

FILED JAN 29 1971  
*appropriations, Page 2/15*

SENATE FILE 122

By COMMITTEE ON HIGHER  
EDUCATION  
(Committee on Higher  
Education)

*Sub. for H. F. 157 3/24*

Passed Senate, Date 3-22-71

Passed House, Date 3-25-71

Vote: Ayes 31 Nays 12

Vote: Ayes 67 Nays 26

Approved April 15, 1971

*Passed Senate as amended by House  
3-29-71  
ayes 42 Nays 2*

# A BILL FOR

1 An Act relating to academic and administrative buildings and  
2 facilities and utilities services for such buildings and  
3 facilities and the financing by the state board of regents.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section two hundred sixty-two A point four  
2 (262A.4), Code 1971, is amended as follows:

3 262A.4 AUTHORIZATION OF GENERAL ASSEMBLY AND GOVERNOR.

4 Subject to and in accordance with the provisions of this  
5 chapter, the state board of regents after authorization by  
6 a constitutional majority of each house of the general assembly  
7 and approval by the governor may undertake and carry out any  
8 project as defined in this chapter at the institutions now  
9 or hereafter under the jurisdiction of the board. The state  
10 board of regents is authorized to operate, control, maintain,  
11 and manage buildings and facilities and additions to such  
12 buildings and facilities at each of said institutions. All  
13 contracts for the construction, reconstruction, completion,  
14 ~~equipment~~ improvement, repair or remodeling of any buildings,  
15 additions, or facilities shall be let in accordance with the  
16 provisions of section 262.34. The title to all real estate  
17 acquired under the provisions of this chapter and the  
18 improvements erected thereon shall be taken and held in the  
19 name of the state of Iowa.

20 Sec. 2. Section two hundred sixty-two A point twelve  
21 (262A.12), Code 1971, is amended as follows:

22 262A.12 APPLICATION FOR GIFTS, LOANS OR GRANTS. The state  
23 board of regents is authorized to apply for and accept federal  
24 or nonfederal gifts, loans, or grants of funds and to use  
25 the same to pay all or any part of the cost of carrying out  
26 any project at any institution under the terms of this chapter  
27 ~~or to pay any bonds and interest thereon issued for any~~  
28 ~~purposes specified in this chapter~~ or to use the same, to-  
29 gether with student fees and charges and institutional income,  
30 for the payment of debt service on bonds issued and to be  
31 issued by the board pursuant to authority contained in this  
32 chapter, in such manner as may be provided in the resolution  
33 authorizing the issuance of the bonds, which grants of funds  
34 or other aid shall be considered to constitute and may be  
35 commingled with student fees and charges and institutional

1 income and may, together with such student fees and charges  
2 and institutional income, be pledged by the board in  
3 accordance with the provisions of this chapter and the bond  
4 resolution to the payment of debt service on bonds issued  
5 by the board under the authority contained in this chapter.

6 Sec. 3. This Act, being deemed of immediate importance,  
7 shall take effect and be in force from and after its publica-  
8 tion in \_\_\_\_\_, a newspaper published  
9 in \_\_\_\_\_, Iowa, and in \_\_\_\_\_,  
10 a newspaper published in \_\_\_\_\_, Iowa.

11 EXPLANATION

12 The bill strikes the word "equipment" from the Academic  
13 Revenue Bonds Act. Present law requires equipment purchases  
14 to be treated in the same manner as construction contracts.  
15 Elimination of the word "equipment" means that equipment pur-  
16 chased through academic revenue bond proceeds are treated  
17 in the same manner as any other university equipment purchase.

18 The bill also allows moneys received under federal interest  
19 subsidy grants to be commingled with gross student tuitions,  
20 fees, and charges. It appears that interest subsidy payments  
21 received from the federal government for payment of part of  
22 the interest on bonds may affect the tax exempt status of  
23 the bonds unless the revenues are commingled with other  
24 revenues.

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*Proof of Publication 4-28-71*  
*The Record, Cedar Falls 4-21-71*  
*The Cedar Rapids Gazette 4-20-71*

1 Amend Senate File 122, page 3, by striking lines  
2 6 through 10, inclusive and inserting in lieu thereof  
3 the following:  
4 Sec. 3. This Act, being deemed of immediate  
5 importance, shall take effect and be in force from and  
6 after its publication in The Record, a newspaper  
7 published in Cedar Falls, Iowa and in The Cedar Rapids  
8 Gazette, a newspaper published in Cedar Rapids, Iowa.

Filed - *Adopted 3/22*  
February 3, 1971

By NEU

1 Amend Senate File 122, page 2, line 14, by striking  
2 the word "equipment" and inserting in lieu thereof the  
3 word "equipment".

Filed - *Lost 3/22*  
March 22, 1971

By COLEMAN

HOUSE AMENDMENT TO SENATE FILE 122

1 Amend Senate File 122 as amended and passed by the  
2 Senate as follows:  
3 Page 2, by striking all of Section 1, lines 1 through  
4 19, and renumbering the subsequent sections.

Received from the House  
March 25, 1971

*Senate concurred 3/29*

1 Amend Senate File 122, page 3, by inserting after line  
2 5 the following new section:  
3 Section two hundred sixty-two A point two (262A.2),  
4 subsection six (6), Code 1971, is amended as follows:  
5 6. "Institutional income" shall mean income received  
6 by an institution from sources other than (a) student fees  
7 and charges, (b) rates, fees, rentals or charges imposed  
8 and collected under the provisions of (1) sections 262.35  
9 through 262.42, (2) sections 262.44 through 262.53, and (3)  
10 sections 262.55 through 262.66, (c) state appropriations,  
11 (d) "hospital income", as that term is defined in subsec-  
12 tion 5 of section 263A.1, and (e) income from the treas-  
13 urer's temporary investments.

Filed - *Lost 3/24*  
March 23, 1971

By SCHROEDER of Pottawattamie  
District 54

House

1 Amend Senate File 122, page 2, by striking all of  
2 Section 1, lines 1 through 19, and renumbering the  
3 subsequent sections.

Filed - *Adopted 3/24*  
March 23, 1971

By SCHROEDER of Pottawattamie  
District 54

1 Amend Senate File 122 as follows:  
2 Page 3 by inserting after line 5 the following  
3 new section:  
4 "Student fees and charges used for the payment  
5 of debt service under this section shall be identified  
6 as fees or charges for the payment of debt service  
7 at the time the student fees or charges are levied."

Offered from the Floor and Lost  
March 24, 1971

By WILLITS of Polk  
District 57

1 Amend Senate File 122 as follows:  
2 1. Add as a new section:  
3 "Sec. 3. The general assembly hereby declares a  
4 moratorium as of July 1, 1971, on any further  
5 expansion, purchase of land, sale of revenue bonds or  
6 letting of new contracts, under the provisions of  
7 chapter 262A, in regard to the institutions named in  
8 section 262A.2, subsection 2, until the legislature  
9 determines that further expansion is necessary."  
10 2. Renumber the following section.

Filed - *Lost 3/25*  
March 23, 1971

By SCHROEDER of Pottawattamie  
District 54