest collected thereon must be used and applied by the city to the payment of the interest on the bonds and to the retirement of the principal as rapidly as proceeds are collected.

Such bonds and coupons do not make the city liable in any way, except for the proper application of special assessments.

If interest becomes due on any of the bonds when there is no fund or funds from which to pay it, the council may make a temporary loan for payment of the interest, which loan must be repaid from the special assessments and interest pledged to secure the bonds, but in case of purchase by the

city at tax sale of the property on which a special assessment is levied, the loan must be repaid from the funds of the city from which deficiencies on the improvement were paid, or if there were no deficiencies, from the general fund.

4. Special assessment bonds must be sold at public or private sale in the manner provided by chapter seventy-five (75) of the Code, and may not be sold for less than par value with accrued interest from date to the time of delivery, or if no bids are received at public sale, bonds may be delivered to the contractor in payment of the cost of the public improvement. The proceeds of the sale must be applied to the payment of the cost of the public improvement.

5. Any excess of proceeds from special assessments remaining after all of the bonds for a particular improvement have been paid with interest may be credited to the fund from which deficiencies for the improvement could have been paid.

6. Cities may issue refunding bonds to pay off and take up special assessment bonds issued in payment for public improvements, or to refund any part thereof, as follows:

a. Refunding bonds must substantially conform to the provisions of this part, and the face value is limited to the amount of the unpaid special assessments with the interest thereon of the particular issue of bonds to be refunded.

b. Refunding bonds or their proceeds may be used only to pay improvement bonds taken up.

c. The expense of refunding bonds must be paid out of the funds of the city from which the cost of similar improvements might lawfully be paid.

d. When refunding bonds are issued to pay improvement bonds, all special assessments and sinking funds applicable to the payment of the improvement bonds previously issued must be applied in the same manner and to the same extent to the payment of the refunding bonds, and all the powers and duties to levy and to carry special assessments and taxes, to create liens upon property, and to establish sinking funds

in respect to the bonds previously issued continue until refunding bonds are paid.

e. The city shall collect the special assessment out of which the refunding bonds are payable and hold the proceeds in trust for the payment of the refunding bonds, but it is not liable except for the proper application of the assessments.

7. No action shall be brought questioning the legality of the bonds authorized by this section from and after sixty days from the date the bonds are ordered issued by the city.

Sec. 147. Property against which a special assessment has been levied for public improvements may be sold for any sum of principal or interest due and delinquent, at any regular or adjourned tax sale in the same manner with the same forfeitures, penalties, right of redemption, certificates, and deeds, as for the nonpayment of ordinary taxes. The purchaser at a tax sale takes the property charged with the lien of the remaining unpaid installments and interest. When bonds have been issued in anticipation of special assessments and interest for which property is to be sold, the city may be a purchaser and is entitled to all rights of purchasers at tax sales. The proceeds subsequently realized from sales of property so purchased by the city must be credited to the funds of the city from which deficiencies on the improvement were paid, or if there were no deficiencies, to the general fund.

Sec. 148. A holder of a special assessment bond payable in whole or in part out of a special assessment against any lot or parcel of ground, or a city within which the lot or parcel of ground is situated, which lot or parcel of ground has been sold for taxes, either general or special, may have an assignment of any certificate of tax sale of the property

for any general taxes or special taxes thereon, upon tender to the holder or to the county auditor of the amount to which the holder of the tax sale certificate would be entitled in case of redemption.

Sec. 149. The whole or any part of the cost of construction or repair of a public improvement may be paid from the proceeds of the issuance of general obligation bonds under the provisions of section one hundred three (103) of this Act, or from the fund or funds of the city authorized to be used for the particular type of improvement, and the council shall provide that the tax authorized for purposes of the fund or funds must be annually levied to the full extent necessary to reimburse the fund or funds for the amount paid for the construction or repair of the improvement.

Sec. 150. When by reason of nonconformity to any law or resolution, or by reason of any omission, informality, or irregularity, any special tax or assessment levied is determined by the council to be invalid or its adjudged illegal, the council may correct the levy by resolution, and may reassess and relevy with the same force and effect as if done at the proper time and in the manner provided by law or by the resolution.

Sec. 151. When a special tax or assessment, upon property not exempt, is adjudged void for any jurisdictional defect, or other reason, the council may as to such property, by resolution, cause to be prepared a schedule and proposed reassessment in proportion to and not in excess of benefits, cause notice to be given, hear objections, and make necessary corrections, and may reassess and relevy the tax or special assessment as corrected with the same force and effect as if jurisdiction had been acquired in the first instance and all subsequent proceedings had been regularly and legally had.

Sec. 152. When, in making a special assessment, any property is assessed too little or too much, the assessment may

be corrected and a reassessment and relevy made in conformity with the correction, and a tax collected in excess of the proper amount must be refunded to the person paying the same. Corrected assessments are a lien on the lots the same as the original assessment, must be certified by the clerk to the county auditor in the same manner, and must so far as practicable, be collected in the same installments, draw interest at the same rate, and be enforced in the same manner as the original assessment.

Sec. 153. Any provision of law, resolution, or ordinance specifying a time when or the order in which acts must be done in a proceeding which may result in a special assessment, is subject to the qualifications of sections one hundred fifty (150), one hundred fifty-one (151), and one hundred fifty-two (152) of this Act.

A city may combine any one or more of the procedural acts required by this part and call for bids for construction of a public improvement and comply with legal requirements respecting public contracts so as to permit the council to receive and consider proposals at the time of hearing on the resolution of necessity.

Sec. 154. The provisions of this part apply to any public improvement undertaken jointly by the city and another city or by the city and the state or any other political subdivision of the state, and a city may enter into an agreement for such purpose under the provisions of chapter twenty-eight E (28E) of the Code and may assess and pay its portion of the cost of a public improvement as provided in this part, but any requirement of this part in respect to approval of detailed plans and specifications, calling for construction bids, awarding construction contracts and acceptance of the completed improvement may be carried out by each city with other cities, the state or any other political subdivision of the state, as provided in an agreement entered into as permitted by chapter twenty-eight E (28E) of the Code. However, an

agreement between the city and the state highway commission is also governed by the provisions of sections three hundred thirteen point twenty-one (313.21) through three hundred thirteen point twenty-three (313.23), inclusive, of the Code.

Sec. 155. In the making of assessments for paving streets, avenues or public places along or upon which a track of a railway or street railway company is located, the engineer shall make an estimate of the cost of building the improvement, and an estimate of the cost of the improvement if tracks were not there. The railway or street railway company may be charged with the difference between the two estimates of cost, and shall make payment in the same manner as other special assessments are paid. This section applies only to track within the limits of the improvement proper and shall not be construed as exempting a railway or street railway company from a special assessment on other property, adjacent or abutting, within the assessment district and owned by the company, nor does this section relieve a company from any of its duties and liabilities set forth in any other law concerning repair or construction of the strip of paving between the rails and one foot outside.

Sec. 156. Projects and proceedings for the levy of special assessments and the issuance of special assessment bonds commenced before the effective date of this Act may be hereafter consummated and completed and special assessments levied and special assessment bonds issued as required or permitted by any statute or other law amended or repealed by this Act as though such repeal or amendment had not occurred, and the rights, duties, and interests flowing from such projects and proceedings remain valid and enforceable. Without limiting the foregoing, projects commenced prior to said effective date may be financed by the issuance of special assessment bonds and other bonds under any such amended or repealed law or by the issuance of special assessment bonds, or other bonds under this Act. For the purposes of this section, commence-

ment of a project includes but is not limited to action taken by the council or authorized officer to fix a date for a hearing in connection with any part of a public improvement, and commencement of proceedings for the levy of special assessments and the issuance of special assessment bonds includes but is not limited to action taken by the council to fix a date for a hearing in connection with any public improvement proposed to be financed in whole or in part through special assessments.

Sec. 157. The enumeration in this part of special powers and functions is not a limitation of the powers of cities, but the provisions of this part and the procedures prescribed for exercising the powers and functions enumerated in this part control and govern in the event of any conflict with the provisions of any other section, part, or division of this Act or with the provisions of any other law.

Part 5. Revenue Financing.

Sec. 158. As used in this part, unless the context otherwise requires:

1. "Combined utility system" means two or more city utilities owned by a single city, and combined and operated as a single system.

2. "City enterprise" means the same as defined in section one hundred two (102) of this Act.

3. "Combined city enterprise" means two or more city enterprises combined and operated as a single enterprise.

4. "Governing body" means the public body which by law is charged with the management and control of a city utility, combined utility system, city enterprise, or combined city enterprise. The council is the governing body of each city utility, combined utility system, city enterprise, or combined city enterprise, except that a utility board, as provided in division eight (VIII) of this Act, is the governing body of the city utility, city utilities, or combined utility system which it operates.

5. "Project" means the acquisition, construction, reconstruction, extending, remodeling, improving, repairing, and equipping of all or part of a city utility, combined utility system, city enterprise, or combined city enterprise within or without the corporate limits of the city.

6. "Rates" means rates, fees, tolls, rentals, and charges for the use of or service provided by a city utility, combined utility system, city enterprise, or combined city enterprise.

7. "Gross revenue" means all income and receipts derived from the operation of a city utility, combined utility system, city enterprise, or combined city enterprise.

8. "Operating expense" means salaries, wages, cost of maintenance and operation, materials, supplies, insurance, and all other items normally included under recognized accounting practices, but does not include allowances for depreciation in the value of physical property.

9. "Net revenues" means gross revenues less operating expenses.

10. "Revenue bond" means a negotiable bond issued by a city and payable from the net revenues of a city utility, combined utility system, city enterprise, or combined city enterprise.

11. "Pledge order" means a promise to pay out of the net revenues of a city utility, combined utility system, city enterprise, or combined city enterprise, which is delivered to the contractors or other persons in payment of all or part of the cost of the project.

Sec. 159.

1. A city which proposes to establish, own, acquire by purchase, condemnation, or otherwise, lease, sell, construct, reconstruct, extend, remodel, improve, repair, equip, maintain, and operate within or without its corporate limits a city utility, combined utility system, city enterprise, or combined city enterprise must do so in accordance with the provisions

of this Act.

2. If all of the utilities involved in the establishment of a combined utility system are, at the time of establishment, controlled and managed by the same utility board, such utility board shall continue as the governing body of the combined utility system; otherwise the city council is the governing body of a combined utility system, but a utility board for a combined utility system may be established as provided in division eight (VIII) of this Act. If a combined utility system or combined city enterprise is dissolved, each city utility or city enterprise shall continue in existence as a separate city utility or city enterprise unless the voters additionally authorize the abandonment thereof. The governing body of a combined utility system which is dissolved shall continue as the governing body of each city utility which was a part of the combined utility system unless changed as provided in division eight (VIII) of this Act. The adding of an additional city utility to an existing combined utility system is the establishment of a new combined utility system and must be approved by the voters of the city as provided in division eight (VIII) of this Act, but the governing body of the existing combined utility system shall continue as the governing body of the new combined utility system.

3. A combined utility system or combined city enterprise may be established, but if there are obligations outstanding which by their terms are payable from the revenues of any city utility or city enterprise involved, all such outstanding obligations must be assumed by the governing body of the combined utility system or combined city enterprise subject to all terms established at the time of the original issue, or refunded through the issuance of revenue bonds of the combined utility system or combined city enterprise as a part of the procedure for the establishment of the combined utility system or combined city enterprise, or funds sufficient to pay the principal of and all interest and premium, if any, on such

outstanding obligations at and prior to maturity must have been properly set aside and pledged for that purpose. Any revenues earmarked for payment of the obligations must be handled by the governing body of the combined utility or combined city enterprise in the same manner as they were handled by the governing body of the city utility or city enterprise involved. A city utility or city enterprise may not be abandoned and a combined utility system or combined city enterprise may not be dissolved so long as there are obligations outstanding which by their terms are payable from the revenues of the city utility, combined utility system, city enterprise, or combined city enterprise unless funds sufficient to pay the principal of and all interest and premium, if any, on such oustanding obligations at and prior to maturity have been properly set aside and pledged for such purpose.

Sec. 160.

1. A city may carry out projects, borrow money, and issue revenue bonds and pledge orders to pay all or part of the cost of projects, such revenue bonds and pledge orders to be payable solely and only out of the net revenues of the city utility, combined utility system, city enterprise, or combined city enterprise involved in the project. The cost of a project includes the construction contracts, interest upon the revenue bonds and pledge orders during the period or estimated period of construction and for twelve months thereafter, or for twelve months after the acquisition date, and the costs of engineering, architectural, technical, and legal services, preliminary reports, surveys, property valuations, estimates, plans, specifications, notices, acquisition of real and personal property, consequential damages or costs, easements, rights-of-way, supervision, inspection, testing, publications, printing and sale of bonds, and provisions for contingencies. A city may sell revenue bonds at public or private sale in the manner prescribed by

chapter seventy-five (75) of the Code and may deliver revenue bonds and pledge orders to the contractors, sellers, and other persons furnishing materials and services constituting a part of the cost of the project in payment therefor.

2. A city may issue revenue bonds to refund revenue bonds, pledge orders, and other obligations which are by their terms payable from the net revenue of the same city utility, combined utility system, city enterprise, or combined city enterprise, or from a city utility comprising a part of the combined utility system or a city enterprise comprising a part of the combined city enterprise, at lower, the same, or higher rates of interest. A city may sell refunding revenue bonds at public or private sale in the manner prescribed by chapter seventy-five (75) of the Code and apply the proceeds thereof to the payment of the obligations being refunded, and may exchange refunding revenue bonds in payment and discharge of the obligations being refunded. The principal amount of any refunding revenue bonds may exceed the principal amount of the obligations being refunded to the extent necessary to pay any premium due on the call of the obligations being refunded and to fund interest accrued on and prior to the delivery of the refunding revenue bonds.

Sec. 161.

1. A city may issue revenue bonds pursuant to a resolution of the governing body of the city utility, combined utility system, city enterprise, or combined city enterprise, adopted at a regular or special meeting by a majority of the total number of members to which the governing body is entitled.

2. Before the governing body institutes proceedings for the issuance of revenue bonds, it shall fix a time and place of meeting at which it proposes to take action and give notice by publication in the manner directed in section three (3) of this Act. The notice must include a statement of the time and place of the meeting, the maximum amount of the proposed revenue bonds, the purpose for which the revenue bonds will

be issued, and the city utility, combined utility system, city enterprise, or combined city enterprise whose net revenues will be used to pay the revenue bonds and interest thereon. The governing body shall at the meeting receive oral or written objections from any resident or property owner of the city. After all objections have been received and considered, the governing body may, at the meeting or any adjournment thereof, take additional action for the issuance of the bonds or abandon the proposal to issue bonds. Any resident or property owner of the city may appeal a decision of the governing body to take additional action to the district court of the county in which any part of the city is located within fifteen days after the additional action is taken, but the additional action of the governing body is final and conclusive unless the court finds that the governing body exceeded its authority. The provisions of this subsection with respect to notice, hearing, and appeal in connection with the issuance of revenue bonds are in lieu of those contained in chapter twenty-three (23) of the Code or any other law.

3. Revenue bonds may bear dates, bear interest at rates not exceeding any limitations imposed by chapter seventy-five (75) of the Code, mature in one or more installments, be in either coupon or registered form, carry registration and conversion privileges, be payable as to principal and interest at times and places, be subject to terms of redemption prior to maturity with or without premium, and be in one or more demoninations, all as provided by the resolution of the governing body authorizing their issuance. The resolution may also prescribe additional provisions, terms, conditions, and covenants which the governing body deems advisable, consistent with the provisions of this Act, including provisions for creating and maintaining reserve funds, the issuance of additional revenue bonds ranking on a parity with such revenue bonds and additional revenue bonds junior and subordinate to such revenue bonds, and that such revenue bonds

shall rank on a parity with or be junior and subordinate to any revenue bonds which may be then outstanding. Revenue bonds are a contract between the city and holders and the resolution is a part of the contract.

4. If the governing body is a city council, the revenue bonds must be executed by the mayor and clerk of the city. If the governing body is a utility board, the revenue bonds must be executed by the chairman and secretary of the board. If coupons are attached to the revenue bonds, they must be executed with the original or facsimile signature of the clerk or secretary. A revenue bond is valid and binding for all purposes if it bears the signatures of the officers in office on the date of the execution of the bonds notwithstanding that any or all persons whose signatures appear thereon have ceased to be such officers prior to the delivery thereof. The issuance of revenue bonds must be recorded in the office of the city treasurer or other financial officer designated by the council, and a certificate of the recording by the treasurer or other officer must be printed on the back of each revenue bond.

5. Revenue bonds issued pursuant to this part are negotiable instruments.

6. A city may issue pledge orders pursuant to a resolution of the governing body of the city utility, combined utility system, city enterprise, or combined city enterprise, adopted by a majority of the total number of members to which the governing body is entitled, at a regular or special meeting, ordering their issuance and delivery in payment for all or part of the cost of a project. Pledge orders may bear interest at rates not exceeding eight percent per annum.

7. The physical properties of a city utility, combined utility system, city enterprise, or combined city enterprise may not be pledged or mortgaged to secure the payment of revenue bonds or pledge orders or the interest thereon.

Sec. 162.

1. The governing body of a city utility, combined utility system, city enterprise, or combined city enterprise may by resolution establish, impose, adjust, and provide for the collection of rates to produce gross revenues at least sufficient to pay the expenses of operation and maintenance of the city utility, combined utility system, city enterprise, or combined city enterprise and, whenever revenue bonds or pledge orders are issued and outstanding pursuant to the provisions of this part, shall by resolution establish, impose, adjust, and provide for the collection of rates to produce gross revenues at least sufficient to pay the expenses of operation and maintenance of the city utility, combined utility system, city enterprise, or combined city enterprise, and to leave a balance of net revenues sufficient at all times to pay the principal of and interest on the revenue bonds and pledge orders as the same become due and to maintain a reasonable reserve for the payment of such principal and interest, and a sufficient portion of net revenues must be pledged for such purpose.

2. The governing body of a city utility, combined utility system, city enterprise or combined city enterprise may:

a. By resolution establish, impose, adjust, and provide for the collection of charges for connection to a city utility or combined utility system.

b. Contract for the use of or services provided by a city utility, combined utility system, city enterprise, or combined city enterprise with persons whose type or quantity of use or service is unusual.

c. Lease for a period not to exceed fifteen years all or part of a city enterprise or combined city enterprise, if the lease will not reduce the net revenues to be produced by the city enterprise or combined city enterprise.

d. Contract for a period not to exceed forty years with other governmental bodies for the use of or the services provided by the city utility, combined utility system, city

enterprise, or combined city enterprise on a wholesale basis.

e. Contract for a period not to exceed forty years with persons and other governmental bodies for the purchase or sale of water, gas, or electric power and energy on a wholesale basis.

Sec. 163.

1. The governing body of each city utility, combined utility system, city enterprise, or combined city enterprise being operated on a revenue producing basis shall maintain a proper system of books, records, and accounts.

2. The gross revenues of each city utility, combined utility system, city enterprise, or combined city enterprise must be deposited with the treasurer of the governing body and kept by the treasurer in a separate account apart from the other funds of the city and from each other. The treasurer shall apply the gross revenues of each city utility, combined utility system, city enterprise, or combined city enterprise only as ordered by the governing body and in strict compliance with such orders, including the provisions, terms, conditions, and covenants of any and all resolutions of the governing body pursuant to which revenue bonds or pledge orders are issued and outstanding. If the council is the governing body, it may designate another city officer to serve as treasurer.

Sec. 164.

The pledge of any net revenues of a city utility, combined utility system, city enterprise, or combined city enterprise is valid and effective as to all persons and other governmental bodies when it becomes valid and effective between the city and the holders of the revenue bonds or pledge orders.

Sec. 165. Revenue bonds and pledge orders are payable both as to principal and interest solely out of the portion of the net revenues of the city utility, combined utility

system, city enterprise, or combined city enterprise pledged to their payment and are not a debt of or charge against the city within the meaning of any constitutional or statutory debt limitation provision.

Sec. 166. The sole remedy for a breach or default of a term of a revenue bond or pledge order is a proceeding in law or in equity by suit, action, or mandamus to enforce and compel performance of the duties required by this part and of the terms of the resolution authorizing the issuance of the revenue bonds or pledge orders, or to obtain the appointment of a receiver to take possession of and operate the city utility, combined utility system, city enterprise, or combined city enterprise, and to perform the duties required by this part and the terms of the resolution authorizing the issuance of the revenue bonds or pledge orders.

Sec. 167. The governing body of a city utility, combined utility system, city enterprise, or combined city enterprise which has on hand surplus funds, after making all deposits into all funds required by the terms, covenants, conditions, and provisions of outstanding revenue bonds, pledge orders, and other obligations which are payable from the revenues of the city utility, combined utility system, city enterprise, or combined city enterprise and after complying with all of the requirements, terms, covenants, conditions, and provisions of the proceedings and resolutions pursuant to which revenue bonds, pledge orders, and other obligations are issued, may transfer such surplus funds to any other fund of the city in accordance with any rules promulgated by the city finance committee created in section ninety-one (91) of this Act if the transfer is also approved by the city council, provided that no transfer may be made if it conflicts with any of the requirements, terms, covenants, conditions, or provisions of any resolution authorizing the issuance of revenue bonds, pledge orders, or other obligations which are payable from the revenues of the city utility, combined utility system,

city enterprise, or combined city enterprise which are then outstanding.

Sec. 168. This part does not prohibit or prevent a city from using funds derived from the issuance of general obligation bonds, the levy of special assessments and the issuance of special assessment bonds, and any othe source which may be properly used for such purpose, to pay a part of the cost of a project.

Sec. 169. The city shall pay for the use of or the services provided by the city utility, combined utility system, city enterprise, or combined city enterprise as any other customer, except that the city may pay for use or service at a reduced rate or receive free use or service so long as the city complies with the provisions, terms, conditions, and covenants of any and all resolutions pursuant to which revenue bonds or pledge orders are issued and outstanding.

Sec. 170. No action may be brought which questions the legality of revenue bonds or the power of the city to issue revenue bonds or the effectiveness of any proceedings relating to the authorization and issuance of revenue bonds, from and after sixty days from the time the bonds are ordered issued by the city.

Sec. 171. The enumeration in this part of specified powers and functions is not a limitation of the powers of cities, but the provisions of this part and the procedures prescribed for exercising the powers and functions enumerated in this part control and govern in the event of any conflict with the provisions of any other section, part, or division of this Act or with the provisions of any other law.

Sec. 172. Projects and proceedings for the issuance of revenue bonds, pledge orders, and other temporary obligations commenced before the effective date of this Act may be consummated and completed as required or permitted by any statute or other law amended or repealed by this Act, as though such repeal or amendment had not occurred, and the rights, duties,

and interests flowing from such projects and proceedings remain valid and enforceable. Without limiting the foregoing, projects commenced prior to said effective date may be financed by the issuance of revenue bonds, pledge orders, and other temporary obligations under any such amended or repealed law or by the issuance of revenue bonds and pledge orders under this Act. For purposes of this section, commencement of a project includes, but is not limited to, action taken by the governing body or authorized officer to fix a date for either a hearing or an election in connection with any part of the project, and commencement of proceedings for the issuance of revenue bonds, pledge orders, and other temporary obligations includes, but is not limited to, action taken by the governing body to fix a date for either a hearing or a sale in connection with any part of such revenue bonds, pledge orders, or other temporary obligations or to order any part thereof to be issued.

Part 6. Contract Letting Procedure.

Sec. 173. As used in this part, unless the context clearly indicates otherwise:

1. "Public improvement" means any building or construction work, either within or outside the corporate limits of a city, to be paid for in whole or in part by the use of funds of the city, regardless of sources, including a building or improvement constructed or operated jointly with any other public or private agency, but excluding urban renewal and low-rent housing projects, industrial aid projects authorized under chapter four hundred nineteen (419) of the Code, emergency work, or work performed by employees of a city or a city utility.

2. "Governing body" means the council of a city, a utility board of trustees, or an administrative agency which is charged with the management and control of a building or improvement project.

Sec. 174. When the estimated total cost of a public

improvement exceeds the sum of ten thousand dollars, the governing body shall advertise for sealed bids for the proposed improvement by publishing a notice to bidders as provided in section three (3) of this Act.

Sec. 175. The notice to bidders must state the following items:

1. The time and place for filing sealed proposals.

2. The time and place sealed proposals will be opened and considered on behalf of the governing body.

3. The general nature of the public improvement on which bids are requested.

4. In general terms when the work must be commenced and when it must be completed.

5. That each bidder shall accompany his bid with a bid security as defined herein and as specified by the governing body, as security that the successful bidder will enter into a contract for the work bid upon and will furnish after the award of contract a corporate surety bond, acceptable to the governing body, for the faithful performance of the contract, in an amount equal to one hundred percent of the amount of the contract. The bidder's security must be in an amount fixed by the governing body, and must be in the form of a cashier's or certified check drawn on a bank in Iowa or a bank chartered under the laws of the United States, or the governing body may provide for a bidder's bond with corporate surety satisfactory to the governing body, which bid bond shall contain no condition except as provided in this section.

6. Any further information which the governing body deems pertinent.

The notice to bidders may provide that bids will be received for the furnishing of all labor and materials and furnishing or installing equipment under one contract, or for parts thereof in separate sections.

On public improvements to be financed wholly or partially by special assessments against benefited property, the govern-

ing body, in the notice to bidders, may request aggregate bids for all projects included in any resolution of necessity, notwithstanding variations in the sizes of the improvements and notwithstanding that some parts of the improvements are assessable and some nonassessable, and may award the contract to the lowest responsible bidder submitting the lowest aggregate bid.

Sec. 176. The amount of bid security must be fixed by the governing body prior to ordering publication of the notice to bidders and must equal at least five percent, but may not exceed ten percent of either the estimated total contract cost of the public improvement, or the amount of each bid.

Sec. 177. The contract for the public improvement must be awarded to the lowest responsible bidder, provided, however, that contracts relating to public utilities or extensions or improvements thereof, as described in part five (5) of this division, may be awarded by the governing body as it deems to be the best interests of the city.

Sec. 178. The governing body shall open, announce the amount of the bids, and file all proposals received, at the time and place specified in the notice to bidders. The governing body may, by resolution, award the contract for the public improvement to the bidder submitting the best bid, determined as provided in section one hundred seventy-seven (177) of this Act, or it may reject all bids received, fix a new date for receiving bids, and order publication of a new notice to bidders. The bid security furnished by the successful bidder must be retained by the governing body until the approved contract form has been executed, and a bond filed by the bidder guaranteeing the performance of the contract, and the contract and bond, have been approved by the governing body. The provisions of chapter five hundred seventy-three (573), of the Code, where applicable, apply to contracts awarded under this part.

If the successful bidder fails to execute the contract

and furnish the required bond within ten days after the date of adoption of the resolution awarding the contract, and if a certified or cashier's check was furnished as bid security, the check may be cashed and the amount retained by the governing body as agreed liquidated damages. However, if a corporate surety bid bond was furnished as bid security, the surety company executing the bid bond must be notified of the bidder's default, by registered mail, and within ten days after the date of the mailing the surety company shall remit to the governing body the principal amount of the bid bond, which principal amount must be retained by the governing body as agreed liquidated damages. The contractor may contest the forfeiture of the bid security by court action.

The checks or bidder's bonds of the unsuccessful bidder must be promptly returned to the bidders by the governing body after the award of contract has been made.

Sec. 179. When bids or proposals are required to be taken in connection with any public improvement, the governing body may delegate, by ordinance or resolution, to the city manager, clerk, engineer, or other public officer, the duty of receiving and opening bids and announcing the results. The officer shall report the results of the bidding with his recommendations thereon to the governing body at its next meeting.

Sec. 180. When the estimated total cost of a public improvement exceeds the sum of ten thousand dollars, the governing body shall not enter into a contract for the improvement until it has held a public hearing on the proposed plans, specifications, and form of contract, and estimated cost for the improvement. Notice of the hearing must be published as provided in section three (3) of this Act. At the hearing any interested person may appear and file objections to the proposed plans, specifications, contract, or estimated cost of the improvement. After hearing objections, the governing body shall by resolution enter its decision on the plans, specifications, contract, and estimated

cost.

Sec. 181.

1. A governing body may authorize, sell, issue, and deliver its bonds whether or not notice and hearing on the plans, specifications, form of contract, and estimated cost for the public improvement to be paid for in whole or in part from the proceeds of said bonds has been given, and whether or not a contract has been awarded for the construction of the improvement. This subsection does not apply to bonds which are payable solely from special assessment levies against benefited property.

2. When emergency repair, construction, or reconstruction to a public improvement is necessary and the delay of advertising and a public letting might cause serious loss or injury to the city, the governing body shall, by resolution, make a finding of the necessity to institute emergency proceedings under this section, and shall procure a certificate from a competent registered professional engineer or architect, not in the regular employ of the city, certifying that emergency repairs are necessary.

In that event the governing body may contract for emergency repairs without holding a public hearing and advertising for bids, and the provisions of sections one hundred seventy-four (174) through one hundred eighty (180), inclusive, of this Act, do not apply.

DIVISION VIII. City Utilities

Sec. 182. As used in this division:

1. "Combined utility system" means the same as defined in section one hundred fifty-eight (158) of this Act.

2. "Utility board" or "board" means a board of trustees established to operate a city utility, city utilities, or a combined utility system. A single utility board may operate more than one city utility even though such city utilities are not a combined utility system.

Sec. 183. The proposal of a city to establish, acquire,

lease, or dispose of a city utility, except a sanitary sewage system, in order to undertake or to discontinue the operation of the city utility, or the proposal to establish or dissolve a combined utility system, or the proposal to establish or discontinue a utility board, is subject to the approval of the voters of the city, except that a board may be discontinued by resolution of the council when the city utility, city utilities, or combined utility system it administers is disposed of or leased for a period of over five years.

The proposal may be submitted to the voters at any city election by the council on its own motion. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election.

A proposal for the establishment of a utility board must specify a board of either three or five members.

If a majority of those voting for and against the proposal approves the proposal, the city may proceed as proposed.

If a majority of those voting for and against the proposal does not approve the proposal, the same or a similar proposal may not be submitted to the voters of the city for at least four years from the date of the election at which the proposal was defeated.

Sec. 184. If a proposal to establish a utility board receives a favorable majority vote, the mayor shall appoint the board members, as provided in the proposal, subject to the approval of the council. The council shall by resolution provide for staggered six-year terms for, and shall set the compensation of, board members.

A board member appointed to fill a vacancy occurring by reason other than the expiration of a term is appointed for the balance of the unexpired term.

A public officer or a salaried employee of the city may not serve on a utility board.

Sec. 185. The title of a utility board must be appropriate to the city utility, city utilities, or combined utility system administered by the board. A utility board may be a party to legal action. A utility board may exercise all powers of a city in relation to the city utility, city utilities, or combined utility system it administers, with the following exceptions:

1. A board may not certify taxes to be levied, pass ordinances or amendments, or issue general obligation or special assessment bonds.

2. The title to all property of a city utility or combined utility system must be held in the name of the city, but the utility board has all the powers and authorities of the city with respect to the acquisition by purchase, condemnation, or otherwise, lease, sale, or other disposition of such property, and the management, control, and operation of the same, subject to the requirements, terms, covenants, conditions, and provisions of any resolutions authorizing the issuance of revenue bonds, pledge orders, or other obligations which are payable from the revenues of the city utility or combined utility system, and which are then outstanding.

3. A board shall make to the council a detailed annual report, including a complete financial statement.

4. Immediately following a regular or special meeting of a utility board, the secretary shall prepare a condensed statement of the proceedings of the board and cause the statement to be published in a newspaper of general circulation in the city. The statement must include a list of all claims allowed, showing the name of the person or firm making the claim, the reason for the claim, and the amount of the claim. Salary claims must show the gross amount of the claim except that salaries paid to persons regularly employed by the utility, for services regularly performed by them, must be published once annually showing the gross amount of the salary.

Failure by the secretary to make publication is a misdemeanor.

Sec. 186. A utility board shall control tax revenues allocated to the city utility, city utilities, or combined utility system it administers and all moneys derived from the operation of the city utility, city utilities, or combined utility system, the sale of utility property, interest on investments, or from any other source related to the city utility, city utilities, or combined utility system.

All city utility moneys received must be held in a separate utility fund, with a separate account or accounts for each city utility or combined utility system. If a board administers a municipal utility or combined utility system, moneys may be paid out of that utility account only at the direction of the board.

Sec. 187. A city utility or a combined utility system may not provide use or service at a discriminatory rate, except to the city or its agencies, as provided in section one hundred **sixty-nine (169)** of this Act.

Sec. 188. A utility board functioning on the effective date of this Act shall continue to function until discontinued as provided in this division, and has all the powers granted in this division.

Nothing in this Act shall be construed to allow the abrogation of any franchise approved prior to the effective date of this Act.

DIVISION IX. Administrative Agencies.

Sec. 189. If the council wishes to establish an administrative agency, it shall do so by an ordinance which indicates the title, powers, and duties of the agency, the method of appointment, qualifications, compensation, and term of members, and other appropriate matters relating to the agency. The title of an administrative agency must be appropriate to its function. The council may not delegate to an administrative agency any of the powers, authorities, and duties prescribed in part five (5) of division seven (VII) or in division eight

(VIII) of this Act, except that the council may delegate to an administrative agency power to establish, collect, or dispense charges for the use of a city facility, including a city enterprise, as defined in section one hundred two (102) of this Act, so long as there are no revenue bonds or pledge orders outstanding which are payable from the revenues of the city enterprise. Except as otherwise provided in this division, the council may delegate rule-making authority to the agency for matters within the scope of the agency's powers and duties, and may prescribe penalties for violation of agency rules and regulations which have been adopted by ordinance. Rules and regulations governing the use by the public of any city facility must be made readily available to the public.

Sec. 190. An administrative agency may not pledge the credit or taxing power of the city.

Sec. 191. Unless otherwise stated in the ordinance establishing the agency, contracts and agreements entered into by administrative agencies are subject to review and approval by the council, but when so approved and to the extent such contracts and agreements are otherwise valid by law, are valid and not voidable by subsequent actions of the city even if the administrative agency is dissolved, but no such contract or agreement may conflict with the provisions of part five (5) of division seven (VII) or division eight (VIII) of this Act, or any action taken pursuant to the provisions of the same.

Sec. 192. Subject to approval by the council, an administrative agency may take action jointly with other public or private agencies as provided in chapter twenty-eight E (28E) of the Code.

Sec. 193. A city library board of trustees or a city hospital board of trustees functioning on the effective date of this Act shall continue to function in the same manner until altered or discontinued as provided in this section.

In order for the boards to function in the same manner, the council shall retain all applicable ordinances, and shall adopt as ordinances all applicable state statutes repealed by this Act.

A library or hospital board may accept and control the expenditure of all gifts, devises, and bequests to the library or hospital.

No part of the revenue from the operation of a city hospital may be used for any purpose other than the maintenance, operation, and improvement of the hospital, without the approval of the board of trustees or appropriate administrative agency.

A proposal to alter the composition, manner of selection, or charge of a library or hospital board, or to replace it with an alternate form of administrative agency, is subject to the approval of the voters of the city.

The proposal may be submitted to the voters at any city election by the council on its own motion. Upon receipt of a valid petition as defined in section four (4) of this Act, requesting that a proposal be submitted to the voters, the council shall submit the proposal at the next regular city election. A proposal submitted to the voters must describe with reasonable detail the action proposed.

If a majority of those voting approves the proposal, the city may proceed as proposed.

If a majority of those voting does not approve the proposal, the same or a similar proposal may not be submitted to the voters of the city for at least four years from the date of the election at which the proposal was defeated.

Sec. 194. Except as otherwise provided in this division, an administrative agency established by a city shall continue with the same powers and duties until altered or discontinued as provided in this section. The council may by ordinance reduce or increase an administrative agency's power and duties, or may transfer powers and duties from one agency to another. The council may discontinue an administrative agency by

adopting a resolution proposing the action, and publishing notice as provided in section three (3) of this Act, of the resolution and of a date, time, and place of a public hearing on the proposal, and may discontinue the agency by ordinance or amendment not sooner than thirty days following the hearing.

Sec. 195. Chapters three hundred sixty-two (362), three hundred sixty-three (363), three hundred sixty-three A (363A), three hundred sixty-three B (363B), three hundred sixty-three C (363C), three hundred sixty-three D (363D), three hundred sixty-three E (363E), three hundred sixty-four (364), three hundred sixty-six (366), three hundred sixty-eight (368), three hundred sixty-eight A (368A), three hundred sixty-nine (369), three hundred seventy (370), three hundred seventy-one (371), three hundred seventy-two (372), three hundred seventy-three (373), three hundred seventy-four (374), three hundred seventy-four A (374A), three hundred seventy-five (375), three hundred seventy-six (376), three hundred seventy-seven (377), three hundred seventy-eight (378), three hundred seventy-eight A (378A), three hundred seventy-nine (379), three hundred seventy-nine A (379A), three hundred seventy-nine B (379B), three hundred eighty (380), three hundred eighty-one (381), three hundred eighty-two (382) three hundred eighty-three (383), three hundred eighty-four (384), three hundred eighty-five (385), three hundred eighty-six (386), three hundred eighty-six A (386A), three hundred eighty-six B (386B), three hundred eighty-six C (386C), three hundred eighty-seven (387), three hundred eighty-nine (389), three hundred ninety (390), three hundred ninety A (390A), three hundred ninety-one (391), three hundred ninety-one A (391A), three hundred ninety-two (392), three hundred ninety-three (393), three hundred ninety-four (394), three hundred ninety-five (395), three hundred ninety-six (396), three hundred ninety-seven (397), three hundred ninety-seven A (397A), three hundred ninety-eight (398), three hundred ninety-eight A (398A), three hundred ninety-nine (399), four hundred (400),

four hundred one (401), four hundred two (402), four hundred four (404), four hundred seven (407), four hundred eight (408), four hundred eight A (408A), four hundred thirteen (413), four hundred fifteen (415), and four hundred seventeen (417), Code 1971, are repealed.

Sec. 196. Section four point one (4.1), subsection twenty-six (26), Code 1971, is amended as follows:

26. POPULATION. The word "population", where used in this Code or any statute hereafter passed, [shall be taken to be that,] *means the population* as shown by the last preceding [national] *certified federal* census, unless otherwise specially provided. [However the population figure disclosed for any city or town as the result of a special federal census as modified as the result of consolidation or annexation in the manner provided in sections 312.3 and 123.50, shall be considered for no other purposes than the application of sections 123.50 and 312.3.]

Sec. 197. Section nine point two (9.2), Code 1971, is amended as follows:

9.2 RECORDS RELATING TO CITIES AND TOWNS. He shall receive and preserve in his office all papers transmitted to him in relation to [the incorporation of cities and towns, or the annexation of territory thereto, or the consolidation or abandonment of municipal corporations] *city development, including incorporation, discontinuance, or boundary adjustment;* and shall keep an alphabetical list of [said] cities [and towns] in a book provided for that purpose, in which shall be entered the name of the [town or] city, [the character of the same whether town or city,] the county in which situated, and the date of [organization] *incorporation, discontinuance, or boundary adjustment.*

Sec. 198. Section eleven point eighteen (11.18), Code 1971, is amended as follows:

11.18 EXAMINATION OF CITIES, TOWNS, TOWNSHIPS, AND SCHOOLS. The financial condition and transactions of all cities and

city offices, merged areas, and all school offices in independent and community school districts maintaining high schools, shall be examined at least once each year[. The financial condition and transactions of all towns], *except, that cities* having a population of seven hundred or more *but less than two thousand* shall be examined at least once every four years, *and cities having a population of less than seven hundred may be examined as otherwise provided in this section.* Such examination shall cover the fiscal year next preceding the year in which the audit it conducted. The examination of school offices shall include an audit of activity funds. Examinations may be made by the auditor of state, or in lieu of the examination by state accountants the local governing body whose accounts are to be examined, in case it elects so to do, may contract with, or employ, certified or registered public accountants, certified and registered in the state of Iowa, and pay the same from the proper public funds. If [the] *a* city, merged arear or school district [elect] *elects* to have the audit made by certified or registered public accountants, [they] *it* must so notify the auditor of state within sixty days after the close of the fiscal year to be examined [and towns electing to have their audit made by a certified public accountant]. *A city* must so notify the state auditor by *filing a* resolution of the council [designating the name of the person or firm to be employed at least ninety days prior to the end of a fiscal year]. Such notification and designation shall remain in effect until rescinded or modified by a subsequent resolution of the [town] council filed with the state auditor. [For town audits to be conducted by certified public accountants, the state auditor shall notify the designated person or firm of the year to be examined at least sixty days prior to the end of the year to be examined.] If any city, [town,] merged area or school district does not file such notification with the auditor of state within the required period, the auditor of state is authorized to make

the examination and cover any period which has not been previously examined.

Any township or municipal corporation not embraced within the foregoing provisions of this chapter and any school corporation in which an annual examination is not required may, on application to the auditor of state, secure an examination of its financial transactions and condition of its funds, or a like examination shall be had on application of one hundred or more taxpayers, or if there are fewer than five hundred taxpayers, then by five percent thereof. The examination in any such school district may be had upon the written request of the county superintendent of schools. In lieu of such examination by state accountants, the local governing body may contract with, or employ, certified or registered public accountants and pay the same from the proper public funds.

In addition to his powers and duties under other provisions of the Code, the auditor of state may at any time, if he deems such action to be in the public interest, cause to be made a complete or partial audit of the financial condition and transactions of any city, [town,] county, school corporation, governmental subdivision, or any office thereof, even though an audit for the same period has been made by certified or registered public accountants. Such state audit shall be made and paid for as provided in this chapter, except that in the event an audit covering the same period has previously been made and paid for, the costs of such additional state audit shall be paid from any funds available in the office of the auditor of state. This paragraph shall not be construed to grant any new authority to have audits made by certified or registered public accountants.

Sec. 199. Section eleven point twenty-two (11.22), Code 1971, is amended as follows:

11.22 UNIFORM SYSTEM OF ACCOUNTING. The auditor of state shall prescribe a uniform system of blanks and forms for all

financial accounts, receipts, and reports of all county[, city, and town] offices. Said system shall, as far as practicable, follow the classifications and definitions of such transactions in use in the national census office, when not in conflict with the laws of this state. Said blanks and forms shall, by said auditor, be revised, from time to time, in order to render the same more efficient and to meet changes in the law.

Sec. 200. Section eleven point twenty-three (11.23), Code 1971, is amended as follows:

11.23 DUTY TO INSTALL. It shall be the specific duty of each county[,] *and* school[, city, and town] officer to install and use in his office a system of uniform blanks and forms as prescribed by law. State auditors are charged with the specific duty to assist all such officers in installing said system.

Sec. 201. Section eleven point twenty-five (11.25), Code 1971, is amended as follows:

11.25 REPORTS REQUIRED. The auditor of state shall make the following reports:

[1. An annual report to the governor and general assembly of all municipal financial operations.]

[2] *1.* A biennial report to the governor and the general assembly of all operations of his office.

[3] *2.* Individual audit reports giving the results of all examinations and audits of all departments and establishments and all fiscal officers of the state and local governments.

Sec. 202. Sections eleven point twenty-six (11.26), eleven point thirty-one (11.31), and seventeen point seven (17.7), Code 1971, are repealed.

Sec. 203. Section nineteen point six (19.6), Code 1971, is amended as follows:

19.6 REPORT FOR OFFICIAL REGISTER. He shall, as soon as practicable after January 1 of each odd-numbered year, prepare a report of the proceedings of the executive council

for the two preceding calendar years. Said report shall include a statement of:

1. The official canvass of the votes cast at the last general election.

[2. The cities and towns, the class of which may have been changed.]

[3] *2.* Other acts of said council that are of general interest.

Said report shall be published in the Iowa official register.

Sec. 204. Section nineteen point seven (19.7), unnumbered paragraph one (1), Code 1971, is amended as follows:

19.7 CONTINGENT FUND—USE FOR STATE LOSSES OR GOVERNMENTAL SUBDIVISIONS DISASTER AID. A contingent fund set apart for the use of the executive council may be expended for the purpose of paying the expenses of suppressing any insurrection or riot, actual or threatened, when state aid has been rendered by order of the governor, and for repairing, rebuilding, or restoring any state property injured, destroyed, or lost by fire, storm, theft, or unavoidable cause, and for aid to any governmental subdivision in an area declared by the governor to be a disaster area due to natural disasters or to expenditures necessitated by the governmental subdivision toward averting or lessening the impact of such potential disaster, where the effect of such disaster or such action on the governmental subdivision is the immediate financial inability to meet the continuing requirements of local government. Upon application therefor by a governmental subdivision in such an area, accompanied by a showing of obligations and expenditures necessitated by such actual or potential disaster, in such form and with such further information as the executive council may require, such aid may be made in the discretion of the council and, if made, shall be in the nature of a loan, up to a limit of seventy-five percent of the showing of such obligations and expenditures. Said loan, without interest, shall be repaid

by the maximum annual emergency levy as authorized by section 24.6, *or from the general fund or emergency fund of a city.* The aggregate total of such loans shall not exceed one million dollars in any biennial fiscal term of the state. No such loan shall be for any obligation or expenditure occurring more than two years previous to the application.

Sec. 205. Section twenty-three point one (23.1), Code 1971, is amended as follows:

23.1 TERMS DEFINED. The words "public improvement" as used in this chapter shall mean any building or other construction work to be paid for in whole or in part by the use of funds of any municipality.

The word "municipality" as used in this chapter shall mean county, except in the exercise of its power to make contracts for secondary road improvements, [city, town,] township, school corporations, state fair board, state board of regents, and state board of control.

The words "appeal board" as used in this chapter shall mean the "state appeal board", composed of the auditor of state, treasurer of state, and state comptroller.

Sec. 206. Section twenty-four point two (24.2), subsection one (1), Code 1971, is amended as follows:

1. The word "municipality" shall mean the county, [city, town,] school corporation, and all other public schools or corporations that have power to levy or certify a tax or sum of money to be collected by taxation, but shall not include any *city,* drainage district, township, or road district.

Sec. 207. Section twenty-eight F point one (28F.1), Code 1971, is amended as follows:

28F.1 SCOPE OF CHAPTER. This chapter is intended to provide a means for the joint financing by public agencies of works or facilities [enumerated in section 394.1] *useful and convenient for the collection, treatment, purification and disposal in a sanitary manner of liquid and solid waste, sewage, and industrial waste, also swimming pools or golf*

courses. The provisions of this chapter shall be deemed to apply to the acquisition, construction, reconstruction, operation, repair, extension or improvement of such works or facilities, by a separate administrative or legal entity created pursuant to chapter 28E.

Sec. 208. Section twenty-eight F point two (28F.2), Code 1971, is amended as follows:

28F.2 DEFINITIONS. The terms "public agency", "state", and "private agency" shall have the meanings prescribed by section 28E.2. The term "project" or "projects" shall mean any works or facilities referred to in section [394.1] *28F.1* and shall include all property real and personal, pertinent thereto or connected with such project or projects, and the existing works or facilities, if any, to which such project or projects are an extension, addition, betterment or improvement.

Sec. 209. Section twenty-eight F point three (28F.3), Code 1971, is amended as follows:

28F.3 REVENUE BONDS. An entity created to carry out an agreement authorizing the joint exercise of those governmental powers enumerated in section [394.1] *28F.1* shall have power to construct, acquire, repair, improve, expand, operate and maintain a project or projects necessary to carry out the purposes of such agreement, and to issue from time to time revenue bonds payable from the revenues derived from such project or projects, or any combination of such projects, to finance the cost or part of the cost of the acquisition, construction, reconstruction, repair, extension or improvement of such project or projects, including the acquisition for the purposes of such agreement, of any property, real or personal or mixed therefor. The power of the entity to issue revenue bonds shall not be exercised until authorized by resolution or ordinance duly adopted by each of the public agencies participating in such agreement. Public agencies participating in such an agreement may not withdraw or in

any way terminate, amend, or modify in any manner to the detriment of the bondholders said agreement if revenue bonds or obligations issued in anticipation of the issuance of said revenue bonds have been issued and are then outstanding and unpaid as provided for herein. Any revenue bonds for the payment and discharge of which, upon maturity or upon redemption prior to maturity, provision has been made through the setting apart in a reserve fund or special trust account created pursuant to this chapter to insure the payment thereof, of moneys sufficient for that purpose or through the irrevocable segregation for that purpose in a sinking fund or other fund or trust account of moneys sufficient therefor, shall be deemed to be no longer outstanding and unpaid within the meaning of any provision of this chapter.

Sec. 210. Section thirty-seven point two (37.2), Code 1971, is amended as follows:

37.2 PETITION. The petition for the erection and equipment of any such hall or monument shall request the submission of the proposition to a vote of the people and shall:

1. When it is proposed to erect the same at the expense of the county, be signed by ten percent of the qualified electors thereof as shown by the poll list in the last preceding general election, or by a majority of the members of the Grand Army of the Republic, the Spanish-American War Veterans Association, Veterans of World War I, the American Legion, Disabled American Veterans of the World War, Veterans of Foreign Wars of the United States, Marine Corps League and American Veterans of World War II (AMVETS) of the county.

2. When it is proposed to erect the same at the expense of a city or town, be [signed by ten percent of the qualified electors thereof, as shown by the poll list in the last preceding regular municipal election] *subject to the provisions of section 4 of this Act.*

3. Set forth therein the purpose of the memorial proposed, as outlined in section 37.18.

Sec. 211. Section thirty-seven point four (37.4), Code 1971, is amended as follows:

37.4 NOTICE. Notice of such election shall be given by publication in one newspaper published *or having general circulation* in the county, city, or town, as the case may be, [once each week for at least four consecutive weeks. If no newspaper is published therein, then such notice may be given by posting in three public places within the limits of said corporation, and by publication for four consecutive weeks in a newspaper of general circulation in the county, the last publication to be not less than five nor more than twenty days prior to such election] *as provided in section 3 of this Act.* Such notice shall state the purpose of the memorial proposed as outlined in section 37.18.

Sec. 212. Section thirty-seven point five (37.5), Code 1971, is amended as follows:

37.5 ACQUISITION OF SITE. When the proposition to erect any such building or monument has been carried by a majority vote of all voters voting thereon, any such county[, city, or town] shall have the power to purchase grounds suitable for a site for any such building or monument.

Sec. 213. Section thirty-seven point six (37.6), Code 1971, is amended as follows:

37.6 BONDS. For the purpose of providing funds for the acquisition of necessary ground therefor, and for purchasing, erecting, construction, or reconstructing such building or monument, and for the necessary equipment therefor, the county[, city, or town] may issue bonds to be known as liberty memorial bonds, to be issued and sold as provided by law relative to general county [and city] bonds; [they] *it* shall provide for portions of such bonds to become due at different, definite periods, but none in more than twenty years from date. In issuing such bonds, such county[, city, or town] may become indebted in an amount which, added to all other indebtedness, shall not exceed five percent of the actual value of the

taxable property in such county[, city, or town] as determined by the last state and county tax lists. Such bonds shall bear interest at a rate not exceeding seven percent per annum. *Bonds issued by a city must be issued in accordance with provisions of law relating to general corporate purpose bonds of a city.*

Sec. 214. Section thirty-seven point seven (37.7), Code 1971, is amended as follows:

37.7 LEVY FOR BONDS. For the purpose of liquidating such bonds together with the interest thereon, such county shall levy upon all the property within the limits thereof, subject to taxation for such purpose, in addition to all other taxes provided by law, a special tax not exceeding in any one year four mills on the dollar for a period of not exceeding twenty years.

[For the purpose of liquidating any such liberty memorial bonds issued by cities and towns pursuant to the provisions of this chapter, together with interest thereon, taxes shall be levied by such cities and towns in accordance with chapter 76, and said bonds and interest thereon shall be payable through the debt service fund.]

Sec. 215. Section thirty-seven point eight (37.8), Code 1971, is amended as follows:

37.8 LEVY FOR MAINTENANCE. For the development, operation, and maintenance of such building or monument constructed, purchased, or donated under this chapter, there may be thereafter levied a tax as follows:

1. By a county owning same, not to exceed one and one-fourth mills on all the taxable property within said county.

2. By a city [having a population in excess of fifty thousand persons as shown by the last preceding census, owning same, not to exceed two mills on all the taxable property within said city] *owning same, not to exceed five mills on all the taxable property within the city, as provided in section 90, subsection 3 of this Act.*

[3. By any city having a population of at least fifteen thousand but not more than fifty thousand, owning same, not to exceed three mills on all the taxable property within said city.]

[4. By a city having a population of less than fifteen thousand, owning same, not to exceed four mills on all the taxable property within said city.]

[5. By a town owning same, not to exceed five mills on all the taxable property within said town.]

Sec. 216. Section forty-three point eleven (43.11), Code 1971, is amended as follows:

43.11 FILING OF NOMINATION PAPERS. Nomination papers in behalf of a candidate shall be filed:

1. For an elective county office, in the office of the county auditor at least fifty-five days prior to the day fixed for holding the primary election.

2. For United States senator, for an elective state office, for representative in Congress, and for member of the general assembly, in the office of the secretary of state not more than eighty-five days nor less than sixty-five days prior to the day fixed for holding said primary election.

[3. For elective offices in cities and towns, as provided in section 363.11.]

Sec. 217. Section forty-nine point three (49.3), Code 1971, is amended as follows:

49.3 ELECTION PRECINCTS. Election precincts shall, except as otherwise provided, be as follows:

1. Each township when there is no part of a city therein.

2. The portion of a township outside the limits of any city.

3. Such divisions of cities as may be fixed by the council by ordinance.

[4. Each incorporated town, for town elections.]

Sec. 218. Section forty-nine point seven (49.7), Code 1971, is amended as follows:

49.7 PORTIONS OF TOWNSHIPS COMBINED. No precinct shall

contain different townships or parts thereof, except *for other than city elections* where, by reason of the existence of a village or [incorporated town] *city of less than two thousand population* on or near a township line, the board of supervisors may create a voting precinct in compact form, from said town *city* or village, and may include therein territory adjoining and adjacent to said village or [town] *city*, which is situated in two or more townships.

Sec. 219. Section forty-nine point nine (49.9), Code 1971, is amended as follows:

49.9 PROPER PLACE OF VOTING. No person shall vote in any precinct but that of his residency[, except as provided in section 363.21.]

Sec. 220. Section forty-nine point thirteen (49.13), Code 1971, is repealed.

Sec. 221. Section fifty-two point three (52.3), Code 1971, is amended as follows:

52.3 TERMS OF PURCHASE—TAX LEVY. The local authorities, on the adoption and purchase of a voting machine, may provide for the payment therefor in such manner as they may deem for the best interest of the locality, and may for that purpose issue bonds, certificates of indebtedness, or other obligations, which shall be a charge on the county[,] *or* city, [or town,] or levy not to exceed one-half mill; and any amounts so levied and collected in excess of actual costs of voting machines shall revert to the general fund of the county[,] *or* city[, or town] concerned. [In the case of a city or town, any such funds collected under this section shall be held in a separate account in the municipal enterprises fund and shall be used for no other purpose than the purchase of voting machines.] Such bonds, certificates, or other obligations may be issued with or without interest, payable at such time or times as the authorities may determine, but shall not be issued or sold at less than par.

Sec. 222. Section sixty-four point one (64.1), Code 1971,

is amended as follows:

64.1 BOND NOT REQUIRED. Bonds shall not be required of the following public officers:

1. Governor.

2. Lieutenant governor.

3. Members of the general assembly.

4. Judges of the supreme, district, superior, and municipal courts.

5. Township trustees.

6. Aldermen, councilmen, and commissioners of cities [and towns] , *other than mayors.*

Sec. 223. Section sixty-four point fourteen (64.14), Code 1971, is repealed.

Sec. 224. Section sixty-nine point two (69.2), subsection three (3), Code 1971, is amended as follows:

3. The incumbent ceasing to be a resident of the state, district, county, township, city, [town,] or ward by or for which he was elected or appointed, or in which the duties of his office are to be exercised. This subsection shall not apply to [appointments authorized by section 368A.1, subsection 7] *appointed city officers.*

Sec. 225. Section sixty-nine point thirteen (69.13), Code 1971, is amended as follows:

69.13 VACANCIES—WHEN FILLED. If a vacancy occurs in an elective office in a [city, town, or] township ten days, or a county office fifty days, or any other office sixty days, prior to a general election, it shall be filled at such election, unless previously filled at a special election.

Sec. 226. Section seventy-four point one (74.1), Code 1971, is amended as follows:

74.1 APPLICABILITY. This chapter shall apply to all warrants which are legally drawn on a public treasury, including the treasury of a city, and which, when presented for payment, are not paid for want of funds.

This chapter and its procedures shall also apply whenever

a municipality, as defined in section 24.2, *or a city* shall determine that there are not or will not be sufficient funds on hand to pay the legal obligations of a fund. Said municipality is authorized to provide for the payment of such present and future obligations by drawing one or more anticipatory warrants payable to a bank or other business entity authorized by law to loan money in an amount or amounts legally available and believed to be sufficient to cover the anticipated deficiencies. *The duties imposed on the treasurer by this chapter may be assigned by the city council to another city officer.*

Sec. 227. Section eighty point twelve (80.12), Code 1971, is amended as follows:

80.12 ATTENDANCE AT SHORT COURSE. The commissioner of public safety is authorized to send members of the department of public safety to any course of instruction for peace officers, not exceeding a total of six weeks' length in any one year, given by the college of law of the state University of Iowa, or the course of instruction in public safety education given at Iowa State University of science and technology, and such members shall be considered on duty while in attendance upon such authority. The legislative body in any county[, city, or town,] may authorize the attendance at such course of any law enforcing officer under the jurisdiction of such county, [city or town] and may provide for the payment of the actual and necessary expenses of such person while in attendance, which payment shall be made out of the general fund of such county[, city or town].

Sec. 228. Section eighty-one A point two (81A.2), Code 1971, is amended as follows:

81A.2 LICENSE REQUIRED. It shall be unlawful for any transient merchant as herein defined, to sell, dispose of, or offer for sale any goods, wares or merchandise of any kind, nature or description, at any time or place within the state of Iowa, outside the limits of any city [or town] in the state

of Iowa, or within the limits of any city [or town] in the state of Iowa that has not by ordinance [enacted pursuant to the provisions of section 368.6] provided for the licensing of transient merchants, unless such transient merchant, as herein defined, shall have a valid license as herein provided and shall have complied with the regulations herein set forth.

Sec. 229. Section ninety-eight point thirty-five (98.35), Code 1971, is amended as follows:

98.35 TAX AND FEES PAID TO GENERAL FUND. The proceeds derived from the sale of stamps and the payment of taxes, fees and penalties provided for under this chapter, and the permit fees received from all permits issued by the department, shall be credited to the general fund of the state. All permit fees provided for in this chapter and collected by cities [and towns] in the issuance of permits granted by [such municipalities] *the cities* shall be paid to the treasurer of the city [or town] wherein the permit is effective[, *or to another city officer as designated by the council,* and credited to the general fund of said city [or town]. Permit fees so collected by counties shall be paid to the county treasurer and credited to the general fund of such county.

Sec. 230. Section one hundred four point three (104.3), Code 1971, is repealed.

Sec. 231. Section one hundred eleven point thirty (111.30), Code 1971, is amended as follows:

111.30 CITY FUNDS AVAILABLE. Any such city or cities, or any town or towns aiding in the purchase of land for state parks, as provided for in sections 111.28 and 111.29 may pay for the same out of the general fund, [or the park fund,] or may issue bonds for the payment of the same and levy a tax for the payment of such bonds and the interest thereon, *in accordance with the provisions of law relating to general corporate purpose bonds of a city.*

Sec. 232. Section one hundred thirty-five point eleven (135.11), subsection nine (9), Code 1971, is amended by strik-

ing the subsection and inserting in lieu thereof the following:

9. Establish, publish, and enforce a state housing code containing minimum requirements for the protection of the public health, safety, and welfare. The state housing code is subject to the provisions of chapter seventeen A (17A) of the Code. The state housing code must contain minimum standards for existing dwellings, and may control the construction or alteration of any dwelling, building to be used as a dwelling, or building or structure on the same lot with a dwelling. The code may divide dwellings into reasonable classifications based upon location or occupancy or both, and establish standards for each classification relative to light, ventilation, sanitation, fire prevention, egress, repair and maintenance, alteration and improvement, and use. In establishing the state housing code, the department may consider any national standard codes relating to building construction and housing, and shall, so far as practicable, make the housing code consistent with rules of the state fire marshal relating to fire safety in housing.

For purposes of the state housing code, the word "nuisance" includes nuisance as known at common law or in equity jurisprudence, and whatever is dangerous to human life or detrimental to health, whatever dwelling is overcrowded with occupants or is not provided with adequate ingress or egress, or is not sufficiently supported, ventilated, sewered, drained, cleaned, or lighted, in reference to its intended or actual use, and whatever renders the air or human food or drink unwholesome, is also a nuisance, and all nuisances are illegal.

A city may adopt by ordinance part or all of the state housing code, or may adopt minimum requirements which are higher or more stringent than the requirements of the state housing code, and may enforce its ordinances in the usual manner and in the same manner as the state housing code may be enforced, as provided in this section.

Local health boards, or local health officials, shall en-

force the state housing code, subject to supervision by the department. However, in a city whcih has a full-time building inspector, the council may, by ordinance, delegate to him the duty of enforcing the state housing code as it relates to fire protection, egress, and the construction or alteration of a dwelling, building, or structure.

In enforcing the state housing code, the department and local officials may:

a. Require the submission of specifications and plans, and issue or revoke permits, for the construction or alteration of a dwelling, building, or structure subject to the housing code, and impose a reasonable charge for construction or alteration permits.

b. Maintain a civil action in any municipal or district court of the state, and recover from the owner of the property or from any other person, who violates the state housing code or knowingly permits the existence of a nuisance, or who fails to take action to comply with a notice or order from a state or local official to remove a nuisance or violation within five days of service of the notice or order, or who continues a violation after such time, a judgment of fifty dollars for the use of the state or local department which brings the action, plus costs, including attorney fees, expenses of enforcement, and costs incurred in the removal of the violation or nuisance, for each such offense. Such a judgment is a lien on the property until paid.

c. Maintain an action in any municipal or district court of the state to enjoin or abate a violation of the state housing code or a nuisance, to require compliance with a notice or order relating to a violation or nuisance, to enjoin the occupancy or use of, or the doing of any work in or about a dwelling, building, or structure which does not conform substantially to the state housing code, or to enjoin any illegal act, conduct, or business in or about a dwelling, building, or structure subject to the state housing code.

For the period when such an injunction is in effect, no rent is recoverable by the owner or renter of the premises covered by the injunction, and no action may be brought for possession of the premises based upon nonpayment of rent.

d. At reasonable times, enter and examine all premises subject to the state housing code.

e. Require that the owners of all rented premises obtain a certificate of compliance with the state housing code. The department may impose a reasonable charge for compliance certificates.

f. In an action maintained under paragraphs b and c of this subsection, the department or local officials shall show by petition that the owner and renter of the premises have received notice of the violation and reasonable opportunity to comply with the law. Notice of a violation mailed to the address of the owner, as shown on the tax records of the county auditor, and to the occupant of the premises, is presumed to be received. Notice of the action must be served on the owner, as shown by the tax records of the county auditor, according to the Rules of Civil Procedure. However, an owner may file with the health department the name and address of his agent, and service or mailing of notice to the agent is equal to service or mailing to the owner.

Sec. 233. Section one hundred thirty-five B point seven (135B.7), Code 1971, is amended as follows:

135B.7 RULES, REGULATIONS, AND ENFORCEMENT. The state department of health with the advice of the hospital licensing board, shall adopt, amend, promulgate and enforce such rules, regulations and standards with respect to the different types of hospitals to be licensed hereunder as may be designed to further the accomplishment of the purposes of the chapter. Rules, regulations and standards may be adopted imposing re-requirements in excess of those provided in [chapter 413] *the state housing code,* but no rule, regulation or standard shall be adopted imposing requirements less than those provided

by said [chapter] *code.* No rules, regulations or standards shall be adopted or enforced which would have the effect of denying a license to a hospital or other institution required to be licensed hereunder, solely by reason of the school or system of practice employed or permitted to be employed by physicians therein; provided that such school or system of practice is recognized by the laws of this state.

Sec. 234. Section one hundred thirty-five B point seventeen (135B.17), Code 1971, is amended as follows:

135B.17 CONSTRUCTION. This chapter shall not be construed as affecting, modifying or repealing any provision of [chapter 413] *the state housing code,* except as provided in section 135B.7, and provided further that this chapter shall be construed as being in addition to and not in conflict with chapters 235 and 236.

Sec. 235. Section one hundred thirty-five B point thirty-one (135B.31), Code 1971, is amended as follows:

135B.31 EXCEPTIONS. Nothing in this division is intended or should affect in any way that obligation of public hospitals under chapter 347 or [chapter 380] *municipal hospitals,* as well as the state hospital at Iowa City, to provide medical treatment for indigent persons or tuberculosis patients as provided in chapters 254 and 255, wherein medical treatment is provided by hospitals of that category to patients of certain entitlement, nor to the operation by the state of mental or other hospitals authorized by law. Nothing herein shall in any way affect or limit the practice of dentistry or the practice of oral surgery by a dentist.

Sec. 236. Section one hundred thirty-five C point fourteen (135C.14), subsection one (1), Code 1971, is amended as follows:

1. Location and construction of the facility, including plumbing, heating, lighting, ventilation, and other housing conditions, which shall ensure the health, safety and comfort of residents and protection from fire hazards. Such rules,

regulations and standards regarding location and construction of the home may impose requirements in excess of those provided in [chapter 413] *the state housing code,* but shall not impose requirements less than those provided by such [chapter] *code.* The rules of the department relating to protection from fire hazards and fire safety shall be promulgated by the state fire marshal, and shall be in keeping with the latest generally recognized safety criteria for the facilities covered of which the applicable criteria recommended and published from time to time by the national fire protection association shall be prima-facie evidence.

Sec. 237. Section one hundred thirty-five D point thirteen (135D.13), Code 1971, is amended as follows:

135D.13 NOTICE TO MUNICIPAL TREASURER *OR CLERK.* It shall be the duty of the state department of health to notify, or cause to be notified, the treasurer *or clerk* of each municipality of the issuance of each mobile home park license issued within the jurisdiction of such municipalities.

Sec. 238. Section one hundred thirty-five D point twenty (135D.20), Code, 1971, is amended as follows:

135D.20 POWERS DELEGATED TO LOCAL BOARDS. The state department of health shall have the power to delegate to *a local health officer or other city officer or to* local boards of health the duties of inspection and regulation of mobile home parks located within the jurisdiction of such local board of health *or other officer,* where, in the opinion of the state department of health, such delegation can best effectuate the policies of this chapter. When said duties are so delegated, fifty percent of the annual license fee collected therefrom shall be turned over to the treasurer *or clerk* of the jurisdiction involved, and there is hereby appropriated from the general fund of the state an amount sufficient to pay the proportionate fees allowable to the jurisdiction involved, as provided in this section.

Sec. 239. Section one hundred thirty-seven point sixteen

(137.16), Code 1971, is amended as follows:

137.16 LOCAL HEALTH FUND. The treasurer of each [city which has a city board and the treasurer of each] county shall establish a "local health fund".

Sec 240. Section one hundred thirty-seven point eighteen (137.18), Code 1971, is amended as follows:

137.18 DEPOSIT OF MONEYS IN FUND. All moneys received *by a county or district* for local health purposes from federal appropriations, from local taxation, from licenses, from fees for personal services, or from gifts, grants, bequests, or other sources shall be deposited in the local health fund. Expenditures shall be made from the fund on order of the local board for the purpose of carrying out its duties.

Sec. 241. Section one hundred thirty-seven point twenty (137.20], Code 1971, is amended as follows:

137.20 APPROPRIATION FROM GENERAL FUND OF COUNTY. The board of supervisors of any county may appropriate from the county general fund [and the council of any city or town may appropriate from the sanitation fund] for the purpose of providing local health services. [Such] *A county* appropriation shall not exceed the statutory [limitations] *limitation* found in [chapters 404 and] *chapter* 444. Moneys appropriated for this purpose shall be deposited in the local health fund as specified in section 137.18.

Sec. 242. Section one hundred forty-five A point eighteen (145A.18), Code 1971, is amended as follows:

145A.18 TAXES. Taxes for the payment of bonds issued under section 145A.17 shall be levied in accordance with chapter 76, provided, however, that the total tax levy for the annual budget and for bonds issued under this chapter, shall not exceed the maximum millage for each political subdivision as provided in the published order of merger. Any indebtedness incurred shall not be considered an indebtedness incurred for general and ordinary purposes [as prescribed under section 407.1].

Sec. 243. Section two hundred eighty A point twenty (280A.20), Code 1971, is amended as follows:

280A.20 PAYMENT OF BONDS. Taxes for the payment of bonds issued under section 280A.19 shall be levied in accordance with chapter 76. The bonds shall be payable from a fund created from the proceeds of such taxes in not more than twenty years and bear interest at a rate not exceeding seven percent per annum, and shall be of such form as the board issuing the bonds shall by resolution provide. Any indebtedness incurred shall not be considered an indebtedness incurred for general and ordinary purposes [as prescribed under section 407.1].

Sec. 244. Section three hundred point seven (300.7), Code 1971, is amended as follows:

300.7 APPROPRIATION BY CITY. The board of school directors in any district governed by sections 300.1 to 300.6, inclusive, of this chapter is also empowered to receive and expend for the purpose thereof any sums of money appropriated and turned over to them by the city council [or commissioners] of such city for such purposes; and the city council[, or commissioners of such city, shall have authority to] *may* appropriate and turn over to the board of school directors of the school district containing or contained in such city any reasonable sums of money [which the said council or commissioners may desire to appropriate out of the recreation fund of such city and turn over to the said board of school directors] for the purposes herein set forth.

Sec. 245. Section three hundred three point fifteen (303.15), Code 1971, is amended as follows:

303.15 PUBLIC LIBRARIES NOT AFFECTED. Nothing contained in this chapter shall be construed as [repealing or superceding chapter 378, or any section of said chapter] *affecting public libraries other than state libraries.*

Sec. 246. Section three hundred three point eighteen (303.18), subsection six (6), Code 1971, is amended as fol-

lows:

6. To encourage the implementation of the county library law, and of county-wide library service through contracts with the boards of supervisors[, chapter 378].

Sec. 247. Section three hundred three point twenty-three (303.23), is repealed.

Sec. 248. Section three hundred nine point nine (309.9), subsection three (3), Code 1971, is amended as follows:

3. Payment of all or part of the cost of construction and maintenance of bridges in cities [and towns having a population of eight thousand or less] and all or part of the cost of construction of roads located within [an incorporated town of less than four hundred population] *a city*, which lead to state parks.

Sec. 249. Section three hundred nine point seventy-three (309.73), Code 1971, is amended as follows:

309.73 BRIDGES AND CULVERTS ON CITY BOUNDARY LINE. Bridges and culverts on highways or on parts thereof, which are located along the corporate limits of cities [which control their own bridge funds] and which are partly within and partly without such limits and which highways are in whole or in part secondary roads, shall be constructed under plans and specifications, jointly agreed on by the city council and board of supervisors, and approved by the highway commission. The city and county shall share equally in the cost. All matters in dispute between such city and county relative to such bridges and culverts shall be referred to the highway commission and its decision shall be final and binding on both the city and county.

[Cities which have a common boundary and are situated in counties having a population in excess of two hundred thousand and the county in which such cities are located] *A county* may contract[, each] with [the other,] *cities therein* for the joint construction and financing of a bridge [to be located within one hundred feet of such common boundary and partly with

in one of the cities and partly within the county]. Such contracts may [also] provide the acquisition of right of way for, and construction of, highways connecting such bridge to existing city streets or secondary roads. Such bridge and highways shall be constructed under plans and specifications jointly agreed on by the respective contracting bodies. Such contract shall set forth the amount of money to be contributed by each contracting party and may provide for the amount of money to be contributed annually by each contracting party for the maintenance of the said public improvements. When such county and cities have agreed upon their respective portions of the cost of such bridge and highways they may pay same from their respective secondary road fund, street fund, or other funds available for highway or bridge purposes, or they may issue general obligation bonds to provide funds for the payment of their respective shares of such cost. *Bonds issued by a city must be issued in accordance with provisions of law relating to general corporate purpose bonds of a city.*

Taxes for the payment of [said] *county* bonds shall be levied in accordance with chapter 76 and said bonds shall be payable in not more than twenty years and bear interest at a rate not exceeding five percent per annum, and shall be of such form as the respective councils or board of supervisors shall by resolution provide, but no city or county shall become indebted in excess of five percent of the actual value of taxable property within its taxing jurisdiction as shown by the last preceding state and county tax lists. The indebtedness incurred for the purpose provided in this section shall not be considered an indebtedness incurred for general or ordinary purposes.

Sec. 250. Section three hundred eleven point nineteen (311.19), unnumbered paragraph two (2), Code 1971, is amended as follows:

In case of assessments on lands owned by the county, the

same shall be paid from the county general fund. In case of assessments on lands owned by the state, the same shall be paid out of any funds in the state treasury not otherwise appropriated. In case of assessments on lands owned by a city [or town], the same shall be paid from [the] *any available* city [or town street] fund.

Sec. 251. Section three hundred twelve point six (312.6), Code 1971, is amended as follows:

312.6 LIMITATION ON USE OF FUNDS. Funds received by municipal corporations from the road use tax fund shall be used[.] *for any purpose relating to the construction, maintenance, and supervision of the public streets.*

[1. For the purposes for which street fund money may be used, with the exception of parking facilities as provided in subsection 5 of section 404.7.]

[2. For the acquisition and installation of traffic control signals and devices required as part of a street construction or reconstruction project.]

[3. For sidewalk expenditures required as part of a street construction or reconstruction project.]

[4. For payment of principal and interest on bonds issued for street, bridge and viaduct purposes.]

[5. For the construction of storm sewers and other drains for controlling and providing adequate drainage for surface waters originating within or flowing upon the right of ways of newly constructed or reconstructed streets, and for the payment of principal and interest on bonds issued to finance such construction.]

[Such funds shall not be used for the purpose of machinery or equipment, except as provided in subsection 12 of section 404.7.]

Sec. 252. Section three hundred thirteen point twenty-nine (313.29), Code 1971, is amended as follows:

313.29 DETOURS LOCATED IN CITY OR TOWN. When the temporary primary road detour or temporary primary road haul road, or

any portion thereof, is located within the corporate limits of a city [or town], then as to [such] *the* portion so located, the provisions of section 313.28 as to consultation, designation, restoration and payment by the state highway commission shall apply in like manner to the benefit of [such] *the* city [or town], and credits thereunder shall be made to the [street] *general* fund of [such] *the* city [or town. Such]. *A* city [or town] may designate the county engineer or [, in the case of a] city[, its chief civil] engineer[,] to inspect such street so used jointly with the representative of the state highway commission.

Sec. 253. Section three hundred twenty-one point nineteen (321.19), Code 1971, is amended as follows:

321.19 GENERAL EXEMPTIONS. All vehicles owned by the government and used in the transaction of official business by the representatives of foreign powers or by officers, boards, or departments of the government of the United States, and by the state of Iowa, counties, municipalities and other subdivisions of government including vehicles used by an urban transit company operated by a municipality [as authorized under chapter 386c,] and such self-propelling vehicles as are used neither for the conveyance of persons for hire, pleasure, or business nor for the transportation of freight other than those used by an urban transit company operated by a municipality, and all fire trucks, providing they are not owned and operated for a pecuniary profit, are hereby exempted from the payment of the fees in this chapter prescribed *except as provided for urban transit companies in section* 256 *of this Act,* but shall not be exempt from the penalties herein provided. The department shall furnish, on application, free of charge, distinguishing plates for vehicles thus exempted, which plates shall bear the word "official", and the department shall keep a separate record thereof. Provided that the executive council may order the issuance of regular registration plates, for any such exempted vehicle, used by

peace officers in the enforcement of the law and persons enforcing the drug and narcotic laws. For purposes of sale of vehicles exempted as herein indicated, the exempted governmental body, upon the sale of the exempted vehicle, may issue for in-transit purposes a pasteboard card bearing the words "Vehicle in Transit", the name of the official body from which the vehicle was purchased, together with the date of the purchase plainly marked in minimal of one-inch letters, and other information which may be required by the department of public safety. The in-transit card shall be valid for use only within forty-eight hours after the purchase date as indicated on the bill of sale which shall be carried by the driver.

Sec. 254. Section three hundred twenty-one point two hundred thirty-eight (321.238), Code 1971, is amended as follows:

321.238 TESTING STATIONS. [All cities and towns shall have the power to acquire, establish, erect, equip, operate, and maintain motor vehicle testing stations therein and to pay for the same out of the allocations from the public safety fund.] Cities [an towns] operating and maintaining motor vehicle testing stations may enact ordinances authorizing and providing for the inspection and testing of motor vehicles owned or operated by an owner or operator of a fleet of five or more motor vehicles by such owner or operator. Such ordinances may impose [such] conditions and requirements as the city [or town] may deem appropriate in connection with the granting of such authority to fleet owners or operators.

Sec. 255. Section three hundred twenty-one point two hundred thirty-nine (321.239), Code 1971, is amended as follows:

321.239 FEES. They [shall have the power to] *may* fix the amount of fees, not exceeding fifty cents per test and not more than one dollar per year, for the inspection of any motor vehicle or truck for any defect prohibited by law upon any motor vehicle operated upon the streets, alleys, or

thoroughfares of cities [and towns. They shall pay all fees so collected into the public safety fund].

Sec. 256. Chapter three hundred twenty-one (321), Code 1971, is amended by adding the following new section:

" 'Urban transit company' means any person, firm, corporation, company, or municipality which operates buses or trolley cars or both, primarily upon the streets of cities over well-defined routes between certain termini, for the transportation of passengers for a uniform fare, and which accepts for passengers all who present themselves for transportation without discrimination up to the limit of the capacity of each vehicle. Included are street railways, plants, equipment, property, and rights, used and useful in the transportation of passengers. Motor carriers and interurbans subject to the jurisdiction of the state commerce commission, and taxicabs, are not included.

Any person, firm, corporation, or company operating an urban transit system shall pay to the county treasurer annually as a registration fee for each bus, car, or vehicle used in the transportation of passengers, twenty-five dollars, which shall be paid into the city general fund. Any urban transit company operated by a municipality is not required to pay such registration fees. The motor vehicle department, in accordance with section three hundred twenty-one point nineteen (321.19) of the Code, shall furnish distinquishing plates for vehicles used by urban transit companies operated by a municipality. No other provision of law providing for the payment of taxes, registration, or license fees for vehicles shall be applicable to any bus, car, or vehicle for the transportation of passengers owned and operated by any urban transit company.

Section three hundred twenty-four point three (324.3) and chapter three hundred twenty-six (326) of the Code are not applicable to urban transit companies or systems."

Sec. 257. Section three hundred twenty-one E point eleven

(321E.11), unnumbered paragraph two (2), Code 1971, is amended as follows:

Except as provided in section 321.457, no movement of over-dimension vehicles shall be permitted on Saturdays, Sunday, holidays, or days preceding and following holidays, or special events when abnormally high traffic volumes can be expected. Such restrictions shall not be applicable to urban transit systems as defined in section [386C.1] 256 *of this Act.*

Sec. 258. Section three hundred twenty-five point twenty-seven (325.27), Code 1971, is amended as follows:

325.27 POWERS OF CITIES [AND TOWNS]. Cities [and towns shall have power] *may* by ordinance [to] adopt general rules of operation, and [to] designate the streets or routes over which motor carriers shall travel; provided, however, that the exercise of the power granted in this section shall be reasonable and fair. [Motor vehicles operating or proposing to operate between cities and towns, the corporate limits of which are not more than one mile apart, shall be considered as coming within the purview of section 386.2.]

Sec. 259. Section three hundred twenty-nine point one (329.1), subsection four (4), Code 1971, is amended as follows:

4. "Municipality" means any county[,] *or* city[, village, or town] of this state.

Sec. 260. Section three hundred thirty point two (330.2), Code 1971, is amended as follows:

330.2 POWERS. [Cities and towns shall have the right to] *Counties and townships may* acquire, establish, improve, maintain and operate airports, either within or without their corporate limits, and either within or without the territorial limits of this state.

Sec. 261. Section three hundred thirty point three (330.3), Code 1971, is repealed.

Sec. 262. Section three hundred thirty point four (330.4), Code 1971, is amended as follows:

330.4 JOINT EXERCISE OF POWERS. [Any Iowa political subdivision, villages, towns, cities, townships, and counties may, by duly adopted ordinance or resolution as may be appropriate, enter into agreements providing for collaboration with any other one or more such political subdivisions, within or without the state of Iowa, in exercising jointly any of the powers granted by this chapter, to the same extent as such powers can be exercised by any such political subdivision individually. Concurrent action by the governing bodies of the political subdivision participating shall constitute joint action. Such agreements] *Agreements between political subdivisions for joint exercise of any powers relating to airports* may provide for the creation and establishment of a joint airport commission which, when so created or established, shall function in accordance with the provisions of sections 330.17 to 330.24, inclusive, insofar as provided by said agreements.

Sec. 263. Section three hundred thirty point five point five (330.5), Code 1971, is amended as follows:

330.5 ACQUISITION. [Any such city or town is hereby authorized and empowered to] *A county or township may* acquire by purchase, gift, condemnation, lease or otherwise, either within or without its [corporate] limits, and either within or without the territorial limits of this state, real estate and personal property for airport purposes; and in like manner to acquire or cause to be moved, removed, abated, eliminated, mitigated, or altered any structure or object protruding above the surface of the ground, or any use of land obstructing the airspace necessary for the safe and efficient flight of aircraft in landing or taking off at any airport, or otherwise constituting a hazard to such landing or taking off.

Sec. 264. Section three hundred thirty point six (330.6), Code 1971, is amended as follows:

330.6 IMPROVEMENTS. [Any such city or town] *A county or township* may erect on any land so acquired, or owned by it,

such buildings and equipment, and make such improvements as may be necessary for the purpose of adapting such property to the use of aerial traffic.

Sec. 265. Section three hundred thirty point seven (330.7), Code 1971, is amended as follows:

330.7 GENERAL BONDS—ELECTION—LEVY OF TAX. [Cities and towns are hereby authorized to] *A county or townshp may* contract indebtedness and [to] issue general obligation bonds to provide funds to pay the cost of establishing, acquiring and equipping [a municipally owned] *an* airport and for improving the same.

No such indebtedness to pay the cost of the establishment of [a municipally owned] *an* airport shall be incurred until approved by the electors of [such city or town] *the county or township* [in accordance with the provisions of chapter 407 which election proceedings may be instituted by the city or town council].

The governing body of the county or township may call a special election or may submit the question at the next general election. Notice of a special election must be published twice in a newspaper of general circulation in the county or township, not less than ten nor more than twenty-five days before the date of the election.

The question submitted to the voters shall state the maximum amount of bonds proposed and the maximum tax levy necessary to repay the bonds plus interest. If **sixty percent** *of those voting approves the proposition, the governing body may proceed as proposed.*

Taxes for the payment of said bonds shall be levied in accordance with chapter 76 and said bonds shall be payable [through the debt service fund] in not more than twenty years and bear interest at a rate not exceeding seven percent per annum and shall be of such form as the [city or town council] *governing body* shall by resolution provide, but no [city or

36 town] *county or township* shall become indebted in excess of

five percent of the actual value of [the] *its* taxable property [within said city or town], as shown by the last preceding state and county tax lists. The indebtedness incurred for the purpose provided in this section shall not be considered an indebtedness incurred for general or ordinary purposes.

Sec. 266. Section three hundred thirty point nine (330.9), Code 1971, is amended as follows:

330.9 PLANS AND SPECIFICATIONS. Before an airport is acquired by any [such] city, [or town] *county, or township,* the plans and specifications therefor shall be submitted to the Iowa state aeronautics commission which shall require that they show:

The legal description and plat of the site; distance from the nearest post office and railroad station; location and type of highways; location and type of obstructions on and near the site; kind of soil and subsoil; costs and details of grading and draining; location of proposed runways, hangers, buildings, and other structures.

[And they] *The commission* shall furthermore require that the plans and specifications be in substantial accord with the regulations of the U.S. department of commerce or other department of the federal government having general supervision of air navigation as it relates to plans and specifications for airports. And if so found [they] *it* shall approve such plans and specifications.

Sec. 267. Section three hundred thirty point eleven (330.11), Code 1971, is amended as follows:

330.11 ORDINANCES AND RULES. [Such cities and towns shall have the power to] *A county or township may* make and enforce [ordinances,] rules and regulations for control, supervision, and operation of airports. This power shall extend to the space above the lands and waters included within the limits of any [city or town, and to any airport owned, controlled, maintained, or operated by any city or town outside its limits, and to the space above the same. In addition thereto, all

powers granted to and exercised by cities and towns within their corporate limits are extended to municipal airports located outside said limits, but within the state of Iowa] *county or township.* Provided, however, that no such [ordinance,] rule or regulation[,] shall be in conflict with state law or regulation, or in conflict with federal law or regulation.

Sec. 268. Section three hundred thirty point twelve (330.12), Code 1971, is amended as follows:

330.12 CHARGES. [Any such city or town] *A county or township* may from time to time fix, establish, and collect a schedule of charges for the use of such property or any part thereof, which charges shall be used in connection with the maintenance and operation of such airport. When the public needs will not be injured thereby, any such [city or town] *county or township* may lease all or any portion of such property, for a period of years not exceeding fifty or sell any equipment no longer required. Real estate may be sold only by unanimous vote of all members of the [council] *governing body.*

Sec. 269. Section three hundred thirty point fifteen (330.15), Code 1971, is amended as follows:

330.15 DEEMED AS PUBLIC USE. Any property acquired, owned, controlled, or occupied for the purposes enumerated in this chapter, shall be and is hereby declared to be acquired, owned, controlled, and occupied for a public purpose and as a matter of public need, and the liability of any [city or town] *county or township* in connection therewith shall be no greater than that imposed upon [municipalities] *cities* in the maintenance and operation of public parks.

Sec. 270. Section three hundred thirty point sixteen (330.16), Code 1971, is amended as follows:

330.16 ADDITIONAL LEVY—ELECTION—BONDS ISSUED. Any [municipality] *county or township* which has heretofore or may hereafter establish a municipal airport pursuant to the provisions of this chapter or of any other provision of law, is hereby authorized without approval at an election, to contract indebt-

edness and to issue general obligation bonds to provide funds to pay the cost of equipping, improving and enlarging such airport provided, however, that if at any time before the date fixed for taking action for the issuance of such bonds a petition is filed with the [clerk or recorder of the municipality] *county auditor* signed by qualified electors of the [city or town] *county or township* equal in number to two percent of those who voted for the office of governor at the last preceding general election as shown by the election registers or poll lists, asking that the question of issuing such bonds be submitted to the legal voters [of the municipality], the governing body thereof shall either by resolution declare the proposal to issue the bonds to have been abandoned or shall call a special election to vote upon the question of issuing the bonds.

Taxes for the payment of said bonds shall be levied in accordance with chapter 76 and said bonds shall be payable [through the debt service fund] in not more than twenty years and bear interest at a rate not exceeding seven percent per annum and shall be of such form as the [city or town council] *governing body* shall by resolution provide, but no [city or town] *county or township* shall become indebtedness in excess of five percent of the actual value of [the] *its* taxable property [within said city or town], as shown by the last preceding state and county tax lists. The indebtedness incurred for the purpose provided in this section shall not be considered an indebtedness incurred for general or ordinary purposes.

Section 330.7 and this section shall be construed as granting additional power without limiting the power already existing [in cities and towns].

[The provisions of said sections shall be applicable to all municipal corporations regardless of form of government or manner of incorporation.]

Sec. 271. Section three hundred thirty point seventeen (330.17), Code 1971, is amended as follows:

330.17 AIRPORT COMMISSION—ELECTION. The council of any city[, town] *county, or township,* which owns or otherwise acquires an airport [or airports] may, and upon *the council's receipt of a valid petition as provided in section 4 of this Act, or upon* petition of ten percent of the number of qualified electors *of the county or township* who voted at the last [city] *general* election shall, at [any city] *a regular city election or a general* election if one is to be held within sixty days from the filing of said petition, or special election called for that purpose, submit to the voters the question as to whether the management and control of such airport[, or airports,] shall be placed in an airport commission. *If a majority of the voters favors placing the management and control of the airport in an airport commission, the commission shall be established as provided in this chapter.*

[Whenever an airport, or airports, of any city or town has been placed under the] *The* management and control of an airport [commission, upon petition of ten percent of the number of qualified electors who voted at the last city election the council of any such city or town shall, at a city election if one is to be held within sixty days from the filing of said petition or at a special election called for such purpose, submit to the voters the question as to whether the management and control of such airport, or airports, shall be continued in the airport commission, and if] *by an airport commission may be ended in the same manner. If* a majority of the [votes cast upon said proposition at the election shall be against the continuance of such] *voters does not favor continuing the management and control of the airport in an* airport commission, said commission shall stand abolished sixty days from and after the date of such election, and the power to maintain and operate such airport[, or airports as provided in this chapter,] shall revert to such city [or town], *county, or township.*

Sec. 272. Section three hundred thirty point eighteen

(330.18), Code 1971, is amended as follows:

330.18 NOTICE OF ELECTION. Notice of such election shall be given by publication [in one newspaper in said city or town in one publication] *in a newspaper of general circulation in the city, county, or township, subject to the provisions of section 3 of this Act*[, and the election shall be held not less than seven or more than fourteen days after the completion of such published notice. If no newspaper is published in such city or town notices may be given by posting notices in five public places in such city or town for three weeks prior to said election].

Sec. 273. Section three hundred thirty point twenty (330.20), Code 1971, is amended as follows:

330.20 APPOINTMENT OF COMMISSION. When a majority of the [votes cast upon said proposition at such election shall have declared in favor of the proposition of] *voters favors* airport control and management by a commission, the [mayor] *governing body* shall, within ten days [thereafter], appoint an airport commission of [not more than] *three or* five resident voters [of said city or town, which appointments shall be approved by the council]. In case of a commission of three members the first appointees shall hold office, one for two years, one for four years, and one for six years. In case of a commission of five members the first appointees shall hold office, one for two years, one for three years, one for four years, one for five years, and one for six years. All subsequent appointments shall be for a term of six years. Vacancies shall be filled as original appointments are made. Members of the airport commission shall serve without compensation. Each commissioner shall execute and furnish a bond in an amount fixed by the [council, to be approved by the mayor] *governing body* and filed with the city clerk *or county auditor*. The cost of such bond shall be paid from the general fund [of the city]. The commission shall elect from [their] *its* own members a chairman and a secretary who

shall serve for such term as the commission shall determine.

Sec. 274. Section three hundred thirty point twenty-one (330.21), Code 1971, is amended as follows:

330.21 POWERS—FUNDS. [Said] *The* commission [shall have and exercise] *has* all of the powers granted to cities [and towns] *, counties, and townships* under this chapter, except powers to sell [said] *the* airport [or airports]. The commission shall annually certify the amount of tax within the limitations of this chapter to be levied for airport purposes, and upon such certification the [city council] *governing body* [shall] *may* include *all or a portion* of said amount in its budget.

All funds derived from taxation or otherwise for airport purposes shall be under the full and absolute control of [said] *the* commission for the purposes prescribed by law, and shall be deposited with the [city] treasurer *or city clerk* to the credit of the airport commission, and shall be disbursed only on the written warrants or orders of the airport commission, including the payment of all indebtedness arising from the acquisition and construction of airports and the maintenance, operation, and extension thereof.

Sec. 275. Section three hundred thirty point twenty-two (330.22), Code 1971, is amended as follows:

330.22 ANNUAL REPORT—PUBLISHING. The airport commission shall immediately after the close of each municipal fiscal year, file with the city clerk *or county auditor* a detailed and audited written report of all money received and disbursed by [said] *the* commission during said fiscal year, and shall publish a summary thereof in an official newspaper [in said city or town].

Sec. 276. Section three hundred thirty point twenty-three (330.23), Code 1971, is amended as follows:

330.23 RULES AND REGULATIONS. The power conferred on [cities and towns] *counties and townships* to make and enforce rules and regulations under section 330.11 is delegated to the [city] airport commission.

Sec. 277. Section three hundred thirty-two point three (332.3), subsections twenty-two (22) and twenty-three (23), Code 1971, are amended as follows:

22. In counties having a population of over thirty thousand, to adopt a building code and to provide for the regulation and inspection of all construction, major repairs and remodeling, and the installation of electrical, heating, ventilating, air conditioning, and plumbing fixtures, apparatus, and equipment and provide for the manner in which such regulations and inspection shall be determined, established and enforced, and from time to time amended, supplemented or changed. However, no such regulation shall become effective until after a public hearing in relation thereto at which parties in interest and citizens shall have an opportunity to be heard. At least fifteen days notice of the time and place of such hearing shall be published in a paper of general circulation in such county. Upon compliance with the provisions of this chapter, the regulation shall become effective, the provisions of any other statute to the contrary notwithstanding. Such code shall not be construed to apply within the limits of any [incorporated] city, [or town which has the power to adopt a building code under the provisions of section 368.9] or to farm houses or other farm buildings which are primarily adapted, by reason of nature and area, for use for agricultural purposes, while so used or while under construction for such use.

23. To purchase, lease, equip, maintain and operate an ambulance or ambulances to provide necessary and sufficient ambulance service or to contract for such vehicles, equipment, maintenance or service.

The board may adopt a schedule of fees to be charged the users of such service, and such fee schedule may include considerations concerning the cost of the service and the user's ability to pay.

If a county [shall provide] *provides* ambulance service, it

shall first ascertain what cities [and towns] in [such] *the* county also provide ambulance service [pursuant to section 368.74]. The county shall then co-ordinate its services with that provided by any [such] city [or town] in order to eliminate duplication and to make the ambulance service provided by the county and [such] cities [and towns] as economical as possible.

Any third party payor making payment for ambulance service shall make such payment either jointly to the person on whose behalf the payment is made and to the person or organization providing such ambulance service, or directly to the person or organization providing such ambulance service.

Sec. 278. Section three hundred thirty-two point three (332.3), Code 1971, is amended by adding the following new subsection:

"The board of supervisors of a county in which a military reservation is located may authorize any individual or corporation which is authorized to erect or maintain waterworks, to lay its mains in any of the highways of the county for the purpose of extending the mains to a military reservation."

Sec. 279. Chapter three hundred thirty-two (332), Code 1971, is amended by adding the following new section:

"1. Counties and sanitary districts incorporated under the provisions of chapter three hundred fifty-eight (358) of the Code may own, acquire, establish, construct, purchase, equip, improve, extend, operate, maintain, reconstruct, and repair within or without the limits of the county or sanitary district, works and facilities useful and convenient for the collection, treatment, purification, and disposal in a sanitary manner of the liquid and solid waste, sewage, and industrial waste of the county or sanitary district, including sanitary disposal projects as defined in section four hundred six point two (406.2) of the Code, also swimming pools or golf courses, and may acquire by gift, grant, purchase, condemnation, or otherwise all necessary lands, rights-of-way, and property therefor, within or without the county or sanitary district,

may purchase and acquire an interest in a sanitary disposal project or such works and facilities which are owned by a city, county, or sanitary district and which are to be jointly used by them, and may issue revenue bonds to pay all or any part of the cost of establishing, acquiring, purchasing, constructing, equipping, improving, extending, reconstructing, repairing, operating, or maintaining a sanitary disposal project or such works and facilities, including the amount agreed upon for the purchase and acquisition by a county or sanitary district of an interest in the sanitary disposal project or works and facilities which are owned by a city, county, or sanitary district and which are to be jointly used. As used in this section the words 'works and facilities', 'works', or 'facilities' shall include but not be limited to sanitary disposal projects as defined in section four hundred six point two (406.2) of the Code.

The construction, acquisition, improvement, equipment, custody, operation, and maintenance of any works for the collection, treatment, or disposal of sewage, swimming pools, golf courses, or sanitary disposal projects, and the collection of revenues for the service rendered, shall be under the supervision and control of the county or sanitary district.

2. Counties and sanitary districts may by resolution or ordinance provide a schedule of fees to be charged for the use of and the services and facilities to be rendered by the sanitary disposal project or for the collection and disposal of garbage and may pay the cost of establishing, acquiring, purchasing, constructing, equipping, improving, extending, reconstructing, repairing, maintaining, and operating sanitary disposal projects, garbage disposal plants, or incinerating plants out of the earnings of project or plant. Revenue bonds, payable solely out of the earnings of the project or plant, may be issued in the manner provided in this section.

3. Counties and sanitary districts incorporated under the provisions of chapter three hundred fifty-eight (358)

of the Code are authorized to borrow money from the federal government or a federal agency for any of the purposes referred to in this section by issuing revenue bonds under this section, and may deliver the bonds to the federal government or its agency, or may borrow money by issuing revenue bonds under this section and may deliver the bonds to the contractor in payment for the costs of any of the projects or improvements referred to in this section, or may sell the bonds at a public sale upon the same conditions provided by chapter seventy-five (75) of the Code, as applicable to bonds issued by counties and sanitary districts, and may use the proceeds from the sale of bonds to pay all or any part of the cost of the projects or improvements. As evidence of the loan, the county or sanitary district may issue its bonds payable solely from the revenues derived from the project or improvement. Bonds may be issued in amounts as necessary to provide sufficient funds to pay all costs of the project or improvement, including engineering, legal, and other expenses, together with interest to a date six months subsequent to the estimated date of completion. Such bonds are negotiable instruments, shall be executed by the chairman of the board of supervisors and county auditor of the county, or the trustees of the sanitary district, and shall be sealed with the corporate seal of the county or sanitary district. The principal and interest of the bonds shall be payable solely from the special fund provided for payment, and the bonds shall not be a general obligation of the county or sanitary district, nor shall they be payable by taxation, nor shall the county or sanitary district be liable by reason of the earnings being insufficient to pay the bonds. All details pertaining to the issuance of bonds and the terms and conditions thereof, shall be determined by resolution or ordinance of the county or sanitary district. Counties and sanitary districts may also borrow money and issue revenue bonds for the purpose of purchasing and acquiring sanitary

disposal projects or works and facilities useful and convenient for the collection, treatment, purification, and disposal in a sanitary manner of the liquid and solid waste, sewage, and industrial waste of any county or sanitary district and for the purpose of purchasing and acquiring an interest in any such projects, works, and facilities which are owned by a city, county, or sanitary district and which are to be jointly used. Bonds may be delivered to the seller of the sanitary disposal project or works and facilities or to the municipality selling an interest in its sanitary disposal project or sewage works and facilities in payment of the purchase price, or may be sold at public sale in the manner provided by chapter seventy-five (75) of the Code and the proceeds from the sale applied to the payment of the purchase price.

4. This section applies to all proceedings heretofore taken by counties and sanitary districts for any of the purposes referred to in this section, notwithstanding that a portion of the funds have been derived from sources other than the issuance of bonds.

5. Before the issuance of bonds, the governing body of the county or sanitary district by resolution or ordinance shall pledge the net earnings of the sanitary disposal project or works to the payment of the bonds and the interest thereon, and shall provide that the net earnings shall be set apart as a sinking fund for that purpose.

6. The governing body of the county or sanitary district may by resolution or ordinance, establish and maintain just and equitable rates or charges for the use of and the services rendered by such works, to be paid by the owner of each and every lot, parcel of real estate, or building that is connected with and uses such works, by or through any part of the sewage system of the county or district, or that in any way uses or is served by such works. The governing body of the county or sanitary district may also by ordinance or resolution

establish and maintain just and equitable rates or charges for the use of and the services and facilities rendered by a sanitary disposal project. The governing body may readjust rates or charges from time to time and may charge and collect reasonable rates and charges for swimming and golfing. Rates or charges shall be sufficient in each year for the payment of the proper and reasonable expenses of operation, repair, maintenance, acquisition, purchase, construction, equipping, improving, and extension of the sanitary disposal project or works, and for the payment of the sums required to be paid into a sinking fund, which fund shall be sufficient to meet the principal and interest and other charges, except rates or charges for the use of swimming pools and golf courses, of the bonded indebtedness. All such rates or charges if not paid as by the ordinance or resolution provided, when due, shall constitute a lien upon the premises served by the sanitary disposal project or works, and shall be collected in the same manner as taxes.

7. The provisions of this section apply to the construction, equipment, operation, and maintenance of any sewage treatment plant, by any sanitary district operating under the provisions of chapter three hundred fifty-eight (358) of the Code; and any sanitary district may, in addition, use the power conferred upon it by chapter three hundred fifty-eight (358) of the Code to apply any of the provisions of this section relating to the construction, equipment, operation and maintenance of any sewage treatment plant of the sanitary district, or any combination of the power relating to sewage treatment plants granted such sanitary district by the provisions of this section and chapter three hundred fifty-eight (358) of the Code.

8. Counties and sanitary districts may issue from time to time negotiable interest bearing refunding bonds to refund at maturity or pursuant to redemption provisions or at any time before maturity with the consent of the holders a like

principal amount of outstanding revenue bonds or obligations previously issued by the county or sanitary district pursuant to the provisions of this section. All refunding bonds shall comply with the pertinent provisions of this section and may be made subject to redemption in a manner and upon terms with or without premium, as stated on the face thereof. Refunding bonds shall be payable only from the net earnings of the sanitary disposal project or works and facilities and shall not constitute a general obligation of any such county or sanitary district or be payable in any manner by taxation. Refunding bonds may be issued in exchange for the outstanding bonds or obligations to be refunded or may be sold and the proceeds applied to the payment of outstanding bonds or obligations.

Bonds issued pursuant to the provisions of this section shall bear interest at a rate not exceeding seven percent per annum."

Sec. 280. Chapter three hundred forty-six (346), Code 1971, is amended by adding the following new sections:

"No county or other political corporation shall become indebted for its general or ordinary purposes to an amount exceeding in the aggregate one and one-fourth percent of the actual value of the taxable property within the corporation. The value of property shall be ascertained by the last tax list previous to the incurring of the indebtedness. Indebtedness incurred by a county solely for poor relief purposes is not for its general or ordinary purposes."

"No county, or other political corporation, shall become indebted for any purpose to an amount, in the aggregate, exceeding five percent of the actual value of the property within the corporation, to be ascertained by the last state and county tax lists previous to the incurring of the indebtedness."

"1. A county may contract with its county seat city for the joint purchase, acquisition, ownership, and control of

property suitable as the site of a building for use and occupancy by the city and county jointly, and any county owning a site or any interest therein, may, upon terms which appear fair and just to the board of supervisors, contract with reference to the joint acquisition, ownership, control, improvement, use, and occupancy of the property, and with reference to the construction, use, and occupancy of a building. The contract shall set forth the amount of money to be contributed by the county and by the city toward the acquisition of a site and its improvement, or the proportion of their respective contributions and the purpose for which the building is to be used. The contract may provide for the amount of money to be contributed annually by the county and by the city for the upkeep, maintenance, and operation of the property and the building, or it may provide for the respective proportions of expense which the county and the city shall pay, and may provide for an adjustment at stated periods of the amounts or proportions to be paid. The contract may specify the part of property and building to be used and occupied by the county and by the city. Contracts shall be made on behalf of the county only when approved by resolution of the board of supervisors, and when made shall be binding upon the county and city during the period specified in the contract unless modified or abrogated by mutual consent.

2. When a county or city have agreed upon their respective portions or proportions of the cost of a building and site, the county may, for the purpose of paying its respective portion of the cost and for the purpose of equipping the portions of the building to be used and occupied by it, issue bonds. However, no bonds shall be issued by a county until the proposition has been approved by at least sixty percent of the votes cast for and against the proposition at an election. The proposition may be submitted at a general, regular, or special election pursuant to a resolution of the board of supervisors. Notice of the election setting forth the

propositions as it is to be voted upon shall be given by publication once each week for at least three consecutive weeks in a newspaper having general circulation in the county, and if the election is unfavorable the proposition may be submitted at a subsequent election. To the extent not otherwise provided the general election laws are applicable to the election. Bonds issued by a city must be issued in accordance with the provisions of law relating to general corporate purpose bonds of a city.

3. County bonds may bear interest at a rate not exceeding seven percent per annum payable semiannually and the principal shall be scheduled to mature in not more than twenty years from the date of the bonds. When a county has issued bonds it shall annually levy on all taxable property in the county a tax sufficient to pay the interest and principal of the bonds as they become due, and each county may levy taxes sufficient to pay its portion of the cost of operating, maintaining, and keeping insured the building acquired or constructed under this section.

4. Contracts for the construction of any building which involve the expenditure of five thousand dollars or more shall be entered into pursuant to advertisement for bids in a manner approved and authorized by both the board of supervisors of the county and the council of the city. A county may apply for and accept federal aid in the construction of a building under this section, subject to conditions and stipulations imposed in connection with the federal aid and as approved by the board of supervisors.

5. This section is a complete and independent law for providing joint county and city buildings."

"1. Any joint building acquired, owned, erected, constructed, controlled, or occupied in accordance with the authorization contained in this section is declared to be acquired, owned, erected, constructed, controlled, or occupied for a public purpose and as a matter of public need.

2. Any county may join with its county seat to incorporate an 'Authority' for the purpose of acquiring, constructing, demolishing, improving, enlarging, equipping, furnishing, repairing, maintaining, and operating a public building, and to acquire and prepare the necessary site, including demolition of any structures, for the joint use of the county and city or any school district which is within or is a part of the county or city.

3. The incorporation of an authority shall be accomplished by the adoption of articles of incorporation by the governing body of each incorporating unit. For adoption, the affirmative vote of a majority of the members of each governing body is required. The articles of incorporation shall be executed for and on behalf of each incorporating unit by the following officers:

a. For the county, by the chairman of the board of supervisors.

b. For the city, by its mayor and city clerk.

4. The articles of incorporation shall set forth the name of the authority, the name of the incorporating units, the purpose for which the authority is created, the number, terms, and manner of selection of its officers including its governing body which shall be known as the 'commission', the powers and duties of the authority and of its officers, the date upon which the authority becomes effective, the name of the newspaper in which the articles of incorporation shall be published, and any other matters.

5. The authority shall be directed and governed by a board of commissioners of three members, one to be elected by the board of supervisors of the county from the area outside of the county seat, one to be elected by the council of the city from the area inside the city, and one to be elected by the joint action of the board of supervisors of the county and the council of the city, and if the governing bodies are unable to agree upon a choice for the third member within sixty days of the election of the first member, then the third

member shall be appointed by the governor. The commissioners shall serve for six-year terms. Of the first appointees, the member appointed by the board of supervisors shall be for a term of two years, the member appointed by the city council shall be for a term of four years, and the member appointed by the joint action of the board and council shall be for a term of six years. The board of commissioners shall designate one of their number as chairman, one as secretary, and one as treasurer, and shall adopt bylaws and rules of procedure and provide therein for regular meetings and for the proper safekeeping of its records. No commissioner shall receive any compensation in connection with his services as commissioner. Each commissioner, however, shall be entitled to reimbursement for any necessary expenditures in connection with the performance of his duties.

6. The articles of incorporation shall be recorded in the office of the county recorder and filed with the secretary of state, and shall be published once in a newspaper designated in the articles of incorporation and having a general circulation within the county, and upon such recording and publication, the authority shall be deemed to come into existence.

7. Amendments may be made to the articles of incorporation if adopted by the governing body of each incorporating unit; provided that no amendment shall impair the obligation of any bond or other contract. Each amendment shall be adopted, executed, recorded, and published in the same manner as specified for the original articles of incorporation.

8. Any incorporating unit may make donations of property, real or personal, including gratuitous lease, and the authority as deemed proper and appropriate in aiding the authority to effectuate its purposes.

9. The authority shall be a body corporate with power to sue and be sued in any court of this state, have a seal and alter the same at its pleasure, and make and execute contracts, leases, deeds, and other instruments necessary

or convenient to the exercise of its powers. In addition, it shall have and exercise the following public and essential governmental powers and functions and all other powers incidental or necessary to carry out and effectuate its express powers:

a. To select, locate, and designate an area lying wholly within the territorial limits of the county seat of the county in which the authority is incorporated as the site to be acquired for the construction, alteration, enlargement, or improvement of a building. The site selected is subject to approval by a majority of the members of each governing body of the incorporating units.

b. To acquire in the corporate name of the authority the fee simple title to the real property located within the area by purchase, gift, devise, or by the exercise of the power of eminent domain, or to take possession of real estate by lease.

c. To demolish, repair, alter, or improve any building within the designated area, to construct a new building within the area and to furnish, equip, maintain, and operate the building.

d. To construct, repair, and install streets, sidewalks, sewers, water pipes, and other similar facilities and otherwise improve the site.

e. To make provisions for off-street parking facilities.

f. To operate, maintain, manage, and enter into contracts for the operation, maintenance, and management of buildings, and to provide rules and regulations for the operation, maintenance and management.

g. To employ and fix the compensation of technical, professional, and clerical assistance as necessary and expedient to accomplish the objects and purposes of the authority.

h. To lease all or any part of a building to the incorporating units for a period of time not to exceed fifty years, upon rental terms agreed upon between the authority and the

incorporating units. The rentals specified shall be subject to increase by agreement of the incorporating units and the authority if necessary in order to provide funds to meet obligations.

i. To procure insurance of any and all kinds in connection with the building. The bidding procedures provided in section twenty-three point eighteen (23.18) of the Code shall be utilized in the procurement of insurance.

j. To accept donations, contributions, capital grants, or gifts from individuals, associations, municipal and private corporations, and the United States, or any agency or instrumentality thereof, and to enter into agreements in connection therewith.

k. To borrow money and to issue and sell revenue bonds in an amount and with maturity dates not in excess of fifty years from date of issue, to provide funds for the purpose of acquiring, constructing, demolishing, improving, enlarging, equipping, furnishing, repairing, maintaining, and operating buildings, and to acquire and prepare sites, convenient therefor, and to pay all incidental costs and expenses, including, but not limited to architectural, engineering, legal, and financing expense and to refund and refinance revenue bonds as often as deemed advantageous by the board of commissioners.

l. The provisions of chapter twenty-three (23) of the Code applicable to other municipalities are applicable to an authority.

10. After the incorporation of an authority, and before the sale of any issue of revenue bonds, except refunding bonds, the authority shall submit in a single countywide election to the legal voters of the city and county, at a general, primary, or special election called for that purpose, the question of whether an authority shall issue and sell revenue bonds, stating the amount, for any of the purposes for which it is incorporated. An affirmative vote of a

majority of the votes cast on the proposition is required to authorize the issuance and sale of revenue bonds. A notice of the election shall be published once each week for at least two weeks in some newspaper published in the county. The notice shall name the time when the question shall be submitted, and a copy of the question to be submitted shall be posted at each polling place during the day of election. The authority shall call this election with the concurrence of both incorporating units, and it shall establish the voting precincts and polling places, and appoint the election judges, and in so doing such election procedures shall be in accordance with the provisions of chapters forty-nine (49) and fifty (50) of the Code.

11. When the board of commissioners decides to issue bonds subject to the election requirement, it shall adopt a resolution describing the area to be acquired, the nature of the existing improvements, the disposition to be made of the improvements, and a general description of any new buildings to be constructed.

12. The resolution shall set out the limit of the cost of the project, including the cost of acquiring and preparing the site, determine the period of usefulness and fix the amount of revenue bonds to be issued, the date or dates of maturity, the dates on which interest is payable, the sinking fund provisions, and all other details in connection with the bonds. The board shall determine and fix the rate of interest of any revenue bonds issued, in a resolution adopted by the board prior to the issuance. The resolution, trust agreement, or other contract entered into with the bondholders may contain covenants and restrictions concerning the issuance of additional revenue bonds as necessary or advisable for the assurance of the payment of the bonds authorized.

13. Bonds shall be issued in the name of the authority and are declared to have all the qualities and incidents of negotiable instruments under the laws of this state.

14. Bonds issued under this section may be issued as serial or term bonds, shall be of such denomination or denominations and form, including interest coupons to be attached, shall be payable at such place or places and bear such date as the board of commissioners fix by the resolution authorizing the bonds, shall mature within a period not to exceed fifty years, and may be redeemable prior to maturity with or without premium, at the option of the board of commissioners, upon terms and conditions the board shall fix by the resolution authorizing the issuance of bonds. The board of commissioners may provide for the registration of bonds in the name of the owner as to the principal alone or as to both principal and interest upon terms and conditions the board determines. All bonds issued by an authority shall be sold at a price so that the interest cost to the commission of the proceeds of the bonds shall not exceed seven percent per annum, payable semiannually, computed to maturity, and shall be sold in the manner and at the time the board of commissioners determines.

15. Bonds issued by an authority, and the interest thereon, shall be payable solely from the revenues derived from the operation, management, or use of the buildings acquired or to be acquired by the authority, which revenues shall include payments received under any leases or other contracts for the use of the buildings. Bonds shall recite that the principal and interest thereon are payable only from the revenues pledged, and shall state on their face that they are not an indebtedness of the authority or a claim against the property of the authority.

16. Bonds shall be executed in the name of the commission by the chairman of the board of commissioners or by another officer of the commission as the board, by resolution, may direct, and be attested by the secretary, or by another officer of the commission as the board, by resolution, may direct, and shall be sealed with the commission's corporate

seal. In case any officer whose signature appears on the bonds or coupons shall cease to be such officer before delivery of the bonds, his signature shall be valid and sufficient for all purposes, the same as if the officer had remained in office until delivery.

17. In its discretion, the authority may issue refunding bonds to refund its bonds prior to their maturity, refund its outstanding matured bonds, refund matured coupons evidencing interest upon its outstanding bonds, refund interest at the coupon rate that has accrued upon its outstanding matured bonds, and refund its bonds which by their terms are subject to call or redemption before maturity. All bonds redeemed or purchased shall be canceled.

18. To secure the payment of revenue bonds and for the purpose of setting forth the covenants and undertakings of the authority in connection with the issuance of revenue bonds and the issuance of any additional revenue bonds payable from such revenue income to be derived from the operation, management, or use of the buildings acquired or to be acquired by the authority, the authority may execute and deliver a trust agreement except that no lien upon any physical property of the authority shall be created.

19. The resolution shall provide for the creation of a sinking fund account into which shall be payable from the revenues of the project, from month to month as such revenues are collected, the sums in excess of the cost of maintenance and operation of the project and the cost of administration of the authority, sufficient to comply with the covenants of the bond resolution and sufficient to pay the accruing interest and retire the bonds at maturity. The board of commissioners, in a resolution, may provide for other accounts as necessary for the sale of the bonds. Moneys in the accounts shall be applied in the manner provided by the resolution, the trust agreement, or other contract with the bondholders.

20. No such bonds shall constitute a debt of the authority.

or of any public body within the meaning of any statutory or constitutional limitation as to debt.

21. From and after the issuance of bonds the board of commissioners shall establish and fix rates, rentals, fees, and charges for the use of any and all buildings or space owned and operated by the authority, sufficient at all times to pay maintenance and operation costs and to pay the accruing interest and retire the bonds at maturity and to make all payments to all accounts created by any bond resolution and to comply with all covenants of any bond resolution.

22. When an incorporating unit enters into a lease with the authority, the governing body of the incorporating unit shall provide by ordinance or resolution for the levy and collection of a direct annual tax sufficient to pay the annual rent payable under the lease as and when it becomes due and payable. The tax shall be levied and collected in like manner with the other taxes of the incorporating unit and shall be in addition to all other taxes authorized to be levied by that incorporating unit. This tax shall not be included within and shall be in addition to any statutory limitation of rate or amount for that incorporating unit. The fund realized from the tax levy shall be set aside for the payment of the annual rent and shall not be disbursed for any other purpose until the annual rental has been paid in full.

23. All leases, contracts, deeds of conveyance, bonds, or other instruments in writing on behalf of the authority, shall be executed in the name of the authority by the chairman and secretary of the authority, or by other officers as the board of commissioners, by resolution, directs, and the seal of the authority shall be affixed.

24. All property owned by any authority shall be exempt from taxation by the state or any taxing unit of the state.

25. When all bonds issued by an authority have been retired, the authority may convey the title to the property owned by the authority to the incorporating units in accordance

with the provisions therefor contained in the articles of incorporation, or, if none, in accordance with any agreement adopted by the respective governing bodies of the incorporating units, and the authority. The proposition of whether a conveyance shall be made shall be submitted to the legal voters of the city and county, utilizing the election procedures provided for bond issues, and an affirmative vote equal to at least a majority of the total votes cast on the proposition shall be required to authorize the conveyance. If the proposition does not carry, the authority shall continue to operate, maintain, and manage the building under a lease arrangement with the incorporating units."

Sec. 281. Section three hundred forty-seven point twenty-three (347.23), Code 1971, is amended as follows:

347.23 CITY HOSPITAL CHANGED TO COUNTY HOSPITAL. Any hospital organized and existing as a city [or town] hospital [under the provisions of chapter 380] may become a county hospital organized and managed as provided for in this chapter, upon a proposition for such purpose being submitted to and approved by a majority of the electors of both the [town or] city in which such hospital is located, and of the county under whose management it is proposed that such hospital be placed, at any general or special election called for such purpose[, said]. *The* proposition shall be placed upon the ballot by the board of supervisors when the said board of supervisors is requested by a petition therefor signed by qualified electors of the county equal in number to five percent of the votes cast for governor at the last general election; said proposition may be submitted at the next general election or at a special election called therefor. Upon the approval of said proposition [as aforesaid] the hospital, its assets and liabilities, will become the property of the county and this chapter will govern its future management. The question shall be submitted in substantially the following form: "Shall the municipal hospital of .....,

Iowa, be transferred to and become the property of, and be managed by the county of ....., Iowa?"

For the purpose of computing whether or not said proposition is carried, the votes of the residents of the [town or] city in which said hospital is located shall be counted both for the purpose of ascertaining whether of not the proposition is carried within the city [or town] and also for the purpose of ascertaining whether or not the proposition is carried within the county.

Sec. 282. Section three hundred forty-eight point two (348.2), unnumbered paragraph one (1), Code 1971, is amended as follows:

348.2 CONSOLIDATION—POWERS OF TRUSTEES. In all counties of the state having a population of one hundred thirty-five thousand inhabitants or over, and in which [there is located a city containing one hundred twenty-five thousand population or over, and] consolidation of hospital service has been completed as contemplated in this chapter, said board of hospital trustees shall:

Sec. 283. Section three hundred forty-eight point four (348.4), Code 1971, is amended as follows:

348.4 SALE OF PROPERTY AFTER CONSOLIDATION. In all cities [containing a population of one hundred twenty-five thousand inhabitants or over,] located in counties in which both a public county and city hospital are being conducted under separate supervision and management, such cities are hereby authorized and directed, when consolidation is completed under this chapter and upon the recommendation of the board of hospital trustees, to sell the property now owned and used by such cities for hospital purposes, both real and personal, at public or private sale, the proceeds of such sale to be used, first, for the retirement and payment of any outstanding bonds issued in connection with the purchase of such hospital property, and the remainder, if any, shall be turned into the county public hospital fund.

Sec. 284. Section three hundred forty-eight point five (348.5), Code 1971, is repealed.

Sec. 285. Section three hundred fifty-six point one (356.1), Code 1971, is amended by adding the following new subsection:

"For the confinement of persons subject to imprisonment under the ordinances of a city."

Sec. 286. Section three hundred fifty-six point fifteen (356.15), Code 1971, is amended as follows:

356.15 EXPENSES. All charges and expenses for the safe-keeping and maintenance of prisoners shall be allowed by the board of supervisors, except those committed or detained by the authority of the courts of the United States, in which cases the United States must pay such expenses to the county, *and those committed for violation of a city ordinance, in which case the city shall pay expenses to the county.*

Sec. 287. Section three hundred fifty-six point twenty (356.20), Code 1971, is amended as follows:

356.20 VIOLATION OF CITY ORDINANCE. When the imprisonment is under the judgment of any court, police court, [police magistrate,] mayor, or other tribunal of a city [or town], for the violation of any ordinance, [bylaw, or other regulation thereof,] the marshal *or chief of police* shall superintend the labor, and furnish the tools and materials, if necessary, at the expense of the city [or town] requiring the labor, and [such] *the* city [or town] shall be entitled to the earnings of its convicts.

Sec. 288. Section three hundred fifty-seven point one (357.1), unnumbered paragraph three (3), Code 1971, is amended as follows:

[In case the proposed] *A* benefited water district [is] located wholly within the corporate limits of [any] *a* city [or town, only the council of the city or town shall have the authority to establish the water district, and] *is not subject to* the provisions of this chapter [referring to the board of

supervisors shall be applicable to the city or town council].

Sec. 289. Section three hundred fifty-seven point twelve (357.12), Code 1971, is amended as follows:

357.12 ELECTION. When the preliminary design and assessment have been approved by the board of supervisors, a date not more than thirty days after such approval shall be set for an election within the district to determine whether or not the proposed improvement shall be constructed and to choose candidates for the offices of trustee within the district. [Except that where the benefited water district is wholly within the corporate limits of a city or town, the members of the city or town council shall be the trustees, and the provisions hereinafter referring to the election and terms of trustees are not applicable.] Notice of the election, including the time and place of holding the same, shall be given in the same manner as for the public hearing heretofore provided for. The vote shall be voted by ballot which shall state clearly the proposition to be voted upon, and any qualified voter residing within the district at the time of the election shall be entitled to vote. Judges will be appointed to serve without pay, by the board of supervisors from among the qualified voters of the district who will have charge of the election. The proposition shall be deemed to have carried if a majority of those voting thereon vote in favor of the same.

Sec. 290. Section three hundred fifty-seven B point twelve (357B.12), Code 1971, is amended as follows:

357.12 ANTICIPATION OF TAX. Benefited fire districts may anticipate the collection of taxes outlined by sections 357B.9 and 357B.11 and for such purposes may issue bonds payable in not more than ten equal installments and the rate of interest thereon shall not exceed seven percent per annum, payable at such place and shall be in such form as the trustees shall designate by resolution. Sections 23.12 to 23.16, inclusive, and [chapter 408] *provisions relating to general*

corporate purpose bonds of a city, so far as applicable, shall

apply to such bonds.

Sec. 291. Section three hundred fifty-seven B point fifteen (357B.15), Code 1971, is amended as follows:

357B.15 JOINING WITH CITY OR TOWN—ELECTION. No benefited fire district shall join with any city [or town] for any joint purpose [permitted in section 368.12] unless such joining is approved by the electors of the joint benefited fire district as provided in this section. The trustees of a benefited fire district shall have the power, when authorized by a majority vote of the electors thereof at a special election called for that purpose, upon notice given in the same manner provided in section 357B.9, to own, use, or operate jointly with any city [or town], fire apparatus, equipment, or facilities and to provide for the purchase, rental, or maintenance of such equipment, facilities, and services.

Sec. 292. Section three hundred fifty-eight point twenty (358.20), unnumbered paragraph two (2), Code 1971, is amended as follows:

In no case shall such rates, rentals, or charges, or the funds accruing from the collection thereof, be used to meet that part of the cost of any construction within the district which has been financed by special assessment against benefited properties. [The provisions of chapter 393 shall apply to sanitary districts organized under this section insofar as they are applicable.]

Sewer rentals, charges, or rates may supplant or replace, in whole or in part, any millage levy taxes which may be, or have been, authorized by the board of trustees for any of the following purposes:

1. To meet interest and principal payments on bonds legally authorized for the financing of sanitary utilities in any manner.

2. To pay costs of the construction, maintenance, or repair of such sanitary facilities or utilities, including payments to be made under any contract between municipalities

for either the joint use of sewerage or sewage facilities, or for the use by one municipality of all or a part of the sewerage or sewer system of another municipality.

When a sewer rental ordinance has been passed and put into effect, prior ordinances or resolutions providing for millage taxes against real and personal property for such purposes, or the portion thereof replaced, may be repealed.

Sec. 293. Section three hundred fifty-eight point twenty-two (358.22), unnumbered paragraph two (2), Code 1971, is amended as follows:

Such assessments may be made to extend over a period of ten years, payable in as nearly equal annual installments as practicable, and certificates or bonds may be issued in anticipation thereof. Proceedings for improvements to be made and paid for, in whole or in part, by special assessments, as herein authorized shall be initiated by resolution of necessity, and said resolution and the plat, schedule, hearings, notices, objections, orders, assessments, levies, contracts, bonds, certification of assessments, liens, payment, tax sales, and appeals, and the issuance and sale of certificates, and bonds, shall correspond, as near as may be, to the provisions therefor [contained in chapters 391, 391A and 396, and all] *relating to special assessment bonds of a city, which* provisions [of said chapters] shall govern such proceedings, to the extent applicable, except as modified hereby. A majority vote of the board of trustees shall be requisite and sufficient for any action required by the board under the provisions of this section.

Sec. 294. Chapter three hundred fifty-eight (358), Code 1971, is amended by adding the following new section:

"A sanitary district may enter into contracts with persons or firms outside its limits for the processing of sewage but the rate for processing shall not be less than that charged the inhabitants of the districts.

A district entering into a contract may lay sewer lines

in highways outside the district upon first obtaining the permission of the state highway commission in the case of primary roads and the board of supervisors in case of secondary roads, on written application designating the particular highway and part thereof, the use of which is desired.

A sanitary district adjoining a border of the state and owning and operating a sewage disposal plant, may contract with the governing body of any legal entity in an adjacent area in another state, to process the sewage from the area. The contract shall be subject to approval of the state department of health."

Sec. 295. Section three hundred fifty-eight A point eight (358A.8), Code 1971, is amended as follows:

358A.8 COMMISSION APPOINTED. In order to avail itself of the powers conferred by this chapter, the board of supervisors shall appoint a commission, to be known as the county zoning commission, to recommend the boundaries of the various original districts, and appropriate regulations and restrictions to be enforced therein. Such commission shall, with due diligence, prepare a preliminary report and hold public hearings thereon before submitting its final report; and the board of supervisors shall not hold its public hearings or take action until it has received the final report of such commission. After the adoption of such regulations, restrictions, and boundaries of districts, the zoning commission may, from time to time, recommend to the board of supervisors amendments, supplements, changes or modifications. *The zoning commission, with the approval of the board of supervisors, may contract with professional consultants, regional planning commissions, the Iowa development commission, or the federal government, for local planning assistance.*

Sec. 296. Section three hundred fifty-eight B point two (358B.2), unnumbered paragraphs four (4) and five (5), are amended as follows:

A county library district shall be established, if a majority of the electors[,] voting on the proposition[,] and residing outside of cities [and towns] maintaining a free public library[, as provided by section 378.1] favor it.

The result of the election within cities [and towns] maintaining a free public library [under the above mentioned provision] shall be considered separately, and no [such] city [or town] shall be included within the county library district unless a majority of its electors, voting on the proposition, favor its inclusion. In such cases the boundaries of an established district may vary from those of the proposed district.

Sec. 297. Section three hundred fifty-eight B point nine (358B.9), Code 1971, is amended as follows:

358B.9 METHODS OF SERVICE. Library service shall be accomplished by one or more of the following methods in whole or in part:

1. By the establishment of depositories of books or other educational materials to be loaned at stated times and places.

2. By the transportation of books or other educational materials by conveyances for lending the same at stated times and places.

3. By the establishment of branch libraries for lending books and other educational materials.

4. By contracting for library service with [the trustees of] a free public library of any city [or town].

Sec. 298. Section three hundred fifty-eight B point thirteen (358B.13), Code 1971, is amended as follows:

358B.13 MAINTENANCE EXPENSE ON PROPORTIONATE BASIS. The maintenance of a county library shall be on a proportionate population basis whereby each taxing unit as hereinafter defined shall bear its share in proportion to its population to the whole of said county library district. The board of library trustees shall on or before July 10 of each year make an estimate of the amount it deems necessary for the maintenance of the county library and shall transmit said estimate

in dollars to the board or boards of supervisors and to the city [and town] councils within the district. The entire rural area of each county in the library district shall be considered as a separate taxing unit. Each city [and town] which is a part of the county library district shall be considered as a separate taxing unit. The board of supervisors and the council of each city [and town] composing said county library district shall make the necessary millage levies accordingly for library maintenance purposes [of] , *but the county levy may* not [to] exceed two mills. Any unexpended balance in the library maintenance fund at the end of the fiscal year shall remain in said fund and be available without reappropriation.

Sec. 299. Section three hnudred fifty-eight B point fourteen (358B.14), Code 1971, is amended as follows:

358B.14 NOT APPLICABLE TO CONTRACT SERVICE. The provisions of this chapter pertaining to the establishment of a county library district shall not apply to any area receiving library service from any city [or town] library [under the provisions of chapter 378], unless the petition for a county library district [shall], in addition to the required signatures of electors, [be] *is* signed by the governing body of the area receiving library service under contract.

Sec. 300. Section three hundred fifty-eight B point sixteen (358B.16), Code 1971, is amended as follows:

358.16 WITHDRAWAL OF CITY [OR TOWN] FROM DISTRICT. Whenever [any incorporated] *a* city [or town, having maintained an association library for at least ten years prior to the establishment of a county library which has become a part of the tax supported city or town library and being a part of the county library district, and having levied a tax of its own equal to or greater than that of the county library district for the same purpose, shall decide] *decides* to withdraw from the county library district, it may do so by giving notice by certified mail to the board of library trustees of said county library and the county auditor prior to July 10, by the

governing body of [said incorporated] *the* city [or town], of its withdrawal from the county library district, and thereafter [said incorporated] *the* city [or town,] shall cease to be a part of or included in [said] *the* county library district.

Sec. 301. Chapter three hundred fifty-eight B (358B), Code 1971, is amended by adding the following new sections:

"Whenever a local county historical association is formed in a county having a free public library, the trustees of the library may unite with the historical association and set apart the necessary room to care for articles which come into the possession of the association. The trustees may purchase necessary receptacles and materials for the preservation and protection of articles which are of a historical and educational nature and may pay for the same out of the library fund."

"1. Contracts may be made by a school corporation, township, county, or the trustees of any county library district for the use by their residents of a city library. Townships and counties may enter into contracts, but may only contract for the residents outside of cities. A contract by a county shall supersede all contracts by townships or school corporations within the county outside of cities.

2. Contracts shall provide for the rate of tax to be levied. They may, by mutual consent of the contracting parties, be terminated at any time. They may also be terminated by a majority of the voters represented by either of the contracting parties, voting on a proposition to terminate which shall be submitted by the governing body upon a written petition of qualified voters in a number not less than five percent of those who voted in the area for governor at the last general election.

3. The proposition may be submitted at any election provided by law which covers the area of the unit seeking to terminate the contract. The petition shall be presented

to the governing body not less than forty days before the

election at which the question is to be submitted.

4. The board of trustees of any township which has entered into a contract shall at the April meeting levy a tax not exceeding one-fourth mill on the dollar on all taxable property in the township to create a fund to fulfill its obligation under the contract.

The board of supervisors, after it makes such contract, shall levy annually on the taxable property of the county outside of cities, a tax of not more than one mill to create a fund to fulfill its obligation under the contract.

5. **Qualified** voters of that part of any county outside of cities in a number of not less than twenty-five percent of those in the area who voted for governor at the last general election may petition the board of supervisors to submit the proposition of requiring the board of supervisors to provide library service for them and their area by contract as provided by this section.

6. The board of supervisors shall submit the proposition to the voters of the county residing outside of cities at the next election, primary or general, provided that the petition has been filed not less than forty days prior to the date of the election at which the question is to be submitted.

7. If a majority of those voting upon the proposition favors it, the board of supervisors shall within thirty days appoint a board of library trustees from residents of the petitioning area. Vacancies shall be filled by the board of supervisors.

8. The board of trustees is authorized to contract with any library for library use or service for the benefit of the residents and area represented by it.

9. The board of supervisors shall levy annually on the taxable property of the county outside of cities, a tax of not more than one mill to create a fund to fulfill the contract

obligations of the trustees appointed by it."

Sec. 302. Section three hundred fifty-nine point twenty-four (359.24), Code 1971, is amended as follows:

OFFICES ABOLISHED

359.24 CLERK AND TRUSTEES ABOLISHED. Where a [town or a] city[, not acting under a special charter,] constitutes one or more civil townships the boundary lines of which coincide throughout with the boundary lines of the [town or] city, the offices of township clerk and trustee are abolished.

Sec. 303. Section three hundred fifty-nine point twenty-six (359.26), Code 1971, is amended as follows:

359.26 TRANSFER OF FUNDS. The moneys and assets belonging to such civil township shall become the moneys and assets of the city [or town] in which said civil township is situated, and the township clerks shall turn such moneys and assets over to the city [or town] treasurer *or clerk,* to be disbursed by [such] *the* city [or town] in the same manner and for the same purposes as required by law for the disposition of township funds, and such cities [or towns] shall assume all liabilities of a civil township to which the provisions of this section [shall] apply.

Sec. 304. Section three hundred fifty-nine point twenty-seven (359.27), Code 1971, is amended as follows:

359.27 PAYMENT OF FUNDS. County treasurers are hereby authorized to pay over to the [city or town] treasurers *or clerks of cities* which come under the provisions of sections 359.24, 359.25 and 359.26 all funds which would otherwise be paid over to the township clerks of such townships.

Sec. 305. Section three hundred fifty-nine point forty-five (359.45), Code 1971, is amended as follows:

359.45 ANTICIPATORY BONDS. Townships may anticipate the collection of taxes authorized by sections 359.43 and 359.44, and for such purposes may issue bonds payable in not more than ten equal annual installments and at a rate of interest not exceeding seven percent per annum and payable at such place and be in such form as the board of trustees shall

designate by resolution. Sections 23.12 to 23.16, inclusive, and [chapter 408] *provisions of law relating to essential corporate purpose bonds of a city*, so far as applicable, shall apply to such bonds.

Sec. 306. Section three hundred fifty-nine point forty-six (359.46), subsection one (1), Code 1971, is amended as follows:

1. For each day of service of eight hours necessarily engaged in official business, to be paid out of the county treasury, four dollars each. [In townships embraced entirely within the limits of special charter cities, the compensation of township trustees shall be four dollars per day.]

Sec. 307. Chapter three hundred sixty-seven (367), Code 1971, is amended by adding the following new section:

"When the mayor is absent or unable to act, the mayor pro tem may hold mayor's court, but only in cases of violation of a city law."

Sec. 308. Section four hundred three point fourteen (403.14), subsection two (2), Code 1971, is amended as follows:

2. As used in this section, the term "urban renewal project powers" shall include the rights, powers, functions and duties of a municipality under this chapter, [including] *except* the following:

a. The power to determine an area to be a slum or blighted area or combination thereof and to designate such area as appropriate for an urban renewal project and to hold any public hearings required with respect thereto;

b. The power to approve urban renewal plans and modifications thereof;

c. The power to establish a general plan for the locality as a whole;

d. The power to formulate a workable program under section 403.3;

e. The power to make the determinations and findings provided for in section 403.4, and section 403.5, subsection

4;

f. The power to issue general obligation bonds;

g. The power to appropriate funds, to levy taxes and assessments, and to exercise other powers provided for in section 403.6, subsection 8.

Sec. 309. Section four hundred nine point fourteen (409.14), unnumbered paragraph one (1), Code 1971, is amended as follows:

No county auditor or recorder shall hereafter file or record, nor permit to be filed or recorded, any plat purporting to lay out or subdivide any tract of land into lots and blocks within any city having a population by the latest federal census of twenty-five thousand or over, or within a city of any size [having a plan commission organized under the provisions of chapter 373] *which by ordinance adopts the restrictions of this section* or, except as hereinafter provided, within two miles of the limits of such city, unless such plat has been first filed with and approved by the council of such city as provided in section 409.7, and by the city plan commission [as required by law] in cities where such commission exists.

Sec. 310. Section four hundred fourteen point twenty-two (414.22), Code 1971, is repealed.

Sec. 311. Section four hundred nineteen point eleven (419.11), Code 1971, is amended as follows:

419.11 TAX EQUIVALENT TO BE PAID—ASSESSMENT PROCEDURE—APPEAL. Any municipality acquiring, purchasing, constructing, reconstructing, improving or extending any industrial buildings, as provided in this chapter, shall annually pay out of the revenue from such industrial buildings to the state of Iowa and to the city, town, school district and any other political subdivision, authorized to levy taxes, a sum equal to the amount of tax, determined by applying the millage rate of the taxing district to the assessed value of the property, which the state, county, city, town, school district or other

political subdivision would receive if the property were owned by any private person or corporation, any other statute to the contrary notwithstanding. For purposes of arriving at such tax equivalent, the property shall be valued and assessed by the assessor in whose jurisdiction the property is located, in accordance with chapter 441, but the municipality, the lessee on behalf of the municipality, and such other persons as are authorized by chapter 441 shall be entitled to protest any assessment and take appeals in the same manner as any taxpayer. Such valuations shall be included in any summation of valuations in the taxing district for all purposes known to the law. Income from this source shall be considered under the provisions of section [24.3] *94*, subsection 1, *paragraph b, of this Act.* If and to the extent the proceedings under which the bonds authorized to be issued under the provisions of this chapter so provide, the municipality may agree to cooperate with the lessee of a project in connection with any administrative or judicial proceedings for determining the validity or amount of any such payments and may agree to appoint or designate and reserve the right in and for such lessee to take all action which the municipality may lawfully take in respect of such payments and all matters relating thereto, provided, however, that such lessee shall bear and pay all costs and expenses of the municipality thereby incurred at the request of such lessee or by reason of any such action taken by such lessee in behalf of the municipality. Any lessee of a project which has paid, as rentals additional to those required to be paid pursuant to section 419.5, the amounts required by the first sentence of this section to be paid by the municipality shall not be required to pay any such taxes to the state or to any county, city, town, school district or other political subdivision, any other statute to the contrary notwithstanding. This section shall not be applicable to any municipality acquiring, purchasing, constructing, reconstructing, improving, or extending any

buildings for the purpose of establishing, maintaining, or assisting any private college or university.

Sec. 312. Sections four hundred twenty point fourteen (420.14), four hundred twenty point sixteen (420.16), four hundred twenty point thirty-one (420.31), and four hundred twenty point thirty-four (420.34), through four hundred twenty point forty (420.40), Code 1971, are repealed.

Sec. 313. Section four hundred twenty point forty-one (420.41), Code 1971, is amended as follows:

420.41 APPLICABILITY OF PROVISIONS.

[1. Except as hereinafter in this section provided, the provisions of this Code which, by their terms, are made applicable to alll municipal corporations, shall be applicable to cities organized under special charter, and the provisions of this Code, applicable by their terms to municipal corporations of a certain population, shall be applicable to cities under special charter of like population, and except as hereinafter in this session provided, said special charters shall have no further force and effect.]

[2. To whatever extent provisions made applicable by subsection 1 of this section to cities organized under special charter shall be inconsistent with the provisions of this chapter, the provisions so made applicable shall be construed to provide additional rights, powers and privileges to such cities or to provide alternative procedures which such cities may adopt or avail themselves of at the election of their respective governing bodies or appropriate officers, insofar as such provisions, so made applicable, are susceptible to such construction. Insofar as such provisions, so made applicable, are not susceptible to such construction the provisions of this chapter shall be controlling.]

[3. Notwithstanding the provisions of subsection 1 of this section, nothing herein contained] *1. No state law* shall be deemed to impair, alter or affect the provisions of any such special charter or any existing amendment thereto in any of

the following respects:

a. As an act of incorporation or as evidence thereof.

b. In respect of authority to license, tax and regulate various persons, occupations, amusements, places and objects, as said general subjects of licensing, taxing and regulation are more specifically set forth in the respective charters of such cities.

c. In respect of the levy and collection of taxes for city purposes, in accordance with provisions of the respective charters of such cities and other provisions of law relating to such levy and collections including, but without limitation, provisions relating to liens, distraint, tax sales, redemptions, tax deeds and other provisions incident to the levy and collection of taxes; provided that this paragraph shall apply only with respect to cities which prior to and currently with the taking effect of this subsection collect general city taxes directly or by or through their own officers, rather than indirectly and by or through any other public body or officer thereof.

d. In respect of the election or appointment of a clerk, treasurer, police magistrate and marshal or in respect of the authority, functions, duties or compensation of any thereof.

e. In repect of the power or authority of any such city to borrow and expend money and issue bonds or other evidences of indebtedness therefor.

f. In respect of the appropriation, condemning or taking of land and property by any such city for public purposes and in respect of procedure and appeals in connection with any such taking.

g. In respect of the power to enact, make, adopt, amend and repeal ordinances necessary or proper in connection with any provisions referred to in paragraphs "a" to "f" inclusive, of this subsection.

[4. Notwithstanding the provisions of subsection 1 of this

section, the] *2. The* fiscal year for special charter cities, which prior to and concurrently with the taking effect of this subsection collect general city taxes directly through their own officers, and for all departments, boards and commissions thereof, shall be as established by city ordinance.

[5. Notwithstanding the provisions of subsection 1 of this section, special] *3. Special* charter cities which prior to and concurrently with the taking effect of this subsection collect general city taxes directly through their own officers, shall, within the applicable provisions of [chapter 404] *sections 79 through 90, inclusive, of this Act,* make the appropriations for the necessary expenditures for the next ensuing fiscal year by ordinance. The proposed ordinance shall, upon first reading, be placed on file with the clerk for public inspection, and, upon second reading, if and as amended, forthwith be published in a newspaper of general circulation, together with the time and place for a public hearing on said proposed ordinance, which hearing shall be not less than ten days prior to the council meeting at which it shall be placed upon its passage.

Sec. 314. Section four hundred twenty point forty-three (420.43), Code 1971, is amended as follows:

420.43 APPLICATION OF CERTAIN TERMS. Whenever the words "boards of supervisors", "county auditor or recorder of deeds", and "county treasurer" are used in any section made applicable by this chapter to special charter cities, the words "city council", "city clerk" or "city recorder", and "city collector or treasurer" shall be respectively substituted.

This section shall not be construed as depriving boards of supervisors, county auditors, and county treasurers of their powers to spread tax levies and collect taxes certified by cities acting under special charter as provided in [sections] *section* 420.206 and [404.3] *other state law.* Nothing contained herein shall be deemed to affect the procedure for the assessment of property by the city or county assessor.

Sec. 315. Sections four hundred twenty point forty-six (420.46), four hundred twenty point fifty-nine (420.59) through four hundred twenty point sixty-one (420.61), inclusive, four hundred twenty point one hundred fifty-six (420.156), four hundred twenty point one hundred fifty-eight (420.158), four hundred twenty point one hundred sixty (420.160) through four hundred twenty point one hundred sixty-four (420.164), inclusive, four hundred twenty point one hundred sixty-six (420.166), through four hundred twenty point one hundred eighty (420.180), inclusive, four hundred twenty point one hundred eighty-two (420.182) through four hundred twenty point one hundred eighty-nine (420.189), inclusive, four hundred twenty point two hundred four (420.204), four hundred twenty point two hundred five (420.205), four hundred twenty point two hundred fifty (420.250) through four hundred twenty point two hundred eighty-five (420.285), inclusive, and four hundred twenty point two hundred eighty-nine (420.289) through four hundred twenty point three hundred four (420.304), inclusive, Code 1971, are repealed.

Sec. 316. Section four hundred forty-one point twenty-one (441.21), subsection two (2), Code 1971, is amended as follows:

2. For the purpose of computing the debt limitations for municipalities, political subdivisions and school districts [as provided in sections 407.1 and 407.2], the term "actual value" [as used in said sections shall mean] *means* the "actual value" as determined by this section and entered opposite each item, and as listed on the tax list as provided in section 443.2 as "actual value".

Whenever any board of review or other tribunal charges the assessed value of property, all applicable records of assessment shall be adjusted to reflect such change in both assessed value and actual value of such property.

Sec. 317. Section four hundred forty-three point twenty-two (443.22), Code 1971, is amended as follows:

443.22 UNIFORM ASSESSMENTS MANDATORY. All assessors and assessing bodies, including the department of revenue having authority over the assessment of property for tax purposes, shall comply with the provisions of sections [420.284,] 428.4, 428.29, 434.15, 435.7, 438.13, 441.21, 441.45 and 443.5. The department of revenue having authority over such assessments, shall exercise its powers and perform its duties under section 421.17 and other applicable laws so as to require the uniform and consistent application of said section.

Sec. 318. Section four hundred forty six point twenty-one (446.21), Code 1971, is amended as follows:

446.21 APPLICABLE STATUTE. [Section 391.68 shall apply to] *In* all tax sales made under the provisions of [this Act.] *section 446.19, any holder of any special assessment certificate against a lot or parcel of ground, or any holder of a bond payable in whole or in part out of a special assessment against any lot or parcel of ground, or any city within which such lot or parcel of ground is situated, which lot or parcel of ground has been sold for taxes, either general or special, shall be entitled to an assignment of any certificate of tax sale of said property for any general taxes or special taxes thereon, upon tender to the holder or to the county auditor of the amount to which the holder of the tax sale certificate would be entitled in case of redemption.*

Sec. 319. Section four hundred fifty-three point one (453.1), Code 1971, is amended as follows:

453.1 DEPOSITS IN GENERAL. The treasurer of state, and of each county, [city, town,] county public hospital, merged area hospital, memorial hospital and school corporation, *the treasurer or other financial officer of each city,* and each township clerk and each county recorder, auditor, sheriff, each clerk and bailiff of the municipal court, and clerk of the district court, and each secretary of a school board shall deposit all funds in their hands in such banks as are first approved by the executive council, board of supervisors, [city

or town council,] board of hospital trustees, memorial hospital commission, board of school directors, *or city council,* respectively; provided, however, that the treasurer of state and the treasurer *or other financial officer designated by the governing body* of each political subdivision shall invest all funds not needed for current operating expenses in time certificates of deposit in banks listed as approved depositories pursuant to this chapter or in investments permitted by section 452.10. The list of public depositories and the amounts severally deposited therein shall be a matter of public record. The term "bank" means a bank or a private bank, as defined in section 524.103.

Sec. 320. Section four hundred fifty-three point four (453.4), Code 1971, is amended as follows:

453.4 LOCATION OF DEPOSITORIES. Deposits by the treasurer of state shall be in banks located in this state; by a county officer or county public hospital officer or merged area hospital officer, in banks located in his county or in an adjoining county within this state; by a memorial hospital treasurer, in a bank located within this state which shall be selected by such memorial hospital treasurer and approved by the memorial hospital commission; by a city [or town] treasurer *or other city financial officer,* in banks located in the city [or town], but in the event there is no bank in such city [or town] then in any other bank located in this state which shall be selected as such depository by the city [or town] council; by a school treasurer or by a school secretary in a bank within this state which shall be selected by the board of directors or the trustees of such school district; by a township clerk in a bank located within this state which shall be selected by such township clerk and approved by the trustees of such township. Provided, that deposits may be made in banks outside of Iowa for the purpose of paying principal and interest on bonded indebtedness of any municipality when such deposit is made not more than ten days

before the date such principal or interest becomes due.

Sec. 321. Section four hundred fifty-three point nine (453.9), Code 1971, is amended as follows:

453.9 INVESTMENT OF SINKING FUNDS. The governing council or board who by law are authorized to direct the depositing of funds shall be authorized to direct the treasurer *or other designated financial officer* to invest any fund not an active fund needed for current use and which is being accumulated as a sinking fund for a definite purpose, the interest of which is used for the same purpose, in the certificates provided by section 454.19, or make time deposits of such funds as provided in this chapter and receive time certificates of deposit therefor, or in United States government bonds, or in local certificates or warrants issued by any municipality or school district within the county, or in municipal bonds which constitute a general liability, and the treasurer *or other officer* when so directed shall so invest such fund.

Sec. 322. Section four hundred fifty-three point thirteen (453.13), Code 1971, is amended as follows:

453.13 INVESTMENT REPORT TO STATE AUDITOR. The treasurer, *or other financial officer designated by the governing body,* of each political subdivision except townships shall submit an investment report to the auditor of state on forms provided within fifteen days following the close of each fiscal year of the political subdivision. The report shall be comprised of the following information, all of which shall relate to the previous calendar year: Total demand deposits placed in depositories; total funds invested; description and disposition of investments; dates of investment; rates of interest earned or return on the investments; and such other information as the auditor of state may reasonably require pertaining to public funds.

Sec. 323. Section four hundred fifty-four point six (454.6), Code 1971, is amended as follows:

454.6 DUTY OF TREASURERS. It shall be the duty of all

school treasurers, city [and town] treasurers *or other financial officers designated by the city council,* and township clerks of the county to keep on file with the county treasurer a list of such depositories.

Sec. 324. Chapter four hundred fifty-five (455), Code 1971, is amended by adding the following new section:

"Any board, as defined in section four hundred fifty-five point four (455.4) of the Code, may by contract permit any city to discharge adequately treated sewage into drainage ditches. The contract shall fix the rental, make provision for termination, and shall provide that no nuisance shall be created."

Sec. 325. Section four hundred sixty-nine point thirty-one (469.31), Code 1971, is repealed.

Sec. 326. Section four hundred seventy-one point four (471.4), Code 1971, is amended by adding the following new subsection:

"Upon all cities for any public purpose."

Sec. 327. Chapter four hundred seventy-three A (473A), Code 1971, is amended by adding the following new section:

"A metropolitan planning commission may contract with professional consultants, the Iowa development commission, or the federal government, for local planning assistance."

Sec. 328. Section four hundred seventy-eight point twenty-one (478.21), Code 1971, is amended as follows:

478.21 RAILWAY AND HIGHWAY CROSSING AT GRADE. Wherever a railway track crosses or shall hereafter cross a highway, street or alley, the railway company owning such track and the state highway commission, in the case of primary highways, the board of supervisors of the county in which such crossing is located, in the case of secondary roads, or the council of the city [or town], in the case of streets and alleys located within [such] *a* city [or town], may agree upon the location and manner of crossing, or crossing protection, or upon a separation of grades so as to carry such highway over or under

the railway track, and upon any change, alteration, vacation or relocation of such highway, street or alley, and upon repairs, alteration, or elimination of any crossing, and upon the expense each party shall pay for such changes, except that if flasher light or gate signals are ordered installed the maintenance thereof shall be assumed by the railroad; provided, however, nothing [contained herein] *in this section* [shall be construed to affect any of] *limits* the provisions of [chapter 307] *section 17 of this Act.*

Sec. **329.** Section four hundred seventy-eight point twenty-eight (478.28), Code 1971, is amended as follows:

478.28 RAILWAY CROSSINGS NEAR MISSISSIPPI RIVER. When in the construction of a railway it becomes necessary to cross another railway near the shore of the Mississippi river, each shall be so constructed and maintained at the point of crossing that the respective roadbeds thereof shall be above high-water mark in such river; but where the crossing occurs within the limits of any city [or town containing six thousand or more inhabitants], the council [or other governing authorities thereof] may establish the crossing grade.

Sec. **330.** Section four hundred eighty-three point two (483.2), subsection eight (8), Code 1971, is amended as follows:

8. The signatures of a majority of the resident freehold taxpayers of the proposed district; except that in cities [of any form of government having a population of twenty-five thousand or over, not more than two thousand such signatures shall be required] *the provisions of section 4 of this Act apply.*

Sec. **331.** Section four hundred eighty-four point eleven (484.11), Code 1971, is amended as follows:

484.11 FRANCHISES. Cities [and towns under any form of government may, as provided by law,] authorize or forbid the construction and operation of such railways upon, over, or along the streets, alleys, and public grounds within their

limits and prescribe the conditions and regulations for such construction and operation. [The right to operate as a street railway shall not be granted for a period exceeding twenty-five years.]

Sec. 332. Section four hundred ninety A point twenty-three (490A.23), Code 1971, is amended as follows:

490A.23 CITIES AND TOWNS—CONFLICT OF SERVICE. [The application of section 397.28 to public utilities, as defined in this chapter, with respect to the regulating of rates and services of such public utilities to the extent such jurisdiction and powers are conferred upon the commission in this chapter is hereby repealed.] All rights of municipal corporations to franchise and regulate use of streets, alleys and other public property, and all rights acquired by franchise or agreement shall be preserved in such municipalities, excepting only the duties and jurisdiction conferred upon the commission in this chapter. Whenever the corporate boundaries of any city [or town] are extended, utility service, as defined in section 490A.1, shall be provided in such extended area by the public utility or the municipally owned utility serving such city [or town] immediately prior to the extension of such boundaries. In the event service is provided, in such extended area, at the time of the extension of the corporate boundaries, by a public utility which does not have a municipal franchise for such city [or town], the facilities located within such extended areas shall be purchased at the end of six years from the date the corporate boundaries shall have been extended by the franchised public utility of such city [or town] or by the municipal utility serving such city [or town] and the municipal franchised public utility or muncipally owned utility shall furnish such service without interruption upon the acquisition thereof. The franchised or municipally owned utility shall pay to the utility serving in the annexed area the fair and reasonable value of its properties within such annexed area by exchange of other

electric utility property outside such city [or town] on a fair and reasonable basis giving due consideration to revenue from and value of the respective properties. In the event the public utilities involved are unable to agree as to the terms of such exchange, either utility may file an application with the commission requesting that the commission determine such fair and reasonable terms for such exchange. After notice and hearing the commission shall determine fair and reasonable terms for such exchange, or in the event no appropriate properties can be exchanged the commission shall fix and determine the fair and reasonable value of the property within the annexed area, and such transfer shall be made as directed by the commission. Until such determination by the commission, the facilities shall remain in place and service to the public shall be maintained by the owner. However, the utility not having a municipal franchise and serving such annexed area shall not extend service to any additional points of delivery within such annexed area if the commission, after notice and hearing, with due consideration of any unnecessary duplication of facilities, shall determine that such extension is not in the public interest. Provided, however, that production, generation, high-voltage transmission facilities and high-voltage transformers owned by a utility in territory annexed to a city [or town] shall be exempt from the operation of this section, and provided further that if a public utility not having a municipal franchise at the time of the extension of the corporate boundaries subsequently acquires a municipal franchise [as contemplated by chapter 397] within six years of the extension of the corporate boundaries such utility shall be exempt from the operation of this section. [All other laws and parts of laws inconsistent with this chapter are hereby repealed, provided, however, that nothing in this chapter shall be construed to repeal or impair any provision of chapter 397, except as expressly provided in this section with respect to section 397.20.]

Sec. 333. Section five hundred nine A point one (509A.1), Code 1971, is amended as follows:

509A.1 AUTHORITY OF GOVERNING BODY. The governing body of the state, county, school district, [city, town] or any institution supported in whole or in part by public funds may establish plans for and procure group insurance, health or medical service for the employees of the state, county, school district, [city, town] or tax-supported institution.

Sec. 334. Section five hundred nine A point two (509A.2), Code 1971, is amended as follows:

509A.2 SOURCES OF FUNDS. The funds for such plans shall be created [from the following sources:] *solely from the contributions of employees, or from contributions wholly or in part by the governing body.*

[1. Contributions from employees who elect to participate in any such plan, and]

[2. Contributions authorized by the city council from the general fund of said city in amounts not exceeding the aggregate amounts assessed against and collected from employees who elect to participate in any such plan. The funds for each plan shall be kept separately.]

3. [Solely from the contributions of employees, except as provided in subsections 1 and 2 above, for any plan established after July 4, 1962, or from contributions wholly or in part by the governing body.]

Sec. 335. Section five hundred nine A point four (509A.4), Code 1971, is amended as follows:

509A.4 PARTICIPATION OPTIONAL. Participation in any such plan shall be optional with all employees eligible to the benefits thereof as provided by the rules and regulations adopted by the governing body pursuant thereto. Election to participate therein shall be in writing signed by the employee and filed with the [city council] *governing body.*

Sec. 336. Section five hundred nine A point eleven (509A.11], Code 1971, is amended as follows:

509A.11 DEFINITIONS. For purposes of this division the following terms shall have the following meaning:

1. The words "governing body" means the executive council of the state, the board of supervisors of counties, the school boards of school districts, [the city or town council of cities or towns] and the superintendent or other person in charge of an institution supported in whole or in part by public funds.

2. The words "public body" mean the state, a county, school district, [city, town] or institution supported in whole or in part by public funds.

Sec. 337. Section five hundred forty-six A point one [546A.1], Code 1971, is amended as follows:

546A.1 LICENSE REQUIRED. It shall be unlawful for any person, firm or corporation to sell, dispose of, or offer for sale at public auction at any place outside the limits of any city [or town] in the state of Iowa, or within the limits of any city [or town] in the state of Iowa that has not by ordinance [enacted pursuant to the provisions of section 368.6] provided for the licensing of sales by auction, any new merchandise, unless such person, firm or corporation and the owners of such merchandise, if it is not owned by the vendors, shall have first secured a license as herein provided and shall have complied with the regulations hereinafter set forth.

Sec. 338. Section five hundred forty-six A point five (546A.5), Code 1971, is amended as follows:

546A.5 ISSUANCE OF LICENSE. Upon the filing of such application and after the applicant has fully complied with all the provisions of this chapter, the board of supervisors, by its chairman, shall issue to the applicant a license authorizing the holding of such auction sale as proposed in said application. Such license shall not be transferable, and shall be valid only in the county where issued, and shall not be valid in any [town or] city in such county which has

enacted an ordinance [pursuant to section 368.6] *providing for the licensing of auction sales.*

Sec. 339. Section five hundred sixty-five point six (565.6), Code 1971, is amended as follows:

565.6 GIFTS TO MUNICIPAL CORPORATIONS. Counties, [cities, towns, the park board of any city or town, and] civil townships wholly outside of any city [or town], and school corporations, are authorized to take and hold property, real and personal, by gift and bequest; and to administer the same through the proper officer in pursuance of the terms of the gift or bequest. No title shall pass unless accepted by the governing board of the corporation [,] *or* township[, or park board]. Conditions attached to such gifts or bequests become binding upon the corporation [,] *or* township[, or park board] upon acceptance thereof.

Sec. 340. Section five hundred sixty-five point eight (565.8), Code 1971, is amended as follows:

565.8 TAX VOTED TO MAINTAIN. When any county[, city, or town shall receive] *receives* by gift or devise, property, real or personal, for the purpose of establishing any institution of benevolence including hospitals, and no sufficient fund or endowment is provided for its maintenance, or is received upon condition that the donee or devisee provide for aiding the maintenance of such institution by a tax levy upon the assessed property of such municipality, it shall be the duty of the governing board of such municipality to submit by resolution to the qualified electors thereof at a regular or special election the question whether there shall be levied upon the assessed property of such municipality an annual tax not exceeding three-fourths mill on the dollar for the purpose of aiding the maintenance of such institution. The said proposition shall be submitted in the manner provided for similar propositions in the title on elections.

Sec. 341. Section five hundred sixty-five point twelve (565.12), Code 1971, is amended as follows:

565.12 CONDITION AS TO ANNUITY. When a gift or bequest is conditioned upon the payment of an annuity to the donor, or any other person, the governing board of [such municipality] *a county or city* may, upon acceptance of such gift or bequest, agree to pay such annuity providing the amount thereof does not exceed five percent of the amount of the gift or bequest and does not exceed the amount realized from a one mill tax levy upon the taxable property of said municipality.

Sec. 342. Section five hundred sixty-five point thirteen (565.13), Code 1971, is amended as follows:

565.13 ANNUITY TAX. To provide for the payment of such annuity, [said municipality] *the county or city,* through its proper officers, shall annually thereafter levy a tax, not exceeding three-fourths mill *if levied by a county,* sufficient to pay such annuity.

Sec. 343. Section five hundred sixty-five point fourteen (565.14), Code 1971, is amended as follows:

565.14 LIMITATION ON ACCEPTANCE. No agreement shall be made *by a county* unless the annuity provided for therein, and all annuities provided for under prior agreements, may be paid from the proceeds of one annual tax levy of three-fourths mill.

Sec. 344. Section five hundred sixty-six point seventeen (566.17), Code 1971, is amended as follows:

566.17 DELEGATES TO CONVENTIONS. Every [city,] county[, town,] or township having a cemetery under its control may delegate not to exceed two officials from each cemetery so controlled to attend meetings of cemetery officials, and certain expenses, including association dues, not to exceed twenty-five dollars, of said delegates may be paid out of the cemetery fund of said [city,] county[, town,] or township. [The expense of such delegates shall not exceed the expenses allowed under section 360.42.]

Sec. 345. Section five hundred sixty-six point eighteen (566.18), Code 1971, is amended as follows:

566.18 SUBSCRIBING TO PUBLICATIONS. The cemetery officials of every [city,] county[, town,] or township having a cemetery under its control may subscribe to one or more publications devoted exclusively to cemetery management, but said subscriptions may be paid out of the cemetery fund of the [city,] county[, town,] or township.

Sec. 346. Section six hundred thirteen A point three (613A.3), Code 1971, is amended as follows:

613A.3 ACTUAL KNOWLEDGE OF DEFECT AS DEFENSE. In any action subject to the provisions of this chapter [or section 389.12], an affirmative showing that the injured party had actual knowledge of the existence of the alleged obstruction, disrepair, defect, accumulation, or nuisance at the time of the occurrence of the injury, and a further showing that an alternate safe route was available and known to the injured party, shall constitute a defense to the action.

Sec. 347. Section six hundred thirteen A point eight (613A.8), Code 1971, is amended as follows:

613A.8 OFFICERS AND EMPLOYEES DEFENDED. The governing body shall defend any of its officers and employees, whether elected or appointed and, except in cases of malfeasance in office or willful or wanton neglect of duty, shall save harmless and indemnify such officers and employees against any tort claim or demand, whether groundless or otherwise, arising out of an alleged act or omission occurring in the performance of duty. Any independent or autonomous board or commission of a municipality having authority to disburse funds for a particular municipal function without approval of the governing body shall similarly defend, save harmless and indemnify its officers and employees against such tort claims or demands. [This section is intended to confer power in addition to that conferred by section 368A.1.]

Sec. 348. Section seven hundred nine point twenty-five (709.25), Code 1971, is amended as follows:

709.25 LARCENY FROM PARKING METER. If any person opens,

steals, takes and carries away, or attempts to open, steal, take and carry away money, regardless of the value or amount thereof, from a parking meter erected and maintained by a city [or town pursuant to section 390.7], he shall be guilty of larceny from a parking meter and upon the first conviction thereof he shall be punished by imprisonment in the penitentiary or county jail for not more than one year, or by fine of not more than five hundred dollars, or by both such fine and imprisonment; upon each subsequent conviction thereof he shall be punished by imprisonment in the penitentiary for not more than five years, or by fine of not more than one thousand dollars, or by both such fine and imprisonment.

Sec. 349. Section seven hundred fifty point five (750.5), Code 1971, is amended as follows:

750.5 DUTY OF CITY COUNCIL TO INSTALL—COSTS. The council of each city *of two thousand or more population* shall[, and the council of any town may,] install [in such place as said council may determine] at least one [such] locked-in radio receiving set as [may be] prescribed by the commissioner of public safety for use in law enforcement and police work. [The cost of any such installation shall be paid from the public safety fund of said city or town.]

Sec. 350. Section seven hundred fifty point six (750.6), unnumbered paragraph one (1), and subsection one (1), Code 1971, is amended as follows:

750.6 ADDITIONAL COMMUNICATIONS SYSTEMS. [The council of any city or town and the] *The* board of supervisors of any county shall have in addition to the foregoing the discretionary authority:

1. To purchase, lease, own, and maintain additional radio, electronic communications and telecommunications systems as may be deemed necessary by said agency for the efficient operation of the law-enforcement agencies under its jurisdiction, and to pay the cost thereof from the general fund of said county[, or the public safety fund of said city

or town].

EXPLANATION

This bill is basically the unanimous proposal of the Municipal Laws Review Study Committee, which was establshed by the 63rd General Assembly, First Session. The purpose of the bill is to implement the home rule amendment to the Constitution.

The home rule amendment passed the 61st General Assembly by a vote of 55-0 in the Senate and 103-2 in the House of Representatives. It passed the 62nd General Assembly by a vote of 61-0 in the Senate and 113-9 in the House of Representatives, was adopted by the people in 1968 by a vote of 486,749 to 256,236 and thus represents the will of a substantial majority of Iowans.

The present law relating to cities and towns, generally contained in Title XV of the Code, chapters 363 through 420, contains many restrictions upon city and town government, and much detailed "enabling" legislation, permitting cities and towns to exercise powers relating to city government. The home rule amendment now grants all general powers to cities and towns, except taxing powers. Therefore, much of the present law is considered unnecessary and burdensome to cities.

This proposal substitutes the City Code of Iowa, consisting of nine Divisions, for a large part of what is presently Title XV of the Code. However, it provides that both the new and the present law will be in effect for a two-year period, giving cities the option to function under the new law, and if necessary, test its constitutionality in the courts, before present law is repealed or amended.

Following is a brief synopsis of the nine Divisions of the proposed City Code of Iowa:

Division I. Definitions and General Provisions.

Words used repeatedly in the City Code are defined in section two. "City" is defined to mean a municipal corpora-

tion including a town, but not including a county, township, school district, or any special purpose district or authority. It will no longer be necessary to refer to "cities and towns" throughout the Code, although any remaining references to towns are not harmful, as a town is also a city, under this definition.

This Division also includes standards for notice and publication in section three, and for petitions by voters in section four, which are referred to throughout the other eight Divisions. Conflict of interest provisions, as contained in the present law, are included in this Division. Section seven provides that valid city measures adopted before the enactment of this bill will remain valid unless irreconcilable.

The final sections of Division I include a separability clause and a provision for the two-year transition period during which cities may elect to come under the new law, or continue to function under present law.

Division II. Powers and Duties of Cities.

A city's constitutional home rule power is described in broad, general terms in the first sections of this Division. No specific powers are listed, because such a listing might be construed as a limitation upon cities. Instead, certain limits are listed, and in general effect the remainder of the City Code is also a series of limitations upon the general powers of a city under home rule. This Division indicates that when the state has established limits on conduct, such as those related to health and traffic safety, a city may make the limits more restrictive within its jurisdiction, but not less restrictive, and that state procedures are to be substantially followed by a city in the exercise of its powers, where applicable state procedures are given. Other sections describe a city's extraterritorial jurisdiction, authority for joint action, and limits on disposing of an interest in real property.

In Division II, city powers to require railroads to pro-

vide crossing construction and safety devices are stated. The city's duties in relation to city property, and its powers to require abatement of nuisance and to require other actions by property owners, are listed. These provisions are similar to present law.

Division III. City Development.

Part 1 of this Division has definitions applicable to the Division, and Part 2 includes provisions similar to present law, providing for a city to change its name, for cities to agree not to annex specific territory, and for annexation on application of all owners of a territory.

In order to permit better long-range planning and orderly development in the interest of all cities, a city development board is created in Part 3 of this Division, to study and rule upon petitions and plans for incorporation of new cities, discontinuance or consolidation of cities, and annexation or severance of territory.

The city development board consists of three members appointed by the governor. It is a state agency which meets with local representatives from the cities and territories involved to determine if proposals are in the public interest. Proposals approved are still subject to election. This concept, while not in the present Code of Iowa, is a part of Suggested State Legislation proposed by the Advisory Commission on Intergovernmental Relations, and similar legislation was introduced in a recent session of the General Assembly.

Division IV. Organization of City Government.

The present optional forms of city government are described in this Division, including mayor-council, commission, and council-manager forms. Only very minor changes were made in any of these forms, but much repetitious or ambiguous language was removed. In addition, beginning at section fifty-two, a city is provided the option of adopting a home rule charter to control its form of government. The home

rule charter may be proposed by the council, or on petition of the voters a charter commission shall be established. A city may not change its form of government more often than once in six years.

The Committee has sought the assistance of Iowa's four special charter cities in drafting proposals to enable them to continue under their present form of government, and substantial parts of chapter 420 of the Code will be retained for the use of special charter cities only.

Part 2 of this Division includes a description of the major powers and duties of the council and mayor in all cities.

Division V. City Elections.

Since most of the general election law of the state is applicable to city elections, this Division is brief and spells out those provisions which are especially applicable only to city elections. Procedures for a nonpartisan primary or a run-off election in lieu of a primary are included, as well as procedures for determining those elected from a slate of council candidates who run at large.

Division VI. City Legislation.

Legislative measures of a city, including ordinances, amendments to ordinances, resolutions, motions, and city codes are the subject of this Division. The measures are defined in Division I, and methods of adoption are prescribed here.

Generally the methods follow present law although some alternatives are provided for proposing and publicizing ordinances.

In addition, a city is required to compile and adopt a city code, which includes nearly all ordinances in effect, at least once in five years. However, the city code need not be published in bound volumes. The requirement is only that it be compiled in a form accessible to the citizens. A city is also permitted to adopt other codes, such as a standard building code, by reference.

Division VII. City Finance.

Part 1 of this Division deals with taxes and funds.

In the area of taxation, the Committee has adopted a policy of maintaining the present law, except for simplification and rearrangement.

A study of municipal financing, commonly called the "Dubuque Study", and conducted by Baxter-McDonald Company under the combined sponsorship of the City of Dubuque, the League of Iowa Municipalities, and the Office for Planning and Programming, has been the basis for most of the changes made in city budgeting and accounting procedures by this proposal. The Dubuque Study recommends that the seven functional funds be eliminated and their functions combined into the general fund. This recommendation has been incorporated into Part 1 of Division VII. Other funds required or authorized under the present Code, such as debt service, trust and agency, and emergency funds, are retained.

An innovation in city funds is the capital improvements reserve fund, which is limited to an annual levy of two and one-half mills for a specific time and purpose. If the combined general fund and capital improvements reserve fund will exceed thirty mills, the question of establishment of the reserve fund must be submitted to the voters. The Committee believes that such a fund will be a savings to the property taxpayer, because it will eliminate the need to issue bonds and pay high interest rates for some necessary capital improvements.

The separate mill levies itemized in Part 1 of Division VII were considered outside the thirty mill limit on cities and towns, either because the law states that they are not subject to any limitation, because they can be levied only after an election, or because they were not listed in chapter 404 of the Iowa Code as alternate levies.

Other recommendations of the Dubuque Study are incorporated in Part 2 of Division VII. The Study urges that all cities move to a program-performance type of budgeting, and

prepare an operating budget for three years and a capital improvement plan for five years. While conceding the desirability of such provisions, the Committee feels that it is impractical to make such changes an immediate requirement, and so provided for the establishment of a state-level city finance committee, with board representation of city officials knowledgeable in city accounting, to assist cities to move gradually toward these desirable goals. The city finance committee will be under the state comptroller's office, and will establish guidelines to permit transfers of city moneys between or within programs and funds, although major transfers will require a budget amendment process. The committee will hear budget protests. Since these procedures are different to some extent from the present budget process, cities will not be covered by chapter 24 of the Code if this proposal is adopted.

Part 3. General Obligation Bonds.

Parts 3 through 7 of Division VII were prepared with the cooperation of local bond counsel and financial consultants.

Part 3 of this Division controls general obligation bonds issued by a city. General obligation bonds are divided into "essential corporate purpose" bonds and "general corporate purpose" bonds. Bonds for an essential corporate purpose may be issued without an election, while bonds for a general corporate purpose have a "reverse referendum" procedure, whereby the city publishes notice of intent to issue the bonds, and voters may petition for an election. Those purposes listed as "essential" are similar to the purposes for which bonds may be issued without an election under present law.

Part 4. Special Assessments.

Part 4 provides detailed procedures for special assessments and special assessment bonds. This part is a compilation and revision of present law as contained primarily in chapters 391, 391A, and 417 of the Code.

Part 5. Revenue Financing.

Part 5 provides procedures for revenue bond financing and use of pledge orders by a city utility, combined city utility, city enterprise, or combined city enterprise.

Part 6. Contract Letting Procedure.

Part 6 contains procedures regulating contracts for amounts over ten thousand dollars, with a special provision for emergencies.

Division VIII. City Utilities.

The city utilities Division is based upon four present Iowa Code chapters which regulate municipal utilities and utility boards of trustees. This Division requires the question of the original establishment or discontinuance of a city utility, or combined utility system, or the formation or dissolution of a board to administer a city utility, to be submitted to the voters. If a utility board is established it has all powers of a city relating to the administration of the utility, with the exception of taxing and bonding powers, and the power to hold title to real property. The board is also required to make complete reports to the council. It will be permitted to issue revenue bonds under the provisions of Part 5 of Division VII. Presently functioning utility boards may continue to function with the added powers in this Division, unless dissolved by the voters.

Division IX. Administrative Agencies of Cities.

All agencies established by a city except those to administer city utiilties, zoning commissions, and boards of adjustment, or others which may be separately controlled by state law, are subject to the provisions of this Division. These provisions replace over ten chapters of present law. Generally, Division IX provides that the council may establish or dissolve agencies, and designate their powers and duties, as needed. However, some protections for present library and hospital boards are included. The council may not delegate to an administrative agency certain powers relating to revenue

bond financing. As in the case of boards of trustees of municipal utilities, present administrative agencies may continue to function until altered as provided in this Division.

Section 196 of the bill is the main repealer section, which lists the chapters in Title XV which will be completely repealed and replaced by the City Code of Iowa. However, this section and following amendatory sections will not be in effect for a two-year period. During that time, a city may choose to follow present law, or may follow one or more Divisions of the City Code in lieu of present law. In addition to the chapters listed in this section, parts of chapter 420, relating to special charter cities, are to be repealed because they are duplicated in the City Code, but the unique provisions for special charter cities will remain in chapter 420.

The remaining sections of the bill make a number of changes in the Code of Iowa to make it consistent with the provisions of the City Code. Population restrictions and a number of specific and limited grants of power have been removed. Chapter 413 was repealed, so the state department of health is given authority to promulgate and enforce a modern state housing code. In some instances a number of sections which authorized joint bonding action by cities and counties have been moved into the chapters relating to counties. Cities will be able to accomplish bonding under the new provisions in the City Code, but counties will still require specific authority for certain purposes.

Senate 2
January 19, 1972

HOUSE FILE 574

Amend House File 574, as amended, passed, and reprinted by the House, by inserting on page 78, line 32, after the word "pay" the words ", as provided in section three hundred seven point ten (307.10) of the Code,".

Filed and adopted
January 18, 1972

By POTGETER and GAUDINEER

HOUSE FILE 574

Amend the Messerly amendment to House File 574 as amended, passed, and reprinted by the House, filed January 14, 1972, by striking lines 13 and 14 and inserting in lieu thereof the following:

"8. Page 111, after line 28, by adding the following new section:

If a hospital or health care facility is established by a city, the city shall be ordinance provide for the election, at a general, city, or special election, of three trustees, whose terms of office shall be six years; but at the first election, three shall be elected and hold their office, respectively, for two, four, and six years, and they shall by lot determine their respective terms. A board of trustees elected pursuant to this section shall serve as the sole and only board of trustees for any and all institutions established by a city as provided for in this section.

Cities maintaining an institution as provided for in this section which have a board of trustees consisting of three members may by ordinance increase the number of members to five and provide for the appointment of one of the additional members until the next succeeding general or city election, and for the appointment of the other additional member until the second succeeding general or city election. Thereafter, the terms of

office of such additional members shall be six years.

The trustees shall within ten days after their election qualify by taking the oath of office, and organize as a board by the election of one of their number as chairman and one as secretary, but no bond shall be required of them.

The official serving as treasurer of the city shall be the treasurer of the board of trustees, and shall receive and disburse all funds under the control of

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the board as ordered by it, but shall receive no additional compensation for his services. The treasurer shall give bond in a form and amount as determined by the board in its discretion.

No trustee shall receive any compensation for his services performed, but he may receive reimbursement for any cash expenses actually made for personal expenses incurred as trustee, but an itemized statement of all expenses and moneys paid out shall be made under oath by each of the trustees and filed with the secretary and allowed only by the affirmative vote of the full board.

The board of trustees shall be vested with authority to provide for the management, control, and government of the city hospital or health care facility established as permitted by this section, and shall provide all

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needed rules and regulations for the economic conduct thereof and shall annually prepare a condensed statement of the total receipts and expenditures for the hospital or health care facility and cause the same to be published in a newspaper of general circulation in the city in which the hospital or health care faciltiy is located. In the management of the hospital or health care facility no discrimination shall be made against practitioners of any school of medicine recognized by the laws of the state.

As a part of the board's authority it may accept property by gift, devise, bequest or otherwise; and, if the board deems it advisable, may, at public sale, sell or exchange any property so accepted upon a concurring vote of a majority of all members of the board of trustees, and apply the proceeds thereof, or property received in exchange therefor, to any legitimate hospital or health care facility purpose.

The trustees may in their discretion establish a fund for depreciation as a separate fund. Said funds may be invested in United States government bonds and when so invested the accumulation of interest on the bonds so purchased shall be used for the purposes of the depreciation fund; an investment when so made shall remain in United States government bonds until such

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time as in the judgment of the board of trustees it is deemed advisable to use the funds for hospital or health care facility purposes.

Boards of trustees of institutions provided for in this section are granted all of the powers and duties necessary for the management, control and government of the institutions, specifically including but not limited to any applicable powers and duties granted boards of trustees under other provisions of the Code relating to hospitals, nursing homes, and custodial homes irrespective of the chapter of the Code under which such institutions are established, organized, operated or maintained."

Filed and adopted
January 18, 1972

By MESSERLY

HOUSE FILE 574

Amend House File 574 as amended, passed, and reprinted by the House as follows:

1. Page 104, by striking line 35.
2. Page 105, by striking lines 1 through 13, inclusive.

Filed and adopted
January 18, 1972

By DAVIS

EXPLANATION OF AMENDMENT

Chapter 23 (23.18) of the Iowa Code controls the bidding procedures on public improvements. It does not contain the language used in House File 574 with reference to forfeiture of bid security. On page 104, lines 27-34, there is language similar to that used in Chapter 23.18. The language taken out by this amendment is unnecessary and if left in the bill will create a different set of circumstances surrounding the forfeiture of bid security for cities and towns than for other governmental units. There have been no problems in this area with the provisions of Chapter 23.18 controlling.

HOUSE FILE 574

Amend House File 574 as amended, passed and reprinted by the House as follows:

1. Page 6, line 30, by striking the comma.
2. Page 6, by striking line 31.
3. Page 6, line 32, by striking the words, "to that city".

Filed and lost
January 18, 1972

By HILL

Senate 6
January 19, 1972

HOUSE FILE 574

Amend House File 574, as amended, passed, and reprinted by the House, by inserting on page 80, line 28, after the period the words "No special assessment against any lot shall be more than ten percent in excess of the estimated cost, as provided in the preliminary schedule required under section one hundred twenty-five (125) of this Act."

Filed and adopted
January 18, 1972

By POTGETER

HOUSE FILE 574

Amend House File 574, as passed and amended by the House and reprinted, page 40, line 22, by striking the word "ten" and inserting in lieu thereof the word "forty".

Filed and lost
January 18, 1972

By GAUDINEER

HOUSE FILE 574

Amend House File 574 as amended, passed and reprinted by the House, page 89, by inserting after line 9 the following new paragraph:

"However, if a city does not certify the assessments within six months of final publication as required by part four (4) of division seven (VII) of this Act, all such assessments shall be null, void, and of no effect. Any bonds issued with such void assessments as security shall be paid by the city as they become due out of its debt service as provided in section eighty-two (82) of this Act.

Filed and adopted
January 18, 1972

By GAUDINEER and POTGETER

Senate 3
January 12, 1972

HOUSE FILE 574

Amend House File 574 as amended, passed, and reprinted by the House, page 113, after line 5, by adding a new section as follows:

"Sec. ___ Chapter three hundred sixty-eight (368), Code 1971, is repealed except for section three hundred sixty-eight point two (368.2)."

Filed January 11, 1972 — By MOWRY — Withdrawn 1-18-72

HOUSE FILE 574

Amend House File 574 as amended, passed and reprinted by the House as follows:

Page 111, line 10, by striking the comma and words ", without the approval" and by striking line 11 and inserting in lieu thereof a period.

Filed January 11, 1972 — By HILL — withdrawn 1-18-72

HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House, Page 51, line 27, by striking the words "by the council".

Filed January 11, 1972 — adopted 1-13-72 — By COMMITTEE ON CITIES AND TOWNS

HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House as follows:

1. Page 80, line 35 by inserting after the word and comma "teen," the following: "for annual payments or thirty for semi-annual payments,".

2. Page 83, by striking lines 22 through 28 inclusive and inserting in lieu thereof the following:

"6. The council shall provide for annual or semi-annual payment of installments at the election of the property owner. Notwithstanding sub-section 1 through 5 of this section, where semi-annual payments are elected, interest due for the entire year shall be paid with the first assessment due and payable January 1 of each year."

Filed January 11, 1972 — By COMMITTEE ON CITIES AND TOWNS

action deferred 1-13-72
Withdrawn 1-19-72

Senate 4
January 12, 1972

HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House as follows:

1. Page 191, line 17, strike the word "Whenever" and insert in lieu thereof the words "Except as otherwise provided by statute, whenever".

2. Page 191, line 32, insert after the word "thereof" the comma and the words ", except as otherwise provided by statute".

Filed January 11, 1972

By COMMITTEE ON CITIES AND TOWNS

Action Deferred 1-13-72
Adopted as amended 1-14-72

Amend the Gaudineer amendment to House File 574, filed June 4, 1971, page 1, line 16, by striking the word "part" and by inserting in lieu thereof the word "party".

Filed June 7, 1971

By GAUDINEER

Amend House File 574, page 32, line 17, by adding after the word "election." the following:

"When a change in compensation is adopted, it shall be clearly stated in the condensed statement of the proceedings of the council and shall be published within fourteen days in a newspaper of general circulation in the city."

Filed June 8, 1971

By POTGETER

Withdrawn 1-17-72

Amend House File 574, as passed by the House, as follows:

Page 109, by striking all after the word "franchise" in line 24 and all of line 25 , and inserting in lieu thereof a period.

Filed June 17, 1871

By CARLSON

Adopted 1-18-72

SENATE CLIP SHEET
Monday, January 17, 1972

HOUSE FILE 574

Amend House File 574 as amended, passed, and reprinted by the House as follows:

1. Page 3, line 23, by striking the words "which is" and by inserting in lieu thereof the words "any of which are".

2. Page 5, line 24, by inserting after the word "employee" the words "or the spouse or immediate family of such officer or employee".

3. Page 13, insert after line 12 the following new section:

"Sec.___. If a city has established the grade of a street or alley, and any person has made improvements on lots abutting the street or alley according to the established grade, and afterward the grade is altered in a manner to damage, injure, or diminish the value of the improved property, the city shall pay to the owner of the property the amount of such damage or injury.

If a city has opened a street or alley, and any person has made improvements on lots abutting the street or alley or uses such street or alley for ingress or egress, and afterward the street or alley is vacated causing damage or injury or loss of access, or diminishing the value of the improved property, the city shall pay to the owner of the property the amount of

PAGE 2

such damage or injury."

4. Page 15, line 9, insert after the period the following sentence:

"Territory comprising railroad right-of-way may be included in the application without the consent of the railroad if a copy of the application is mailed by certified mail to the owner of the right-of-way, at least ten days prior to the filing of the application with the city council."

5. Page 15, line 24, by striking the words "advice and consent" and by inserting in lieu thereof the words "approval of two-thirds vote".

6. Page 38, line 5, by striking the word ", veto,".

7. Page 38, line 6, by striking the words "ordinance,

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amendment, or resolution" and inserting in lieu thereof the words "amendment or resolution".

8. Page 38, line 6, by adding after the period the following sentence:

"The mayor may only veto an ordinance passed by the council and only if he is not a voting member of the council."

9. Page 38, by striking lines 13 through 22, inclusive, and inserting in lieu thereof the following:

"2. If the mayor vetoes the ordinance, he shall explain his reasons for the veto in a message to the

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council at the time of the veto. Within thirty days after the mayor's veto, the council may pass the ordinance again by a vote of not less than two-thirds of the council members. If the mayor vetoes an ordinance and the council repasses the ordinance after the mayor's veto, a repassage of an ordinance becomes a law when published, unless a subsequent effective date is provided within the ordinance."

10. Page 48, line 1, by striking the word "from" and by inserting in lieu thereof a period.

11. Page 48, by striking lines 2 and 3, inclusive, and by inserting in lieu thereof the following:

"The league of Iowa municipalities may recommend to the governor, city officials for each such position."

12. Page 51, line 6, by inserting after the word "budget" the words "and provide a reasonable number of copies of such budget for public inspection".

13. Page 66, line 1, by inserting after the word "part" the words "if such lots bear common improvements".

14. Page 66, line 32, by striking all after the word "streets" and all of line 33 and by inserting in lieu thereof a period.

15. Page 72, line 18, by inserting after the word "objections" the words "pertaining to the regularity

PAGE 4

of the proceeding and the legality of using the special assessment procedure".

16. Page 76, line 13, by striking the words "within seven days" and by inserting in lieu thereof the words "as soon as practical".

17. Page 76, line 19, by striking all after the word "be" and all of lines 20 through 22, inclusive, and by inserting in lieu thereof the words "taken as in other equity cases."

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18. Page 80, line 34, by inserting after the word "of" the word "annual".

19. Page 82, line 6, by inserting after the word "council" the words "or as reduced by the court".

20. Page 83, line 33, by inserting after the word "proceedings" the words "or legality of the assessment procedure".

21. Page 84, line 8, by striking all after the word "located" and all of lines 9 and 10 and by inserting in lieu thereof the words "but such appeal is only to".

22. Page 84, line 11, by striking the word "and" and by inserting in lieu thereof the following:

", unless such person filed objections with the council prior to the adoption of the resolution of necessity, they shall also be considered; however, such appeal". Amd. 10 - withdrawn 1-18-72

PAGE 5

23. Page 104, lines 10 and 11, by striking the words "five percent, but may not exceed".

24. Page 105, line 5, by inserting after the word "damages" the words "or cashed and held in escrow to apply against the actual damages sustained for such breach of contract".

25. Page 105, line 12, by inserting after the word "damages" the words "or retained and held in escrow to apply against the actual damages sustained for such breach of contract".

26. Page 106, line 12, by striking the words ", construction, or reconstruction".

27. Page 120, line 30, by striking the words "or town," and inserting the word "~~or town,~~".

28. Page 121, line 5, by striking the words ", city or town," and by inserting in lieu thereof the words "~~city or town~~ or city".

29. Page 122, line 33, by striking the word "five" and by inserting in lieu thereof the word "three".

30. Page 123, line 31, by adding thereafter the following new subsection:

"___. All such election precincts shall be established within the boundaries of a representative district as established by law."

31. Page 139, line 2, by striking the words "the

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drug and narcotic laws" and inserting in lieu thereof the words "~~the drug and narcotic laws~~ Senate File 1, Acts of the Sixty-fourth General Assembly, First Session,

and other laws relating to controlled substances".

32. Page 166, line 32, by adding thereafter the following new sentence:

"However, any interest derived from bonds issued by the authority shall be subject to taxation."

Filed January 14, 1972

By GAUDINEER

HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House as follows:

1. Page 81, line 15, insert after the period the words "Such notice shall also include a statement in substance that assessments may be paid in full without interest within thirty days after the date of certification, and thereafter all unpaid special assessments will draw annual interest at seven percent, computed to the June first next following the due dates of the respective installments, and each installment will be delinquent on March thirty-first following its due date, and will draw additionally the same delinquent interest and the same penalties as ordinary taxes. Such notice shall also state substantially that property owners may elect to pay any installment semiannually in advance."

2. Page 83, strike lines 22 through 28 and insert in lieu thereof the following:

"6. Any property owner may elect to pay one-half of any annual installment of principal and interest of a special assessment in advance, with the second semiannual payment of ordinary taxes collected in the year preceding the due date of such installment. The county treasurer shall accept such partial payment of the special assessment, and shall credit the next annual installment of such special assessment to the extent of such payment, and shall remit the payments to the city."

Filed and adopted January 17, 1972

By DODERER and POTTER

HOUSE FILE 574

Amend House File 574 as amended and passed by the House as follows:

1. Page 7A, strike all of lines 4 and 5 and the words "general assembly," in line 6 and insert in lieu thereof the following:

"Sec. 10. Municipal corporations are granted home rule power and authority, not inconsistent with the laws of the General Assembly, to determine their local affairs government, except that they shall not have power to levy any tax unless expressly authorized by the General Assembly. The rule or proposition of law that a municipal corporation possesses and can exercise only those powers granted in express words is not a part of the law of this state, and in furtherance thereof, a city may".

2. Page 7A, strike all of lines 14 through 18 inclusive.

3. Page 7A, renumber the remaining subsections of Sec. 11 to conform.

Filed January 13, 1972 Lost 1/14

By MOWRY and MESSERLY

HOUSE FILE 574

Amend the Cities and Towns Committee amendment filed January 10, 1972 to page 5, line 2, by striking "or town" and inserting in lieu thereof the following: "~~or town~~".

Filed and adopted January 13, 1972

By GAUDINEER

HOUSE FILE 574

Amend the Gaudineer amendment filed January 10, 1972, to pages 55, 56, and 57 of House File 574, as amended and passed by the House, by striking lines 4 through 12 and inserting in lieu thereof the following:

"2. Page 55, lines 6 and 7, strike the words 'or convenient'.

3. Page 56, line 20, strike the words 'or convenient'.

4. Page 57, lines 5 and 6, strike the words 'or convenient'".

Filed and adopted January 13, 1972

By GAUDINEER

HOUSE FILE 574

Amend the Carlson amendment filed June 4, 1971, to page 108, House File 574, as passed and reprinted by the House as follows: line 6, by striking the words "to the state library,".

Filed

By CARLSON adopted 1-18-72

Senate 3
January 14, 1972

HOUSE FILE 574

Amend House File 574 as amended and passed by the House page 7A by striking all of line 16 after the period and all of lines 17 and 18.

Filed January 13, 1972 ~~Rejected~~ By MOWRY and MESSERLY Lost 1-14

HOUSE FILE 574

Amend House File 574, as passed and reprinted by the House as follows:

1. Page 42, by striking lines 15 through 35 inclusive, and page 43, by striking lines 1 through 8, inclusive.
2. By renumbering the following sections accordingly.

Filed January 13, 1972 Lost 1-18-72 By BALLOUN

HOUSE FILE 574

Amend House File 574, as passed and reprinted by the House, as follows:

1. Page 42, by striking all of lines 21 through 27, inclusive.
2. Page 42, line 28, by striking the first "the" and inserting in lieu thereof the word "The".

Filed January 13, 1972 By BALLOUN and MESSERLY adopted 1-18-72

Div. 2 of HOUSE FILE 574

Amend the Committee on Cities and Towns amendment filed January 12, 1972, to House File 574, as amended and passed by the House, by adding the following:

"4. Page 38, insert after the period in line 2 the words 'A motion to spend public funds in excess of ten thousand dollars on any one project, or a motion to accept public improvements and facilities upon their completion, also requires an affirmative vote of not less than a majority of the council members.'"

Filed January 13, 1972 By POTTER adopted 1-14

SENATE CLIP SHEET
Thursday, January 13, 1972

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, as follows:

1. Page 60, strike lines 6 through 35, and strike lines 1 through 7 on page 61, and insert in lieu thereof the following:

"2. Before the council may institute proceedings for the issuance of bonds for a general corporate purpose, it shall call a special city election to vote upon the question of issuing the bonds. At the election the proposition must be submitted in the following form:".

2. Renumber remaining subsections of section 104.

3. Page 62, line 19, strike the words "petitions and".

Filed January 12, 1972 adopted 1-18-72 By HILL

HOUSE FILE 574

Amend House File 574 as passed and reprinted by the House, page 11, line 34, by inserting after the word "wood" the following: ", except as stated in section twenty (20), subsection two (2), paragraph c of this Act".

Filed January 12, 1972 adopted 1-17-72 By DE KOSTER

HOUSE FILE 574

Amend House File 574 as amended and passed by the House as follows: Page 135, line 7, by striking lines 7 through 14 inclusive.

Filed January 12, 1972 Withdrawn 1-13-72 By SMITH

HOUSE FILE 574

Amend House File 574, as amended, reprinted and passed by the House, as follows:

Page 33, line 13, after the word "hold", by inserting the word and comma "general,".

Filed January 12, 1972 adopted 1-13-72 By POTTER

Senate 2
January 13, 1972

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, by striking from page 135 lines 9 through 14 and inserting in lieu thereof the following:

"3. Payment of all or part of the cost of construction and maintenance of bridges in cities ~~and towns~~ having a population of eight thousand or less and all or part of the cost of construction of roads located within ~~an incorporated town~~ a city, of less than four hundred population, which lead to state parks."

Filed January 12, 1972 adopted 1-13-72 By POTTER

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, by inserting on page 60 in line 12 after the word "Act" the words ", except that the notice must be published not less than twenty-five nor more than forty days before the date of the meeting".

Filed January 12, 1972 adopted 1-13-72 By MESSERLY and POTTER

HOUSE FILE 574

Am. 1 - adopted 1-13-72
Am. 2 - deferred 1-13-72
Am 2 - amended & adopted 1-14-72

Amend House File 574, as amended and passed by the House, as follows:

1. Page 4, line 10, insert after the comma the words "or in the case of ordinances and amendments to be published in a city in which no newspaper is published,".

2. Page 8B, line 38, strike the words "the person who owns all the " and insert in lieu thereof the words "any person or persons who own".

3. Page 38, line 1, strike the words "a measure" and insert in lieu thereof the words "an ordinance, amendment, or resolution".

Filed January 12, 1972 By COMMITTEE ON CITIES AND TOWNS

HOUSE FILE 574

Amend House File 574, as amended, reprinted and passed by the House, as follows:

Page 31, line 33, by striking the words and comma "the state library,".

Filed January 12, 1972 adopted 1-13-72 By POTTER and DE KOSTER

SENATE CLIP SHEET
Wednesday, January 12, 1972

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, as follows:

Page 33, line 14, by striking the words "All applicable", and by striking all of lines 15, 16, and 17.

Filed January 11, 1972 adopted 1-17-72 By HILL

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, as follows:

1. Page 7A by striking lines 19 and 20.
2. By renumbering the lines accordingly.

Filed January 11, 1972 Withdrawn 1-14-72 By COLEMAN

HOUSE FILE 574

Amend House File 574, as amended and passed by the House as follows: Page 82, by striking all of lines 20 through 27 and inserting in lieu thereof the following:

"Sec. 142. The right of way of a railway company is subject to special assessment for public improvements but payment of such assessment shall be suspended, without interest, so long as said right of way is used exclusively as an operating right of way. The entire amount of any such assessment is due and payable in full within one year of the abandonment of right of way service or commencement of the use of said right of way for a purpose other than railroad transportation. Such assessment shall constitute a lien upon the right of way property and shall be payable by the titled owner thereof."

Filed January 11, 1972 Withdrawn 1-18-72 By GRIFFIN

Senate 2
January 12, 1972

HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House by striking from page 60, line 31 the word "qualified".

Filed January 11, 1972 Withdrawn 1-18-72 By MESSERLY

HOUSE FILE 574

Amend House File 574 as amended, passed, and reprinted by the House as follows: Page 8A, by striking lines 17 through 35 inclusive, and on page 8B, by striking lines 36 through 42 inclusive, and inserting in lieu thereof the following:

"Sec. 16 A city may not dispose of an interest in real property by sale, lease for a term of more than three years, or gift, except in accordance with the following procedure:

1. The council shall set forth its proposal in a resolution and shall publish notice as provided in section three (3) of this Act, of the resolution and of a date, time, and place of a public hearing on the proposal.

2. After the public hearing, the council may make a final determination on the proposal by resolution.

3. A city may not dispose of real property by gift except to a governmental body for a public purpose."

Filed January 11, 1972 adopted 1/17/72 By NEU

HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House, as follows:

1. Page 15, by inserting after line 17 the following new section

"Sec.____. Any territory may be severed upon the unanimous consent of all owners of the territory and approved by resolution of the council of the city in which the territory is located. The council shall provide in the resolution for the equitable distribution of assets and equitable distribution and assumption of liabilities of the territory as between the city and the severed territory. The severance shall be completed upon filing the resolution as provided in section forty-one (41), subsection two (2) of this Act."

2. By renumbering sections and correcting internal references to conform with this amendment.

Filed January 11, 1972 adopted 1-17-72 By RILEY

Senate 2
January 11, 1972

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, as follows:

1. Page 112, line 11, by striking the words, figures and comma (,), "three hundred sixty-eight (368),".

2. Page 7A, by striking lines 12 and 13 and inserting in lieu thereof the following:

"1. Municipal corporations are granted home rule power and authority, not inconsistent with the laws of the General Assembly, to determine their local affairs and government, except that they shall not have power to levy any tax unless expressly authorized by the General Assembly. The rule or proposition of law that a municipal corporation possesses and can exercise only those powers granted in express words is not a part of the law of this state."

Filed January 10, 1972

By MOWRY
MESSERLY

EXPLANATION OF HOUSE FILE 574

Section 368.2, 1971 Code, is the home rule construction statute of 1962, 60th General Assembly, Chapter 235. Its constitutionality was upheld as to implied powers granted with specific ones, in Richardson v. City of Jefferson, 134 N.W. 2d 528. This Amendment prevents its repeal. Then the substituted language of this Amendment to Section 11, subsection 1, recites and adopts the Constitutional Amendment of 1968.

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, page 8A, by striking lines 9 through 12, inclusive, and inserting in lieu thereof the following:

"Cities may pay, out of the general fund, annual dues to the league of Iowa municipalities, provided that the sum total of annual dues collected by the league from cities shall not exceed ninety thousand (90,000) dollars. In addition they may pay out of the general fund the actual expenses of delegates to the annual conference of the league. The league shall keep and make such accounts and reports as shall be required by the state municipal accounting department, and the same shall be annually checked by said department."

Filed adopted 1/17/72
January 10, 1972

By SHAFF
MESSERLY

Senate 3
January 11, 1972

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, as follows:

1. Page 3, line 26, strike the words "or useful".
2. Page 55, lines 6 and 7, strike the words "useful or convenient" and insert in lieu thereof the word "necessary".
3. Page 56, lines 19 and 20, strike the words "useful or convenient" and insert in lieu thereof the word "necessary".
4. Page 57, lines 5 and 6, strike the words "useful or convenient" and insert in lieu thereof the word "necessary".
5. Page 57, line 11, strike the word "useful" and insert in lieu thereof the word "necessary".
6. Page 118, lines 32 and 33, strike the words "useful and convenient" and insert in lieu thereof the word "necessary".
7. Page 151, line 27, strike the words "useful and convenient" and insert in lieu thereof the word "necessary".
8. Page 154, line 1, strike the words "useful and convenient" and insert in lieu thereof the word "necessary".

Filed January 10, 1972 By GAUDINEER

Sens., 1-5-6-7-8 withdrawn 1-13-72
action Deferred 1-13-72
adopted as amended 1-13-72

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, by inserting on page 7A, after the period in line 10, the following: "This grant of home rule powers does not include the power to enact private or civil law governing civil relationships, except as incident to an exercise of an independent city power."

Filed January 10, 1972 By GAUDINEER

adopted 1-13-72

HOUSE FILE 574

Amend House File 574, page 8B, lines 43 and 44, by striking the words "having a population of five thousand or more".

Filed January 10, 1972 By POTGETER

adopted 1/17/72

Senate 4
January 11, 1972

HOUSE FILE 574

House File 574, as amended and passed by the House, is amended as follows:

1. Page 6, line 21, strike the figure "1971" and insert in lieu thereof the figure "1972".

2. Page 6, line 24, strike the figure "1973" and insert in lieu thereof the figure "1974".

3. Page 6, line 25, strike the figures "1971" and "1973" and insert in lieu thereof the figures "1972" and "1974" respectively.

Sen. adopted 1-13-72

4. Page 6, line 30, insert after the word "divisions" the words "or parts of a division".

5. Page 6, line 34, strike the figure "1973" and insert in lieu thereof the figure "1974".

6. Page 7A, line 5, strike the word "and" and insert in lieu thereof the words ", and if".

7. Page 10, after line 35, insert the following new section:

"Sec.___. All railway companies shall construct and repair all street improvements between the rails of their tracks, and one foot outside, at their own expense, unless by ordinance the railway is required to improve other portions of the street, and in that case the railway shall construct and repair the improvement of that part of the street specified by the ordinance, and the improvement or repair must be

of the material and character ordered by the city, and must be done at the time the remainder of the improvement is constructed or repaired.

When an improvement is made, the company shall lay rail as required by the council, and shall then keep up to grade that part of the improvement they are required to construct or maintain.

If a railway fails or refuses to comply with the order of the council to construct or repair an improvement, the work may be done by the city and the expense shall then be assessed upon the property of the railway company, for collection in the same manner as a property tax. A tax assessed under this section shall also be a debt due from the railway, and may be collected in an action at law in the same manner as other debts."

8. Page 18, lines 30 and 31, strike the words "The committee may consider any information relevant to the proposal."

9. Page 20, line 20, insert after the word "incorporation" the words "or discontinuance".

10. Page 20, line 21, insert after the word

"territory" the words "or city".

11. Page 35, strike lines 28 through 30.

12. Page 57, line 10, strike the word "water" and

insert in lieu thereof the word "waterways".

13. Page 62, line 1, strike the word and figure "four (4)" and insert in lieu thereof the word and figure "three (3)".

14. Page 62, line 13, strike the words and figures "four (4) and five (5)" and insert in lieu thereof the words and figures "three (3) and four (4)".

15. Page 98, lines 2 and 3, strike the words "by resolution".

16. Page 98, line 9, strike the words "by resolution".

17. Page 98, line 19, after the period insert the following: "Rates must be established by ordinance of the council or by resolution of the trustees, published in the same manner as an ordinance."

18. Page 98, line 22, strike the word "resolution" and insert the words "ordinance of the council or by resolution of the trustees published in the same manner as an ordinance,".

19. Page 104, line 18, after the word "be" insert the word "in".

20. Page 106, line 13, strike the word "to" and insert in lieu thereof the word "of".

21. Page 106, line 20, insert after the word "repairs" the words ", construction, or reconstruction".

Lost 1-13-72

22. Page 106, line 22, insert after the word "repairs" the words ", construction, or reconstruction".

23. Page 110, lines 2 and 3, strike the words ", collect, or dispense charges" and insert in lieu thereof the words "and collect charges, and dispense the moneys received".

adopted 1-13-72

24. Page 118, after line 27, insert the following new section:

"Sec. ___. Section twenty-six point six (26.6), Code 1971, as amended by chapter one hundred sixty-five (165), section forty-five (45), Acts of the Sixty-fourth General Assembly, First Session, is amended to read as follows:

26.6 POPULATION OF COUNTIES, TOWNSHIPS, CITIES, AND TOWNS. Whenever the population of any county, township, city, or town is referred to in any law of this state, it shall be determined by the last preceding

certified~~,-or-certified-and-published,-official~~ federal census unless otherwise provided. ~~However,-the-population-figure-disclosed-for-any-city-or-town-as-the-result-of-a-special-federal-census-as-modified-as-the-result-of-consolidation-or-annexation-in-the-manner-provided-in-sections-312.3,-and-123.50,-shall-be-considered-for-no-other-purposes-than-the-application-of-sections-123.50,-312.3-and-the-provisions-of-this-division.~~

Whenever a special federal census is hereafter taken by any city or town, the mayor and council shall certify the ~~said~~ census as soon as possible to the secretary of state and to the treasurer of state as otherwise herein provided, and failing to do so, the treasurer of state shall, after six months from the date of ~~said~~ the special census, turn over such moneys as authorized by sections 123.50 ~~and~~, 312.3 and the provisions of chapter 165, division IV, Acts of the Sixty-fourth General Assembly, First Session, to the general fund of the state, and continue to do so until such time as certification by ~~said~~ the mayor and council is made, or until the next decennial federal census. If there be a difference between the original certified record in the office of the secretary of state and the published census the former shall prevail."

25. Page 118, line 33, strike the word "convenient" and insert in lieu thereof the word "necessary".

26. Page 123, strike lines 34 and 35, and page 124, strike lines 1 through 8, and insert in lieu thereof the following:

"as amended by chapter one hundred (100), section one (1), Acts of the Sixty-fourth General Assembly, First Session, is amended to read as follows:

49.7 PORTIONS OF TOWNSHIPS COMBINED. No precinct

shall contain different townships or parts thereof, except for other than city elections where the board of supervisors has combined two or more contiguous townships into one election precinct or where, by reason of the existence of a village or ~~incorporated-town~~ city of less than two thousand population on or near a township line, the board of supervisors may create a voting precinct in compact form, from ~~said-town~~ the city or village, and may include ~~therein~~ territory adjoining and adjacent to ~~said~~ the village or ~~town~~ city, which is situated in two or more townships."

27. Page 124, strike lines 9 through 13.

28. Page 139, strike lines 14 through 35, and page 140, strike lines 1 and 2.

29. Page 151, line 27, strike the word "convenient" and insert in lieu thereof the word "necessary".

and insert in lieu thereof the word "necessary".

30. Page 154, line 1, strike the word "convenient" and insert in lieu thereof the word "necessary".

31. Page 162, line 31, strike the word "legal" and insert in lieu thereof the word "qualified".

32. Page 170A, line 18, strike the word "qualified" and insert in lieu thereof the words "~~legal~~ qualified".

33. Page 175, strike lines 24 through 35, and page 176A, strike lines 1 through 4 and insert in lieu thereof the following:

PAGE 7

"teen (358B.16), Code 1971, as amended by chapter two hundred five (205), section one (1), Acts of the Sixty-fourth General Assembly, First Session, is amended to read as follows:

358B.16 WITHDRAWAL OF CITY ~~OR TOWN~~ FROM DISTRICT. ~~Whenever any incorporated~~ A city ~~or town, having maintained a library pursuant to the provisions of chapter 378 for at least ten years and having levied a tax of its own for the same purpose, shall decide to~~ may withdraw from the county library district, ~~it may do so~~ by giving notice by certified mail to the board of library trustees of ~~said~~ the county library and the county auditor prior to July 10, ~~by the governing body of said incorporated city or town, of its withdrawal from the county library district,~~ and on that date shall cease to be a part of or included in ~~said~~ the county library district.

34. Page 182, line 4, strike the first comma, following the figure "(420.14)" and insert in lieu thereof the word "through".

35. Page 188, strike lines 3 through 17, and insert in lieu thereof the following:

"(453.9), unnumbered paragraph one (1), Code 1971, as amended by chapter two hundred twenty-one (221), section three (3), Acts of the Sixty-fourth General

PAGE 8

Assembly, First Session, is amended to read as follows:

453.9 INVESTMENT OF SINKING FUNDS. The governing council or board who by law are authorized to direct the depositing of funds shall be authorized to direct the treasurer or other designated financial officer to invest any fund not an active fund needed for current use and which is being accumulated as a sinking fund for a definite purpose, the interest on which is used for the same purpose, in savings accounts in banks, in the certificates or warrants provided by section 454.19, or make time deposits of such funds as provided in this chapter and receive time certificates of deposit therefor, or in bonds or other evidences of indebtedness issued, assumed, or guaranteed by the United States

of America, or by any agency or instrumentality thereof, or in local certificates or warrants issued by any municipality or school district within the county, or in municipal or school district bonds which constitute a general liability, and the treasurer or other officer when so directed shall so invest such fund."

36. Page 189, strike line 18 and insert in lieu thereof the following:

"Upon all cities for public purposes which are reasonable and necessary as an incident to the powers and duties conferred upon cities."

PAGE 9

37. By renumbering sections and correcting internal references to conform with this amendment.

Filed
January 10, 1972

By COMMITTEE ON CITIES AND TOWNS

HOUSE FILE 574

Amend House File 574 as amended and passed by the House as follows:

1. Page 112, line 12 by striking the word and numbers "three hundred sixty-eight A (368A),".

2. Page 113, by adding the following new section after line 5:

"Sec. ___ All of chapter three hundred sixty-eight A (368A), Code 1971, except three hundred sixty-eight A point twelve (368A.12), Code 1971, shall be repealed."

Filed
January 14, 1972

Lost 1-18-72

By MOWRY

HOUSE FILE 574

Amend House File 574, as amended, passed, and reprinted by the House, page 105, line 16, by striking the words, "after the award of contract has been made." and inserting in lieu thereof the following: "as soon as the successful bidder is determined or within thirty days whichever is sooner."

Filed and adopted
January 18, 1972

By LAMBORN, POTTER and GAUDINEER

HOUSE FILE 574

Amend House File 574 as amended, passed, and reprinted by the House as follows:

Page 78, lines 24 and 25, by striking the words "from any funds of the state not otherwise appropriated" and inserting in lieu thereof the words "as provided in section three hundred seven point ten (307.10) of the Code".

Filed January 13, 1972 adopted 1-18-72

By GAUDINEER

HOUSE FILE 574

Amend the Committee on Cities and Towns amendment, filed January 11, 1972, to page 191 of House File 574, as amended and passed by the House, as follows:

1. Line 4, strike the word "statute" and insert in lieu thereof the words and figure "chapter two hundred sixteen (216), Acts of the Sixty-fourth General Assembly, First Session".

2. Line 7, strike the word "statute" and insert in lieu thereof the words and figure "chapter two hundred sixteen (216), Acts of the Sixty-fourth General Assembly, First Session".

Filed January 13, 1972 adopted 1-14

By POTTER

HOUSE FILE 574

Amend House File 574 as amended and passed by the House and reprinted as follows:

1. Page 82, by striking in line 7 the following: "However, special" and by inserting in lieu thereof the word, "Special".

2. Page 82, by striking in line 11 the word, "not".

Filed and adopted January 18, 1972

By POTGETER and GAUDINEER

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, by striking from page 40, lines 24 and 25, the words "one and one-fourth mills in any year" and inserting in lieu thereof the words "the amount derivable from the maximum millage which counties are permitted to levy for road purposes on such property".

Filed and lost January 18, 1972

By KENNEDY, VAN DRIE, CARLSON, MILLER and DODERER

Amend House File 574, page 73, line 11, by striking the word "ten" and inserting in lieu thereof the word "fifteen".

Filed June 9, 1971 adopted 1-18-72

By POTGETER

Senate 4
January 14, 1972

HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House, as follows:

1. Page 57, insert after line 22 the following new paragraphs:

"____. The equipping of fire, police, sanitation, street, and civil defense departments."

"____. The acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of receiving vaults, mausoleums, and other cemetery facilities."

"____. The acquisition of ambulances and ambulance equipment."

2. Page 58, strike lines 7 through 12 inclusive and reletter the remaining paragraphs.

Filed
January 13, 1972 adopted 1-18-72

By HILL

HOUSE FILE 574

Amend House File 574 as amended, passed and reprinted by the House as follows:

1. Page 114 by striking all after the period in line 17 through the period in line 27 and inserting in lieu thereof the following: "~~If the~~ A city or town, merged area or school district may elect, by resolution of the governing body to have the audit made by certified or registered public ~~accountants, they must so notify the auditor of state~~ accountant, within sixty (60) days after the close of the fiscal year to be ~~examined and towns electing to have their audit made by a certified public accountant must so notify the state auditor by resolution of the council designating the name of the person or firm to be employed at least ninety days prior to the end of a fiscal year~~ audited. Such resolution shall designate the name of the person or firm to be employed to conduct such audit. The auditor of state shall be notified of such election by furnishing the auditor a certified copy of the resolution of such election. Such audit shall not be commenced before two weeks after acknowledgment of receipt of such resolution by the auditor. It shall be the duty of the auditor to acknowledge receipt thereof within five days after receipt of such certified copy of such resolution."

2. Page 116 by striking lines 21 and 22 and inserting in lieu thereof the following:

"1. An annual report to the governor and general assembly of all municipal financial operations."

Filed
January 13, 1972 Lost 1-18-72

By MOWRY

Senate 5
January 17, 1972

HOUSE FILE 574

Amend House File 574 as passed and reprinted by the House as follows:

Page 24, by inserting after line 10 the following new paragraph.

"A city governed by the mayor-council form composed of a mayor and a council consisting of two councilmen elected at large, and one councilman from each of four wards, may continue until the form of government is changed as provided in section forty-five (45) or section fifty-two (52) of this Act. While a city is thus operating with an even number of councilmen, the mayor may vote to break a tie vote on motions."

Filed January 14, 1972 adopted 1/17/72

By VAN DRIE

HOUSE FILE 574

Amend House File 574 as amended, passed and reprinted by the House, as follows: Page 54, line 19, after the period insert the words "A copy of this report must be furnished to the auditor of state."

Filed January 14, 1972 adopted 1-17-72

By POTTER

HOUSE FILE 574

Amend House File 574 as amended, passed and reprinted by the House as follows:

1. Page 110, line 32, by striking the words "or a city".
2. Page 110, line 33, by striking the words "hospital board of trustees".
3. Page 111, line 1, by striking the word "boards" and inserting in lieu thereof the word "board".
4. Page 111, line 5, by striking the words "or hospital".
5. Page 111, line 7, by striking the words "or hospital".
6. Page 111, by striking lines 8,9,10 and 11.
7. Page 111, line 13, by striking the words "or hospital".
8. Page 112, line 21, by striking the following: "three hundred eighty (380)".

Filed January 14, 1972 Deferred 1-18-72 adopted as amended 1-18-72

By MESSERLY

Senate 2
June 9, 1971

HOUSE FILE 574

Amend House File 547, as amended and passed by the House, as follows:

1. Page 13, insert after line 12 the following new section:

"If a city has established the grade of a street or alley, and any person has made improvements on lots abutting the street or alley according to the established grade, and afterward the grade is altered in a manner to damage, injure, or diminish the value of the improved property, the city shall pay to the owner of the property the amount of such damage or injury.

If a city has opened a street or alley, and any person has made improvements on lots abutting the street or alley or uses such street or alley for ingress or egress, and afterward the street or alley is vacated causing damage or injury or loss of access, or diminishing the value of the improved property, the city shall pay to the owner of the property the amount of such damage or injury."

2. Page 15, line 9, insert after the period the following sentence:

"Territory comprising railroad right-of-way may be included in the application without the consent of the railroad if a copy of the application is mailed by certified mail to the owner of the right-of-way, at least ten days prior to the filing of the application with the city council."

PAGE 2

3. Page 32, strike lines 32 through 35, inclusive, and renumber the remaining subsection.

4. Page 34, line 32, insert after the word "by" the word "qualified".

5. Page 35, line 8, insert after the word "one" the word "eligible".

6. Page 38, strike lines 5 and 6.

7. Page 38, strike lines 7 through 28, inclusive, and insert in lieu thereof the following:

"Sec. ___. Motions passed by the council become effective immediately, a resolution becomes effective when the clerk attests to its passage, and an ordinance or amendment becomes a law when published, unless a subsequent effective date is provided within the measure."

8. Page 139, line 2, strike the words "the drug and narcotic laws" and insert in lieu thereof the words "~~the drug and narcotic laws~~ Senate File 1, Acts of the Sixty-fourth General Assembly, First Session, and other laws relating to controlled substances".

9. Renumber sections and correct internal references in accordance with this amendment.

Filed
June 8, 1971

By GAUDINEER

Withdrawn
1-18-72

Senate 4
June 9, 1971

HOUSE FILE 574

Amend House File 574, page 11, line 28, by striking the second word "the" and inserting in lieu thereof the word "reasonable".

Filed June 8, 1971 — Withdrawn 1-17-72 — By POTGETER

HOUSE FILE 574

Amend House File 574, page 8, lines 43 and 44, by striking the words "having a population of five thousand or more".

Filed June 8, 1971 — Withdrawn 1-17-72 — By POTGETER

HOUSE FILE 574

Amend House File 574, page 46, line 33, by adding after the word "Code" the words ", subject to the provisions of subsection two (2) of this section".

Filed June 8, 1971 — Withdrawn 1-18-72 — By POTGETER

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 82, line 6, by inserting after the word "council" the words ", except that the assessment for lots of more than ten acres used for agricultural or horticultural purposes shall not exceed ten percent of the value of the lot".

2. Page 82, line 11, by inserting after the word "apply" the words "except for lots of more than ten acres used for agricultural or horticultural purposes".

Div. 1 Lost 1-18

Div. 2

Filed June 8, 1971 — Div. 2 adopted 1-18-72 — Vote Reconsidered — Div. 2 withdrawn 1-18-72 — By POTGETER

HOUSE FILE 574

Amend House File 574, page 12, line 14, by striking the first word "the" and inserting in lieu thereof the word "reasonable".

Filed June 8, 1971 — Withdrawn 1-17-72 — By POTGETER

Senate 9
June 8, 1971

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 15, line 28, by inserting after the word "reappointment" the words ", but no member shall serve more than two complete six year terms".

2. Page 15, line 30, by striking the word "forty" and inserting in lieu thereof the word "thirty".

3. Page 17, by striking lines 28 and 29 and inserting in lieu thereof the words "his actual and necessary expenses spent in performance of committee duties.".

4. Page 18, line 30, by striking the word "may" and inserting in lieu thereof the word "shall".

Filed
June 7, 1971

By POTGETER

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 48, line 1, by striking all after the word "select" and striking lines 2 and 3 and inserting in lieu thereof the words "and appoint, with the approval of two-thirds of the members of the senate, the city officials.".

2. Page 48, line 5, by striking the words "by the governor" and inserting in lieu thereof the words "and appointed by the governor, with the approval of two-thirds of the members of the senate".

Filed
June 7, 1971

adopted 1-18-72

By POTGETER

HOUSE FILE 574

Amend House File 574, page 89, line 2, by inserting after the word "correction" the words "if the ownership of the property has not changed".

Filed
June 7, 1971

Deferred 1-18-72

Withdrawn 1-18

By POTGETER

Senate 10
June 8, 1971

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 78, by striking lines 24 and 25 and inserting in lieu thereof the words "pay assessments from funds appropriated by the state legislature.".

2. Page 78, line 33, by inserting after the word "owned" the words "with funds appropriated by the state legislature".

Filed June 7, 1971 By POTGETER

HOUSE FILE 574

Amend House File 574 as follows:

1. Page 110, line 32, strike the words "library board of trustees or a city".

2. Page 111, line 1, strike the words "the boards" and insert in lieu thereof the words "a board".

3. Page 111, line 5, strike the words "library or".

4. Page 111, lines 6 and 7, strike the words "library or".

5. Page 111, line 13, strike the words "library or".

Filed June 7, 1971 By GROSS

HOUSE FILE 574

Amend House File 574, page 48, line 18, by inserting after the word "reappointment" the words ", but no member shall be appointed to serve more than two complete terms".

Filed June 7, 1971 By POTGETER

HOUSE FILE 574

Amend House File 574, page 48, line 26, by striking the word "forty" and inserting in lieu thereof the word "thirty".

Filed June 7, 1971 By POTGETER

Senate 4
June 7, 1971

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, as follows:

1. Page 3, line 23, by striking the words, "which is" and by inserting in lieu thereof the words, "any of which are".

2. Page 3, line 26, by striking the words, "or useful".

3. Page 5, line 24, by inserting after the word, "employee" the words, "or the spouse or immediate family of such officer or employee".

4. Page 7, line 9, by inserting after the word, "residents." the following:

"However, a city shall not be empowered to create any rights, duties, or obligations between its residents or its residents and nonresidents to which the city is not, also, an indispensible part."

5. Page 11, by striking lines 11 through 16, inclusive, and by inserting in lieu thereof the words, "nuisances. In addition thereto:". By relettering the remaining subsections to conform to this amendment.

6. Page 12, line 25, by striking the word "may" and by inserting in lieu thereof the word, "shall".

7. Page 15, line 24, by striking the words, "advice and consent" and by inserting in lieu thereof the words, "approval of two-thirds vote of".

PAGE 2

8. Page 48, line 1, by striking the word, "from" and by inserting in lieu thereof a period.

9. Page 48, by striking lines 2 and 3 and by inserting in lieu thereof the following:

"The league of Iowa municipalities may recommend to the governor, city officials for each such position."

10. Page 51, line 6, by inserting after the word, "budget" the words, "and provide a reasonable number of copies of such budget for public inspection".

11. Page 52, line 28, by striking the word, "qualified" and by inserting in lieu thereof the word, "eligible".

12. Page 52, line 30, by inserting after the word, "ten" the words, "nor more than five hundred".

13. Page 55, lines 6 and 7, by striking the words, "useful or convenient" and by inserting in lieu thereof the word "necessary".

14. Page 56, lines 19 and 20, by striking the words, "useful or convenient" and by inserting in lieu thereof the word "necessary".

15. Page 57, lines 5 and 6, by striking the words,

"useful or convenient" and by inserting in lieu thereof the word "necessary".

16. Page 57, line 11, by striking the word, "useful" and by inserting in lieu thereof the word, "necessary".

17. Page 60, line 31, by striking the word, "qualified" and by inserting in lieu thereof the word, "eligible".

18. Page 66, line 1, by inserting after the word, "part" the words, "if such lots bear common improvements".

19. Page 66, line 32, by striking all after the word, "streets" and all of line 33 and by inserting in lieu thereof a period.

20. Page 72, line 18, by inserting after the word, "objections" the words, "pertaining to the regularity of the proceeding and the legality of using the special assessment procedure".

21. Page 74, line 10, by inserting after the word, "conclusive" the words, "unless objections thereto have previously been filed with the council".

22. Page 76, line 13, by striking the words, "within seven days" and by inserting in lieu thereof the words, "as soon as practical".

23. Page 76, line 22, by striking all after the word, "be" and all of lines 23 through 24, inclusive, and by inserting in lieu thereof the words, "as in other equity cases.".

24. Page 80, line 34, by inserting after the word, "of" the word, "annual".

25. Page 82, line 6, by inserting after the word, "council" the words, "or as reduced by the court".

26. Page 83, line 33, by inserting after the word, "proceedings" the words, "or legality of the assessment procedure".

27. Page 84, line 8, by striking all after the word, "located" and all of lines 9 and 10 and by inserting in lieu thereof the words, "but such appeal is only to".

28. Page 84, line 11, by striking the word, "and" and by inserting in lieu thereof the following:

", unless such person filed objections with the council prior to the adoption of the resolution of necessity, they shall also be considered; however, such appeal".

29. Page 102, line 26, by inserting after the word "private" the word, "nonprofit".

30. Page 104, lines 10 and 11, by striking the words "five percent, but may not exceed".

31. Page 105, line 5, by inserting after the word "damages" the words, "or cashed and held in escrow to apply against the actual damages sustained for such breach of contract".

32. Page 105, line 12, by inserting after the word "damages" the words, "or retained and held in escrow

to apply against the actual damages sustained for such breach of contract".

33. Page 106, line 12, by striking the words, ", construction, or reconstruction".

34. Page 110, line 30, by inserting after the word "private" the word, .

35. Page 118, lines 32 and 33, by striking the words "useful and convenient" and by inserting in lieu thereof the word "necessary".

36. Page 120, line 21 by striking the word "qualified" and by inserting in lieu thereof the word "~~qualified~~ eligible".

37. Page 120, line 30, by striking the words "or town," and inserting the words "~~or town,~~".

38. Page 121, line 5, by striking the words ", city or town," and by inserting in lieu thereof the words "~~city or town~~ or city".

39. Page 122, line 33, by striking the word "five" and by inserting in lieu thereof the word "three".

40. Page 123, line 31, by adding thereafter the following new paragraph:

"All such election precincts shall be established within the boundaries of a representative district as established by law."

41. Page 147, lines 5 and 6, by striking the word,

"qualified" and by inserting in lieu thereof the word "~~qualified~~ eligible".

42. Page 151, line 27, by striking the words "useful and convenient" and by inserting in lieu thereof the word "necessary".

43. Page 154, line 1, by striking the words "useful and convenient" and by inserting in lieu thereof the word "necessary".

44. Page 162, line 31, by striking the word "legal" and by inserting in lieu thereof the word "eligible".

45. Page 166, line 32, by adding thereafter the following new sentence:

"Revenue bonds issued by the authority and the

interest thereon shall be subject to taxation."
46. Page 183, line 3, by striking the word ", tax" and by inserting the word "~~,-tax~~".
47. Page 183, line 5, by striking the word ", taxing" and by inserting the word "~~,-taxing~~".
48. Page 183, line 20, by inserting after the word "a" the words "mayor, council,".
49. Page 183, line 21, by striking the words "police magistrate and marshall" and by inserting in lieu thereof the words "~~police magistrate and marshall~~ police and fire chief".
50. By renumbering the sections and internal

references to conform with this amendment.

Filed
June 4, 1971

By GAUDINEER
Withdrawn 1-18-72

HOUSE FILE 347

Amend House File 347, page 1 as follows:
1. Line 11, by inserting after the word, "purposes" the words, "by the highway commission".
2. Line 15 and 16 by striking the words, "seventy five per cent" and by inserting in lieu thereof the words, "all".

Filed
June 4, 1971

By GAUDINEER

HOUSE FILE 574

Amend House File 574, as amended and passed by the House, as follows:

1. Page 47, by inserting the following new sections after line 17:

1. "Sections two (2) through nine (9) of this amendment may be cited as the 'Uniform Local Sales Tax Law'."

2. "Any city or town may impose a sales, services and use tax, hereinafter referred to as a "local sales tax", in accordance with the provisions of this Act by adoption of any ordinance by its council after published notice not less than ten days nor more than twenty-five days before the date of hearing thereon. The collection of a local sales tax so imposed shall commence on January first following passage of the ordinance imposing it."

3. "The council of a city or town may agree with the council of one or more cities or towns to jointly impose a local sales tax as authorized for cities and towns."

4. "A county may levy a local sales tax by resolution of the board of supervisors, if passed not later than July first of the year prior to the commencement of collection of the tax following notice and hearing as required for cities. If a county levy

is made, cities and towns within the county shall not levy the tax, or if the county levies the tax in a year subsequent to the levy by a city or town in that county, the city or town levies shall be suspended for the period of the county levy. Also, if a city or town imposes a local sales tax after July first, the board of supervisors of any county in which a part of the city is located may, within ten days of passage of the ordinance imposing the tax, impose by resolution a county tax which supersedes the city tax. The collection of a local sales tax so imposed by a county shall commence on January first following passage of the resolution imposing it."

5. "A local sales tax at a rate of not more than one percent may be imposed by a city or town on the gross receipts from the sale or use of tangible personal property subject to the state sales tax and from the services subject to the state tax. A local sales tax shall be imposed on the same basis as the state sales, services and use tax and may not be imposed on the sale or use of any tangible personal

property not taxed by the state. A local sales tax is applicable only within the territorial limits of the city or town imposing it and shall be collected by all persons required to collect state sales,

services and use taxes.

The amount of the sale, for purposes of determining the amount of the local sales and use tax, does not include the amount of the state sales and use tax.

No sales and use tax permit, other than the state sales and use tax permits, may be required."

6. "The director of revenue shall administer the provisions of a local sales tax as nearly as possible in conjunction with the administration of state tax laws. He shall provide appropriate forms, or provide on the regular state tax forms, for reporting local sales tax liability.

An ordinance or resolution imposing a local sales tax shall adopt by reference the applicable provisions of the appropriate sections of chapters four hundred twenty-two (422) and four hundred twenty-three (423) of the Code, and all powers of the director to administer the state sales and use tax law are applicable to his administration of a local sales tax ordinance or resolution. Local officials shall confer with the director of revenue and obtain his assistance in drafting the ordinance or resolution imposing a local sales tax. A certified copy of the ordinance or resolution imposing a local sales tax shall be filed with the director as soon as possible after

passage.

The director, in consultation with local officials, shall collect and account for a local sales tax. The director shall retain for the use of the department one percent of all local sales tax receipts, to cover administrative expense, and shall credit remaining net local sales tax receipts to a local sales tax fund hereby established in the office of the treasurer of state."

7. "The treasurer of state shall remit quarterly to the qualified cities and towns which have imposed a local sales tax their share of the balance in the local sales tax fund.

The city or town treasurer, or another city official designated by the council, shall apply three-fourths of all local sales tax money estimated to be received

for property tax relief. Before the levies authorized under section four hundred four point two (404.2) of the Code are certified to the county auditor, they shall comply with legal mill limits and the certifying official shall subtract from the total amount computed in dollars, as provided in section four hundred forty-four point two (444.2) of the Code, an amount equal to the amount estimated for property tax relief during the next twelve month period, and shall certify only

the net amount to the county auditor and board of supervisors. The county auditor shall base the millage levies authorized under section four hundred forty-four point three (444.3) of the Code upon the net amount so computed. In order for a city or town to be qualified to receive remittances from the treasurer of state the city or town clerk shall certify to the treasurer of state before January first of each year that the required reduction in the amount certified to the county auditor and board of supervisors for city or town taxes has been made. All local sales and use tax moneys received by a city or town may be expended for any lawful municipal purpose."

8. "If two or more cities and towns impose an authorized local tax jointly, the treasurer of state shall credit the receipts to a joint account, and shall remit to each qualified city or town a pro rata share of the joint account, according to population figures determined by the last federal census. The share remitted to each city and town shall be applied and expended as provided for local taxes imposed by a single city or town.

If an authorized local tax is imposed countywide, the treasurer of state shall credit the receipts to a joint account, and shall remit to each qualified

city or town in the county a pro rata share of the joint account, based upon the percentage of its population to the total population of the county, and to the board of supervisors, when the county is qualified, a pro rata share of the joint account based upon the percentage of population in the county outside of cities and towns, the rural portion according to the population determined by the last federal decennial census. The share remitted to each city and town shall be applied and expended as provided for local taxes imposed by a single city or town.

The share remitted to the board of supervisors

may be used for any lawful county government purpose. However, the county treasurer shall credit one-half of all local sales tax moneys estimated to be received for proprerty tax relief. Before the levies authorized under section four hundred forty-four point nine (444.9) of the Code are made, they **shall** comply with legal mill limits and the board of supervisors shall subtract from the total amount computed in dollars, as provided in section four hundred forty-four point two (444.2) of the Code, an amount equal to the amount estimated for property tax relief during the next twelve month period, and shall base the millage levies authorized under section four hundred forty-four point

nine (444.9) of the Code upon the net amount so computed. In order for a county to be qualified to receive remittances from the treasurer of state, the board of supervisors shall certify to the treasurer of state before January first of each year, that the required reduction has been made."

9. "Upon receipt of a petition signed by voters within the city or town, or county in case of a county tax, equal in number to at least ten percent of the number of votes cast for governor at the last preceding general election within the local taxing jurisdiction, requesting that an election be held, the city or town council, or board of supervisors in the case of a county tax, shall not less than twenty nor more than forty-five days after receipt of the petition submit to the voters of the city or town or of the county at a special election called for that purpose, the question of approval or disapproval of the tax. Such a petition may be received only during the sixty days prior to the last certifying date of a budget in the second or any subsequent year following the beginning of collection of the tax. Prior to the special election the governing body shall publish notice of the election once each week for two consecutive weeks in a newspaper of general circulation

serving the city or town, or in two newspapers of general circulation in the county in the case of a county tax.

If a majority of those voting favors the tax, the governing body may continue to impose the tax. If a majority of those voting thereon vote to discontinue the tax, it shall cease to be collected at the end of the calendar year in which the election is held,

Senate 13
June 7, 1971

chapter, to divulge or to make known in any manner whatever, the business affairs, operations, or information obtained by an investigation of records and equipment of any person or corporation visited or examined in the discharge of official duty, or the amount or source of income, profits, losses, expenditures or any particular thereof, set forth or disclosed in any return, or to permit any return or copy thereof or any book containing any abstract or particulars thereof to be seen or examined by any person except as provided by law; provided, however, that the director may authorize examination of such returns by other state officer, by Iowa city and county officials, or, if a reciprocal arrangement exists, by tax officers of another state, or the federal government. This subsection shall prevail over the provisions of any general law of this state relating to public records."

4. Renumber sections and correct internal references as required by this amendment.

Filed
June 4, 1971 Withdrawn 1-18-71 ✓

By ARBUCKLE

Senate 3
June 7, 1971

HOUSE FILE 574

Amend House File 574, page 108, by inserting after line 35 the following:

"In cities having more than one hundred fifty thousand population the utility board shall each month prepare in pamphlet form the statement herein required for the preceeding month, and furnish copies to the state library, the city library, the daily newspapers of the city, the city clerk, and to persons who apply at the office of the secretary, and the pamphlet shall constitute publication as required.

Filed
June 4, 1971 Adopted as amended 1-18-71 ✓

By CARLSON

the ordinance or resolution shall stand repealed as of December thirty-first following the election, and the governing body may not impose the tax under the authority of this Act for collection within one year following discontinuance of collection caused by the election, and then only if a new resolution or ordinance is passed. The governing body at any time may discontinue the tax, but an election may not be held oftener than once a year."

2. Page 118, by inserting after line 27 the following new section:

"Sec. ... Section twenty-six point six (26.6), Code 1971, is amended as follows:

26.6 POPULATION OF COUNTIES, TOWNSHIPS, CITIES, AND TOWNS.

Whenever the population of any county, township, city, or town is referred to in any law of this state,

it shall be determined by the last certified, or certified and published, official census unless otherwise provided. ~~However, the population figure disclosed for any city or town as the result of a special federal census as modified as the result of consolidation or annexation in the manner provided in sections 312.3, and 123.50, shall be considered for no other purposes than the application of sections 123.50 and 312.3.~~ Whenever a special federal census is hereafter taken by any city or town, the mayor and council shall certify the said census as soon as possible to the secretary of state and to the treasurer of state as otherwise herein provided, and failing to do so, the treasurer of state shall, after six months from the date of said special census, turn over such moneys as authorized by sections 123.50 and 312.3 to the general fund of the state, and continue to do so until such time as certification by said mayor and council is made, or until the next decennial federal census. If there be a difference between the original certified record in the office of the secretary of state and the published census the former shall prevail."

3. Page 185, by adding after line 19 the following new section:

"Sec. ... Section four hundred twenty-two point

seventy-two (422.72), subsection one (1), Code 1971, is amended as follows:

1. It shall be unlawful for the director, or any person having an administrative duty under this

House 4
January 21, 1972

House Concurred
1-26-72

SENATE AMENDMENT TO HOUSE FILE 574

Amend House File 574, as amended, passed and reprinted by the House as follows:

1. Page 3, line 23, by striking the words "which is" and inserting in lieu thereof the words "any of which are".

2. Page 4, line 10, by inserting after the comma the following: "or in the case of ordinances and amendments to be published in a city in which no newspaper is published,".

3. Page 5, line 24, by inserting after the word "employee" the words "or the spouse or immediate family of such officer or employee".

4. Page 6, line 21, strike the figure "1971" and insert in lieu thereof the figure "1972".

5. Page 6, line 24, strike the figure "1973" and insert in lieu thereof the figure "1974".

6. Page 6, line 25, strike the figures "1971" and "1973" and inserting in lieu thereof the figures "1972" and "1974" respectively.

7. Page 6, line 30, insert after the word "divisions" the words "or parts of a division".

8. Page 6, line 34, strike the figure "1973" and insert in lieu thereof the figure "1974".

9. Page 7A, line 5, strike the word "and" and insert in lieu thereof the words ", and if".

10. Page 7A, by inserting after the period in line 10 the following: "This grant of home rule powers does not include the power to enact private or civil law governing civil relationships, except as incident to an exercise of an independent city power."

11. Page 8A by striking lines 9 through 12, inclusive, and inserting in lieu thereof the following:

"Cities may pay, out of the general fund, annual dues to the league of Iowa municipalities, provided that the sum total of annual dues collected by the league from cities shall not exceed ninety thousand (90,000) dollars. In addition they may pay out of the general fund the actual expenses of delegates to the annual conference of the league. The league shall keep and make such accounts and reports as shall be required by the state municipal accounting department, and the same shall be annually checked by said department."

12. Page 8A, by striking lines 17 through 35, inclusive, and on page 8B, by striking lines 36 through 42, inclusive, and inserting in lieu thereof the following:

"Sec. 16. A city may not dispose of an interest in real property by sale, lease for a term of more than three years, or gift, except in accordance with the following procedure:

1. The council shall set forth its proposal in a resolution and shall publish notice as provided in section three (3) of this Act, of the resolution and of a date, time, and place of a public hearing on the proposal.

2. After the public hearing, the council may make a final determination on the proposal by resolution.

3. A city may not dispose of real property by gift except to a governmental body for a public purpose."

13. Page 8B, lines 43 and 44, by striking the words "having a population of five thousand or more".

14. Page 10, after line 35, insert the following new section:

"Sec.___. All railway companies shall construct and repair all street improvements between the rails of their tracks, and one foot outside, at their own expense, unless by ordinance the railway is required to improve other portions of the street, and in that case the railway shall construct and repair the improvement of that part of the street specified by the ordinance, and the improvement or repair must be of the material and character ordered by the city, and must be done at the time the remainder of the improvement is constructed or repaired.

When an improvement is made, the company shall lay rail as required by the council, and shall then keep up to grade that part of the improvement they are required to construct or maintain.

If a railway fails or refuses to comply with the order of the council to construct or repair an improvement, the work may be done by the city and the expense shall then be assessed upon the property of the railway company, for collection in the same manner as a property tax. A tax assessed under this section shall also be a debt due from the railway, and may be collected in an action at law in the same manner as other debts."

15. Page 11, line 34, by inserting after the word "wood" the following: ", except as stated in section twenty (20), subsection two (2), paragraph c of this Act".

16. Page 13, insert after line 12 the following new section:

"Sec.___. If a city has established the grade of a street or alley, and any person has made improvements on lots abutting the street or alley according to the established grade, and afterward the grade is altered in a manner to damage, injure, or diminish the value of the improved property, the city shall pay to the owner of the property the amount of such damage or injury.

If a city has opened a street or alley, and any person has made improvements on lots abutting the street or alley or uses such street or alley for ingress or egress, and afterward the street or alley is vacated causing damage or injury or loss of access, or diminishing the value of the improved property, the city shall pay to the owner of the property the amount of such damage or injury."

17. Page 15, line 9, insert after the period the following sentence:

"Territory comprising railroad right-of-way may be included in the application without the consent of the railroad if a copy of the application is mailed by certified mail to the owner of the right-of-way, at least ten days prior to the filing of the application with the city council."

18. Page 15, by inserting after line 17 the following new section:

"Sec.___. Any territory may be severed upon the unanimous consent of all owners of the territory and approved by resolution of the council of the city in which the territory is located. The council shall provide in the resolution for the equitable distribution of assets and equitable distribution and assumption of liabilities of the territory as between the city and the severed territory. The severance shall be completed upon filing the resolution as provided in section forty-one (41), subsection two (2) of this Act."

19. Page 15, line 24, by striking the words "advice and consent" and by inserting in lieu thereof the words "approval of two-thirds vote".

20. Page 15, line 28, by inserting after the word "reappointment" the words ", but no member shall serve more than two complete six-year terms".

21. Page 15, line 30, by striking the word "forty" and inserting in lieu thereof the word "thirty".

22. Page 17, by striking lines 28 and 29 and inserting in lieu thereof the words "his actual and necessary expenses spent in performance of committee duties."

23. Page 18, lines 30 and 31, by striking the following: "The committee may consider any information relevant to the proposal."

24. Page 20, line 20, insert after the word "incorporation" the words "or discontinuance".

25. Page 20, line 21, insert after the word "territory" the words "or city".

26. Page 24, by inserting after line 10 the following new paragraph:

"A city governed by the mayor-council form composed of a mayor and a council consisting of two councilmen elected at large, and one councilman from each of four wards, may continue until the form of government is changed as provided in section forty-five (45) or section fifty-two (52) of this Act. While a city is thus operating with an even number of councilmen, the mayor may vote to break a tie vote on motions."

27. Page 31, line 33, by striking the words and comma "the state library,".

28. Page 33, line 13, by inserting after the word "hold" the following: "general,".

29. Page 33, line 14, by striking the words "All applicable" and by striking all of lines 15, 16 and 17.

30. Page 35, by striking lines 28 through 30, inclusive.

31. Page 38, line 1, by striking the words "a measure" and inserting in lieu thereof the words "an ordinance, amendment, or resolution".

32. Page 38, insert after the period in line 2 the following: "A motion to spend public funds in excess of ten thousand dollars on any one project, or a motion to accept public improvements and facilities upon their completion, also requires an affirmative vote of not less than a majority of the council members."

33. Page 42, by striking all of lines 21 through 27, inclusive, and line 28 by striking the first word "the" and inserting in lieu thereof the word "The".

34. Page 48, line 1, by striking all after the word "select" and by striking lines 2 and 3 and inserting in lieu thereof the following: "and appoint, with the approval of two-thirds of the members of the senate, the city officials."

35. Page 48, line 5, by striking the words "by the governor" and inserting in lieu thereof the following: "and appointed by the governor, with the approval of two-thirds of the members of the senate".

36. Page 48, line 18, by inserting after the word "reappointment" the following: ", but no member shall be appointed to serve more than two complete terms".

37. Page 48, line 26, by striking the word "forty" and inserting in lieu thereof the word "thirty".

38. Page 51, line 27, by striking the words "by the council".

39. Page 54, line 19, by inserting after the period the following: "A copy of this report must be furnished to the auditor of state."

40. Page 55, lines 6 and 7, by striking the words "or convenient".

41. Page 56, line 20, by striking the words "or convenient".

42. Page 57, lines 5 and 6, by striking the words "or convenient".

43. Page 57, line 10, by striking the word "water" and inserting in lieu thereof the word "waterways".

44. Page 57, by inserting after line 22 the following new paragraphs:

"___. The equipping of fire, police, sanitation, street, and civil defense departments."

"___. The acquisition and improvement of real estate for cemeteries, and the construction, reconstruction, and repair of receiving vaults, mausoleums, and other cemetery facilities."

"___. The acquisition of ambulances and ambulance equipment."

45. Page 58, by striking lines 7 through 12, inclusive, and relettering the remaining paragraphs.

46. Page 60, by striking lines 6 through 35, inclusive, and page 61, by striking lines 1 through 7 and inserting in lieu thereof the following:

"2. Before the council may institute proceedings for the issuance of bonds for a general corporate purpose, it

shall call a special city election to vote upon the question of issuing the bonds. At the election the proposition must be submitted in the following form:".

47. Page 62, line 1, by striking the word and figure "four (4)" and inserting in lieu thereof the following: "three (3)".

48. Page 62, line 13, by striking the words and figures "four (4) and five (5)" and inserting in lieu thereof the following: "three (3) and four (4)".

49. Page 62, line 19, by striking the words "petitions and".

50. Page 66, line 1, by inserting after the word "part" the words "if such lots bear common improvements".

51. Page 66, line 32, by striking all after the word "streets" and all of line 33 and by inserting in lieu thereof a period.

52. Page 72, line 18, by inserting after the word "objections" the following: "pertaining to the regularity of the proceeding and the legality of using the special assessment procedure".

53. Page 73, line 11, by striking the word "ten" and inserting in lieu thereof the word "fifteen".

54. Page 76, line 13, by striking the words "within seven days" and by inserting in lieu thereof the words "as soon as practical".

55. Page 76, line 19, by striking all after the word "be" and all of lines 20 through 22, inclusive, and by inserting in lieu thereof the words "taken as in other equity cases."

56. Page 78, lines 24 and 25, by striking the words "from any funds of the state not otherwise appropriated" and inserting in lieu thereof the following: "as provided in section three hundred seven point ten (307.10) of the Code".

57. Page 78, line 32, by inserting after the word "pay" the following: ", as provided in section three hundred seven point ten (307.10) of the Code,".

58. Page 80, line 28, by inserting after the period the following: "No special assessment against any lot shall be more than ten percent in excess of the estimated cost, as provided in the preliminary schedule required under section one hundred twenty-five (125) of this Act."

59. Page 80, line 34, by inserting after the word "of" the word "annual".

60. Page 81, line 15, by inserting after the period the following: "Such notice shall also include a statement in substance that assessments may be paid in full without interest within thirty days after the date of certification, and thereafter all unpaid special assessments will draw annual interest at seven percent, computed to the June first next following the due dates of the respective installments, and each installment will be delinquent on March thirty-first following its due date, and will draw additionally the same delinquent

interest and the same penalties as ordinary taxes. Such notice shall also state substantially that property owners may elect to pay any installment semiannually in advance."
61. Page 82, line 6, by inserting after the word "council" the words "or as reduced by the court".
62. Page 82, line 7, by striking the words "However, special" and inserting in lieu thereof the word "Special".
63. Page 82, line 11, by striking the word "not".
64. Page 83, by striking lines 22 through 28, inclusive, and inserting in lieu thereof the following:
"6. Any property owner may elect to pay one-half of any annual installment of principal and interest of a special assessment in advance, with the second semiannual payment of ordinary taxes collected in the year preceding the due date of such installment. The county treasurer shall accept such partial payment of the special assessment, and shall credit the next annual installment of such special assessment to the extent of such payment, and shall remit the payments to the city."
65. Page 83, line 33, by inserting after the word "proceedings" the words "or legality of the assessment procedure".
66. Page 84, line 8, by striking all after the word "located" and all of lines 9 and 10 and by inserting in lieu thereof the words "but such appeal is only to".
67. Page 89, by inserting after line 9 the following new paragraph:
"However, if the city does not certify the assessments within six months of final publication as required by part four (4) of division seven (VII) of this Act, all such assessments shall be null, void, and of no effect. Any bonds issued with such void assessments as security shall be paid by the city as they become due out of its debt service as provided in section eighty-two (82) of this Act."
68. Page 98, lines 2 and 3, by striking the words "by resolution".
69. Page 98, line 9, by striking the words "by resolution".
70. Page 98, line 19, by inserting after the period the following: "Rates must be established by ordinance of the council or by resolution of the trustees, published in the same manner as an ordinance."
71. Page 98, line 22, by striking the word "resolution" and inserting in lieu thereof the following: "ordinance of the council or by resolution of the trustees published in the same manner as an ordinance,".
72. Page 104, line 18, by inserting after the word "be" the word "in".
73. Page 104 by striking line 35, page 105 by striking lines 1 through 13, inclusive.
74. Page 105, line 16, by striking the words "after the

award of contract has been made." and inserting in lieu thereof the following: "as soon as the successful bidder is determined or within thirty days whichever is sooner."

75. Page 106, line 12, by striking the following: ", construction, or reconstruction".

76. Page 106, line 13, by striking the word "to" and inserting in lieu thereof the word "of".

77. Page 108, by inserting after line 35 the following:

"In cities having more than one hundred fifty thousand population the utility board shall each month prepare in pamphlet form the statement herein required for the preceding month, and furnish copies to the city library, the daily newspapers of the city, the city clerk, and to persons who apply at the office of the secretary, and the pamphlet shall constitute publication as required."

78. Page 109, by striking all of line 24 after the word "franchise" and all of line 25, and inserting in lieu thereof a period.

79. Page 110, lines 2 and 3, by striking the words ", collect, or dispense charges" and by inserting in lieu thereof the following: "and collect charges, and dispense the moneys received".

80. Page 110, lines 32 and 33, by striking the words "or a city hospital board of trustees".

81. Page 111, line 1, by striking the word "boards" and inserting in lieu thereof the word "board".

82. Page 111, line 5, by striking the words "or hospital".

83. Page 111, line 7, by striking the words "or hospital".

84. Page 111, by striking lines 8, 9, 10 and 11, inclusive.

85. Page 111, line 13, by striking the words "or hospital".

86. Page 111, line 28, by adding the following new section:

"Sec.___. If a hospital or health care facility is established by a city, the city shall by ordinance provide for the election, at a general, city, or special election, of three trustees, whose terms of office shall be six years; but at the first election, three shall be elected and hold their office, respectively, for two, four, and six years, and they shall by lot determine their respective terms. A board of trustees elected pursuant to this section shall serve as the sole and only board of trustees for any and all institutions established by a city as provided for in this section.

Cities maintaining an institution as provided for in this section which have a board of trustees consisting of three members may by ordinance increase the number of members to five and provide for the appointment of one of the additional members until the next succeeding general or city election, and for the appointment of the other additional member until the second succeeding general or city election. Thereafter, the terms of office of such

additional members shall be six years.
The trustees shall within ten days after their election qualify by taking the oath of office, and organize as a board by the election of one of their number as chairman and one as secretary, but no bond shall be required of them.
The official serving as treasurer of the city shall be the treasurer of the board of trustees, and shall receive and disburse all funds under the control of the board as ordered by it, but shall receive no additional compensation for his services. The treasurer shall give bond in a form and amount as determined by the board in its discretion.
No trustee shall receive any compensation for his services performed, but he may receive reimbursement for any cash expenses actually made for personal expenses incurred as trustee, but an itemized statement of all expenses and moneys paid out shall be made under oath by each of the trustees and filed with the secretary and allowed only by the affirmative vote of the full board.
The board of trustees shall be vested with authority to provide for the mangement, control, and government of the city hospital or health care facility established as permitted by this section, and shall provide all needed rules and regulations for the economic conduct thereof and shall annually prepare a condensed statement of the total receipts and expenditures for the hospital or health care facility and cause the same to be published in a newspaper of general circulation in the city in which the hospital or health care facility is located. In the management of the hospital or health care facility no discrimination shall be made against practitioners of any school of medicine recognized by the laws of the state.
As a part of the board's authority it may accept property by gift, devise, bequest or otherwise; and, if the board deems it advisable, may, at public sale, sell or exchange any property so accepted upon a concurring vote of a majority of all members of the board of trustees, and apply the proceeds thereof, or property received in exchange therefor, to any legitimate hospital or health care facility purpose.
The trustees may in their discretion establish a fund for depreciation as a separate fund. Said funds may be invested in United States government bonds and when so invested the accumulation of interest on the bonds so purchased shall be used for the purposes of the depreciation fund; an investment when so made shall remain in United States government bonds until such time as in the judgment of the board of trustees it is deemed advisable to use the funds for hospital or health care facility purposes.
Boards of trustees of institutions provided for in

this section are granted all of the powers and duties necessary for the management, control and government of the institutions, specifically including but not limited to any applicable powers and duties granted boards of trustees under other provisions of the Code relating to hospitals, nursing homes, and custodial homes irrespective of the chapter of the Code under which such institutions are established, organized, operated or maintained."

87. Page 118, by inserting after line 27 the following new section:

"Sec. ___. Section twenty-six point six (26.6), Code 1971, as amended by chapter one hundred sixty-five (165), section forty-five (45), Acts of the Sixty-fourth General Assembly, First Session, is amended to read as follows:

26.6 POPULATION OF COUNTIES, TOWNSHIPS, CITIES, AND TOWNS. Whenever the population of any county, township, city, or town is referred to in any law of this state, it shall be determined by the last preceding certified~~,-or-certified-and-published,-official~~ federal census unless otherwise provided. ~~However,-the-population-figure-disclosed-for-any-city-or-town-as-the-result-of-a-special-federal-census-as-modified-as-the-result-of-consolidation-or-annexation-in-the-manner-provided-in-sections-312.3,-and-123.50,-shall-be-considered-for-no-other-purposes-than-the-application-of-sections-123.50,-312.3-and-the-provisions-of-this-division.~~ Whenever a special federal census is hereafter taken by any city ~~or-town~~, the mayor and council shall certify the ~~said~~ census as soon as possible to the secretary of state and to the treasurer of state as otherwise herein provided, and failing to do so, the treasurer of state shall, after six months from the date of ~~said~~ the special census, turn over such moneys as authorized by sections 123.50 ~~and~~, 312.3 and the provisions of chapter 165, division IV, Acts of the Sixty-fourth General Assembly, First Session, to the general fund of the state, and continue to do so until such time as certification by ~~said~~ the mayor and council is made, or until the next decennial federal census. If there be a difference between the original certified record in the office of the secretary of state and the published census the former shall prevail."

88. Page 118, line 33, by striking the word "convenient" and inserting in lieu thereof the word "necessary".

89. Page 120, line 30, by striking the words "or town," and inserting the words "~~or-town~~,".

90. Page 121, line 5, by striking the words ", city or town" and inserting in lieu thereof the following: "~~city-or-town~~ or city".

91. Page 122, line 33, by striking the word "five" and

by inserting in lieu thereof the word "three".
92. Page 123, line 31, by adding thereafter the following new subsection:
"___. All such election precincts shall be established within the boundaries of a representative district as established by law."
93. Page 123, by striking lines 34 and 35 and page 124 by striking lines 1 through 8, inclusive, and inserting in lieu thereof the following:
"as amended by chapter one hundred (100), section one (1), Acts of the Sixty-fourth General Assembly, First Session, is amended to read as follows:
49.7 PORTIONS OF TOWNSHIPS COMBINED. No precinct shall contain different townships or parts thereof, except for other than city elections where the board of supervisors has combined two or more contiguous townships into one election precinct or where, by reason of the existence of a village or ~~incorporated town~~ city of less than two thousand population on or near a township line, the board of supervisors may create a voting precinct in compact form, from ~~said town~~ the city or village, and may include ~~therein~~ territory adjoining and adjacent to ~~said~~ the village or ~~town~~ city, which is situated in two or more townships."
94. Page 124, by striking lines 9 through 13, inclusive.
95. Page 135, by striking lines 9 through 14, inclusive and inserting in lieu thereof the following:
"3. Payment of all or part of the cost of construction and maintenance of bridges in cities ~~and towns~~ having a population of eight thousand or less and all or part of the cost of construction of roads located within ~~an incorporated town~~ a city, of less than four hundred population, which lead to state parks."
96. Page 139, line 2, by striking the words "the drug and narcotic laws" and inserting in lieu thereof the following: "~~the drug and narcotic laws~~ Senate File one (1), Acts of the Sixty-fourth General Assembly, First Session, and other laws relating to controlled substances".
97. Page 139, by striking lines 14 through 35, inclusive, and page 140 by striking lines 1 and 2.
98. Page 151, line 27, by striking the word "convenient" and inserting in lieu thereof the word "necessary".
99. Page 154, line 1, by striking the word "convenient" and inserting in lieu thereof the word "necessary".
100. Page 162, line 31, by striking the word "legal" and inserting in lieu thereof the word "qualified".
101. Page 166, line 32, by adding after the period the following: "However, any interest derived from bonds issued by the authority shall be subject to taxation."
102. Page 170A, line 18, by striking the word "qualified" and inserting in lieu thereof the following: "~~legal~~ qualified".

103. Page 175, by striking lines 24 through 35, inclusive, and page 176A, by striking lines 1 through 4, inclusive, and inserting in lieu thereof the following:

"teen (358B.16), Code 1971, as amended by chapter two hundred five (205), section one (1), Acts of the Sixty-fourth General Assembly, First Session, is amended to read as follows:

358B.16 WITHDRAWAL OF CITY ~~OR TOWN~~ FROM DISTRICT. ~~Whenever any incorporated~~ A city ~~or town, having maintained a library pursuant to the provisions of chapter 378 for at least ten years and having levied a tax of its own for the same purpose, shall decide to~~ may withdraw from the county library district, ~~it may do so~~ by giving notice by certified mail to the board of library trustees of ~~said~~ the county library and the county auditor prior to July 10, ~~by the governing body of said incorporated city or town, of its withdrawal from the county library district,~~ and on that date shall cease to be a part of or included in ~~said~~ the county library district."

104. Page 182, line 4, by striking the first comma following the figure "(420.14)" and inserting in lieu thereof the word "through".

105. Page 188, by striking lines 3 through 17, inclusive, and inserting in lieu thereof the following:

"(453.9), unnumbered paragraph one (1), Code 1971, as amended by chapter two hundred twenty-one (221), section three (3), Acts of the Sixty-fourth General Assembly, First Session, is amended to read as follows:

453.9 INVESTMENT OF SINKING FUNDS. The governing council or board who by law are authorized to direct the depositing of funds shall be authorized to direct the treasurer or other designated financial officer to invest any fund not an active fund needed for current use and which is being accumulated as a sinking fund for a definite purpose, the interest on which is used for the same purpose, in savings accounts in banks, in the certificates or warrants provided by section 454.19, or make time deposits of such funds as provided in this chapter and receive time certificates of deposit therefor, or in bonds or other evidences of indebtedness issued, assumed, or guaranteed by the United States of America, or by any agency or instrumentality thereof, or in local certificates or warrants issued by any municipality or school district within the county, or in municipal or school district bonds which constitute a general liability, and the treasurer or other officer when so directed shall so invest such fund."

106. Page 189, by striking line 18 and inserting in lieu thereof the following:

"Upon all cities for public purposes which are reasonable and necessary as an incident to the powers and duties conferred

upon cities."
107. Page 191, line 17, by striking the word "Whenever" and inserting in lieu thereof the following: "Except as otherwise provided by chapter two hundred sixteen (216), Acts of the Sixty-fourth General Assembly, First Session, whenever".
108. Page 191, line 32, by inserting after the word "thereof" the following: ", except as otherwise provided by chapter two hundred sixteen (216), Acts of the Sixty-fourth General Assembly, First Session".
109. Further amend House File 574 by renumbering sections and correcting internal references to conform with this amendment.

Received from the Senate
January 20, 1972

Amend the Senate amendment to House File 574, as printed on page 108 of the Journal of the House for January 20, 1972, as follows:

Line 14, insert after the figure "1974" the words "; however, no part of this Act shall take effect in a city in any event unless first approved by the qualified voters of the city at a special election held for that purpose."

Filed
January 24, 1972
Lost 1-26-72

By FISCHER of Grundy