

APR 26 1973

Place On Calendar

R. to Cities and Towns 1-14-74, Pass 1-27
House File 719
Ferguson, Chairman
Harvey
Miller of Cerro Gordo

HOUSE FILE 719

BY COMMITTEE ON CITIES AND TOWNS

Passed House, Date 3-29-74 (1347) Passed Senate, Date 5-4-74 (2053)

Vote: Ayes 88 Nays 1 Vote: Ayes 33 Nays 9

Approved 6-3-74

Passed House as amended by Senate
5-4-74 (2491)
66-3

A BILL FOR

1 An Act relating to the financing of projects by cities, towns
2 and counties.

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

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1 Section 1. Section four hundred nineteen point one (419.1),
2 subsections one (1), two (2) and six (6), Code 1973, are
3 amended to read as follows:

4 1. "Municipality" means any county, or any incorporated
5 city or town in this state.

6 2. "Project" means all or any part of, or any interest
7 in, (a) any land, buildings or improvements, whether or not
8 in existence at the time of issuance of the bonds issued un-
9 der authority of this chapter, which shall be suitable for
10 the use of any voluntary nonprofit hospital, clinic, or health
11 care facility as defined in section one hundred thirty-five
12 C point one (135C.1), subsection eight (8), of the Code, or
13 of any private college or university, whether for the
14 establishment or maintenance of such college or university,
15 or of any industry or industries for the manufacturing,
16 processing or assembling of any agricultural or manufactured
17 products, even though such processed products may require
18 further treatment before delivery to the ultimate consumer,
19 or of any commercial enterprise engaged in storing, ware-
20 housing, distributing or selling products of agriculture,
21 mining or industry or (b) pollution control facilities which
22 shall be suitable for use by any industry, commercial enter-
23 prise or utility. "Pollution control facilities" means any
24 land, buildings, structures, equipment, pipes, pumps, dams,
25 reservoirs, improvements, or other facilities useful for the
26 purpose of reducing, preventing, or eliminating pollution
27 of the water or air by reason of the operations of any
28 industry, commercial enterprise or utility. "Improve",
29 "improving" and "improvements" shall embrace any real property,
30 personal property or mixed property of any and every kind
31 that can be used or that will be useful in a voluntary
32 nonprofit hospital, clinic, or health care facility or in
33 a private college or university enterprise or an industrial
34 enterprise or as pollution control facilities for any industry,
35 commercial enterprise or utility including, without limiting

1 the generality of the foregoing, rights of way, roads, streets,
2 sidings, trackage, foundations, tanks, structures, pipes,
3 pipe lines, reservoirs, utilities, materials, equipment,
4 fixtures, machinery, furniture, furnishings, improvements,
5 instrumentalities and other real, personal or mixed property
6 of every kind, whether above or below ground level.

7 6. "Lessee" includes a single person, firm or corpora-
8 tion or any two or more persons, firms or corporations which
9 shall lease the project as tenants-in-common ~~of the entire~~
10 project or otherwise, and ~~each of~~ which ~~such tenants-in-common~~
11 shall ~~severally~~ undertake rental ~~payment~~ payments and other
12 monetary obligations under the lease of the project sufficient,
13 ~~together with the like undertakings of the other such tenant-~~
14 ~~in-common,~~ in the aggregate to satisfy the rental and other
15 monetary obligations required by this chapter to be undertaken
16 by the lessee of a project.

17 Sec. 2. Section four hundred nineteen point one (419.1),
18 Code 1973, is amended by adding the following new subsec-
19 tions:

20 NEW SUBSECTION. "Lease" includes a lease containing an
21 option to purchase the project for a nominal sum upon payment
22 in full, or provision therefor, of all bonds issued in
23 connection with the project and all interest thereon and all
24 other expenses incurred in connection with the project, and
25 a lease containing an option to purchase the project at any
26 time, as provided therein, upon payment of the purchase price
27 which shall be sufficient to pay all bonds issued in connection
28 with the project and all interest thereon and all other
29 expenses incurred in connection with the project, but which
30 payment may be made in the form of one or more notes,
31 debentures, bonds or other secured or unsecured debt obliga-
32 tions of the lessee providing for timely payments sufficient
33 for such purposes and delivered to the municipality. A single
34 lease may contain both of the foregoing options.

35 NEW SUBSECTION. "Sale contract" means a contract pro-

1 viding for the sale of one or more projects to one or more
2 contracting parties and includes a contract providing for
3 payment of the purchase price in one or more installments.
4 If the sale contract permits title to the project to pass
5 to the other contracting party or parties prior to payment
6 in full of the entire purchase price, it shall also provide
7 for the other contracting party or parties to deliver to the
8 municipality one or more notes, debentures, bonds or other
9 secured or unsecured debt obligations of such contracting
10 party or parties for the balance of the purchase price at
11 or prior to the passage of such title.

12 NEW SUBSECTION. "Loan agreement" means an agreement
13 providing for a municipality to loan the proceeds derived
14 from the issuance of bonds pursuant to this chapter to one
15 or more contracting parties to be used to pay the cost of
16 one or more projects and providing for the repayment of such
17 loan by the other contracting party or parties, and which
18 may provide for such loans to be secured by one or more notes,
19 debentures, bonds or other secured or unsecured debt obliga-
20 tions of the contracting party or parties.

21 NEW SUBSECTION. "Contracting party" or "other contract-
22 ing party" means any party to a sale contract or loan agree-
23 ment except the municipality.

24 NEW SUBSECTION. "Revenues" of a project, or derived from
25 a project, includes payments under a lease or sale contract
26 and repayments under a loan agreement.

27 NEW SUBSECTION. "Bonds" of a municipality includes bonds,
28 notes or other securities.

29 Sec. 3. Section four hundred nineteen point two (419.2),
30 Code 1973, is amended to read as follows:

31 419.2 POWERS. In addition to any other powers which it
32 may now have, in the event that local capital is not available
33 for the development of industrial projects, pollution con-
34 trol projects, or private college or university projects,
35 or for voluntary nonprofit hospital, clinic, or health care

1 facilities, each municipality shall have the following powers:

2 1. To acquire, whether by construction, purchase, gift
3 or lease, and to improve and equip, one or more projects.
4 Such projects shall be located within this state, may be
5 located within or near the municipality, but shall not be
6 located more than eight miles outside the corporate limits
7 of the municipality, provided that ancillary improvements
8 necessary or useful in connection with the main project may
9 be located more than eight miles outside the corporate limits
10 of the municipality.

11 2. To lease to others ~~any or all of its~~ one or more
12 projects for such rentals and upon such terms and conditions
13 as the governing body may deem advisable ~~but in no case shall~~
14 ~~the rentals be less than the average rental cost for like~~
15 ~~or similar facilities within the competitive commercial area~~
16 in accordance with the provisions of this chapter.

17 3. To sell to others one or more projects for such pay-
18 ments and upon such terms and conditions as the governing
19 body may deem advisable in accordance with the provisions
20 of this chapter.

21 4. To enter into loan agreements with others with respect
22 to one or more projects for such payments and upon such terms
23 and conditions as the governing body may deem advisable in
24 accordance with the provisions of this chapter.

25 3 5. To issue revenue bonds for the purpose of defraying
26 the cost of ~~acquiring, improving and equipping~~ any project
27 and to secure payment of such bonds as provided in this
28 chapter.

29 4 6. To grant easements for roads, streets, water mains
30 and pipes, sewers, power lines, telephone lines, all pipe
31 lines, and to all utilities.

32 ~~No municipality shall have the power to operate any project,~~
33 ~~referred to in this chapter, as a business or in any manner~~
34 ~~except as the lesser thereof.~~

35 Sec. 4. Section four hundred nineteen point three (419.3),

1 subsections one (1) and four (4), Code 1973, are amended to
2 read as follows:

3 1. All bonds issued by a municipality, under the authority
4 of this chapter, shall be limited obligations of the muni-
5 cipality. The principal of and interest on such bonds shall
6 be payable solely out of the revenues derived from ~~the-leasing~~
7 ~~of~~ the project to be financed by the bonds so issued under
8 the provisions of this chapter or debt obligations of the
9 lessee or contracting party obtained from or in connection
10 with the financing of a project. Bonds and interest coupons
11 issued under authority of this chapter shall never constitute
12 an indebtedness of the municipality, within the meaning of
13 any state constitutional provision or statutory limitation,
14 and shall not constitute nor give rise to a pecuniary liability
15 of the municipality or a charge against its general credit
16 or taxing powers. Such limitation shall be plainly stated
17 on the face of each such bond.

18 4. Any bonds, issued under the authority of this chapter,
19 may be sold at public sale in such manner, at such price and
20 at such time or times as may be determined by the governing
21 body to be most advantageous. The municipality may pay all
22 expenses, premiums and commissions which the governing body
23 may deem necessary or advantageous in connection with the
24 authorization, sale and issuance thereof.

25 Sec. 5. Section four hundred nineteen point four (419.4),
26 subsections one (1), two (2), and three (3), Code 1973, are
27 amended to read as follows:

28 1. The principal of and interest on any bonds, issued
29 under authority of this chapter, shall be secured by a pledge
30 of the revenues out of which such bonds shall be made pay-
31 able. They may be secured by a mortgage covering all or any
32 part of the project from which the revenues so pledged may
33 be derived or by a pledge of the lease ~~of~~, sale contract or
34 loan agreement with respect to such project or by a pledge
35 of one or more notes, debentures, bonds or other secured or

1 unsecured debt obligations of the lessee or contracting party.

2 2. The proceedings under which the bonds are authorized
3 to be issued under the provisions of this chapter, and any
4 mortgage given to secure the same, may contain any agree-
5 ments and provisions customarily contained in instruments
6 securing bonds, including, but not limited to:

7 a. Provisions respecting custody of the proceeds from
8 the sale of the bonds including their investment and rein-
9 vestment until used to defray the cost of the project.

10 b. Provisions respecting the fixing and collection of
11 rents ~~for~~ or payments with respect to any project covered
12 by such proceedings or mortgage.

13 c. The terms to be incorporated in the lease ~~of~~, sale
14 contract or loan agreement with respect to such project.

15 d. The maintenance and insurance of such project.

16 e. The creation, maintenance, custody, investment and
17 reinvestment and use of special funds from the revenues of
18 such project, and

19 f. The rights and remedies available in case of a default
20 to the bond holders or to any trustee under the lease, sale
21 contract, loan agreement or a mortgage.

22 A municipality shall have the power to provide that pro-
23 ceeds from the sale of bonds and special funds from the
24 revenues of the project shall be invested and reinvested in
25 such securities and other investments as shall be provided
26 in the proceedings under which the bonds are authorized to
27 be issued including:

28 (1) obligations issued or guaranteed by the United States;

29 (2) obligations issued or guaranteed by any person con-
30 trolled or supervised by and acting as an instrumentality
31 of the United States pursuant to authority granted by the
32 Congress of the United States;

33 (3) obligations issued or guaranteed by any state of the
34 United States, or the District of Columbia, or any political
35 subdivision of any such state or district;

1 (4) prime commercial paper;
2 (5) prime finance company paper;
3 (6) bankers' acceptances drawn on and accepted by banks
4 organized under the laws of any state or of the United States;
5 (7) repurchase agreements fully secured by obligations
6 issued or guaranteed by the United States or by any person
7 controlled or supervised by and acting as an instrumentality
8 of the United States pursuant to authority granted by the
9 Congress of the United States; and
10 (8) certificates of deposit issued by banks organized
11 under the laws of any state or of the United States; whether
12 or not such investment or reinvestment is authorized under
13 any other law of this state. The municipality shall also
14 have the power to provide that such proceeds or funds or in-
15 vestments and the rents amounts payable under the lease, sale
16 contract or loan agreement shall be received, held and
17 disbursed by one or more banks or trust companies located
18 in or out of the state of Iowa. A municipality shall also
19 have the power to provide that the project and improvements
20 shall be constructed by the municipality, lessee, ~~or~~ the
21 lessee's designee, the contracting party, or the contract-
22 ing party's designee, or anyone or more of them on real estate
23 owned by the municipality, the lessee, ~~or~~ the lessee's
24 designee, the contracting party, or the contracting party's
25 designee, as the case may be, that the bond proceeds shall
26 be disbursed by the trustee bank or banks, trust company or
27 trust companies, during construction upon the estimate, order
28 or certificate of the lessee, ~~or~~ the lessee's designee, ~~and~~
29 ~~that the project, if and to the extent constructed on real~~
30 ~~estate not owned by the municipality, shall be conveyed to~~
31 ~~the municipality not later than its completion~~ the contracting
32 party, or the contracting party's designee.

33 In making such agreements or provisions, a municipality
34 shall not have the power to obligate itself, except with
35 respect to the project and the application of the revenues

1 therefrom, and shall not have the power to incur a pecuniary
2 liability or a charge upon its general credit or against its
3 taxing powers.

4 3. The proceedings authorizing any bonds under the pro-
5 visions of this chapter, or any mortgage securing such bonds,
6 may provide that if there is a default in the payment of the
7 principal of or the interest on such bonds or in the perfor-
8 mance of any agreement contained in such proceedings or
9 mortgage, the payment and performance may be enforced by
10 mandamus or by the appointment of a receiver in equity with
11 power to charge and collect rents and payments and to apply
12 the revenues from the project in accordance with such
13 proceedings or the provisions of such mortgage.

14 Sec. 6. Section four hundred nineteen point five (419.5),
15 Code 1973, is amended to read as follows:

16 419.5 DETERMINATION OF RENT.

17 1. Prior to ~~the-leasing-of~~ entering into a lease, sale
18 contract or loan agreement with respect to any project, the
19 governing body must determine the amount necessary in each
20 year to pay the principal of and the interest on the bonds
21 proposed to be issued to finance such project; the amount
22 necessary to be paid each year into any reserve funds which
23 the governing body may deem advisable to establish in
24 connection with the retirement of the proposed bonds and the
25 maintenance of the project; and unless the terms ~~under-which~~
26 ~~the-project-is-to-be-leased~~ of the lease, sale contract or
27 loan agreement provides that the lessee or contracting party
28 shall maintain the project and carry all proper insurance
29 with respect thereto, the estimated cost of maintaining the
30 project in good repair and keeping it properly insured.
31 2. The determination and findings of the governing body,
32 required to be made by subsection 1 of this section, shall
33 be set forth in the proceedings under which the proposed bonds
34 are to be issued; provided, however, that the foregoing amounts
35 need not be expressed in dollars and cents in the lease and,

1 sale contract or loan agreement or in the proceedings under
2 which the bonds are authorized to be issued, but may be set
3 forth in the form of a formula or formulas. Prior to the
4 issuance of the bonds authorized by this chapter the
5 municipality shall ~~lease~~ enter into a lease, sale contract
6 or loan agreement with respect to the project ~~to-a-lessee~~
7 ~~under-an-agreement-conditioned-upon-completion-of~~ which shall
8 require the lessee or contracting party to complete the project
9 and providing which shall provide for payment to the
10 municipality of such rentals or payments as, upon the basis
11 of such determinations and findings, will be sufficient to
12 pay the principal of and interest on the bonds issued to
13 finance the project; to build up and maintain any reserves
14 deemed advisable, by the governing body, in connection
15 therewith and unless the ~~agreement-of~~ lease, sale contract
16 or loan agreement obligates the lessee or contracting party
17 to pay for the maintenance and insurance on the project, to
18 pay the costs of maintaining the project in good repair and
19 keeping it properly insured.

20 Sec. 7. Section four hundred nineteen point seven (419.7),
21 Code 1973, is amended to read as follows:

22 419.7 APPLICATION OF PROCEEDS LIMITED. The proceeds from
23 the sale of any bonds, issued under authority of this chapter,
24 shall be applied only for the purpose for which the bonds
25 were issued and if, for any reason, any portion of such pro-
26 ceeds shall not be needed for the purpose for which the bonds
27 were issued, such unneeded portion of said proceeds shall
28 be applied to the payment of the principal or the interest
29 on said bonds. The cost of ~~acquiring~~ any project shall be
30 deemed to include the actual cost of acquiring a site or the
31 cost of the construction of any part of a project which may
32 be constructed including architects' and engineers' fees,
33 the purchase price of any part of a project that may be ac-
34 quired by purchase, all expenses in connection with the
35 authorization, sale and issuance of the bonds to finance such

1 acquisition and the interest on such bonds for a reasonable
2 time prior to construction, during construction and for not
3 exceeding six months after completion of construction.

4 Sec. 8. Section four hundred nineteen point eight (419.8),
5 Code 1973, is amended to read as follows:

6 419.8 NO PAYMENT BY MUNICIPALITY. No municipality shall
7 have the power to pay out of its general fund or otherwise
8 contribute any part of the costs of ~~acquiring~~ a project and
9 shall not have the power to use land already owned by the
10 municipality, or in which the municipality has an equity,
11 unless specifically acquired for development of a private
12 college or university or for industrial development or for
13 pollution control facilities or for voluntary nonprofit
14 hospitals, clinics, or health care facilities, or unless the
15 land is determined by the municipal governing body to no
16 longer be necessary for municipal purposes, for the
17 construction thereon of a project or any part thereof. The
18 entire cost of ~~acquiring~~ any project must be paid out of the
19 proceeds from the sale of bonds issued under the authority
20 of this chapter, but this provision shall not be construed
21 to prevent a municipality from accepting donations of property
22 to be used as a part of any project or money to be used for
23 defraying any part of the cost of any project.

24 Sec. 9. Section four hundred nineteen point eleven
25 (419.11), Code 1973, is amended to read as follows:

26 419.11 TAX EQUIVALENT TO BE PAID--ASSESSMENT PROCEDURE-
27 -APPEAL. Any municipality acquiring, purchasing, constructing,
28 reconstructing, improving or extending any industrial buildings
29 or pollution control facilities, as provided in this chapter,
30 shall annually pay out of the revenue from such industrial
31 buildings or pollution control facilities to the state of
32 Iowa and to the city, town, school district and any other
33 political subdivision, authorized to levy taxes, a sum equal
34 to the amount of tax, determined by applying the millage rate
35 of the taxing district to the assessed value of the property,

1 which the state, county, city, town, school district or other
2 political subdivision would receive if the property were owned
3 by any private person or corporation, any other statute to
4 the contrary notwithstanding. For purposes of arriving at
5 such tax equivalent, the property shall be valued and as-
6 sessed by the assessor in whose jurisdiction the property
7 is located, in accordance with chapter 441, but the munic-
8 ipality, the lessee on behalf of the municipality, and such
9 other persons as are authorized by chapter 441 shall be en-
10 titled to protest any assessment and take appeals in the same
11 manner as any taxpayer. Such valuations shall be included
12 in any summation of valuations in the taxing district for
13 all purposes known to the law. Income from this source shall
14 be considered under the provisions of section 24.3, subsection
15 1. If and to the extent the proceedings under which the bonds
16 authorized to be issued under the provisions of this chapter
17 so provide, the municipality may agree to co-operate with
18 the lessee of a project in connection with any administrative
19 or judicial proceedings for determining the validity or amount
20 of any such payments and may agree to appoint or designate
21 and reserve the right in and for such lessee to take all
22 action which the municipality may lawfully take in respect
23 of such payments and all matters relating thereto, provided,
24 however, that such lessee shall bear and pay all costs and
25 expenses of the municipality thereby incurred at the request
26 of such lessee or by reason of any such action taken by such
27 lessee in behalf of the municipality. Any lessee of a project
28 which has paid, as rentals additional to those required to
29 be paid pursuant to section 419.5, the amounts required by
30 the first sentence of this section to be paid by the
31 municipality shall not be required to pay any such taxes to
32 the state or to any such county, city, town, school district
33 or other political subdivision, any other statute to the
34 contrary notwithstanding. To the extent that any lessee or
35 contracting party pays taxes on a project or part thereof,

1 the municipality shall not be required to pay the tax
2 equivalent herein provided, and to such extent the lessee
3 or contracting party shall not be required to pay amounts
4 to the municipality for such purpose. This section shall
5 not be applicable to any municipality acquiring, purchasing,
6 constructing, reconstructing, improving, or extending any
7 buildings for the purpose of establishing, maintaining, or
8 assisting any private college or university, nor to any
9 municipality in connection with any project for the benefit
10 of a voluntary nonprofit hospital, clinic, or health care
11 facility, the property of which is otherwise exempt under the
12 provisions of chapter four hundred twenty-seven (427) of the
13 Code. The payment, collection, and apportionment of the tax
14 equivalent shall be subject to the provisions of chapters
15 445, 446 and 447.

16 Sec. 10. Chapter four hundred nineteen (419), Code 1973,
17 is amended by adding the following new section:

18 NEW SECTION. In order to provide available alternatives
19 to enable municipalities to accomplish the purposes of this
20 chapter in the manner deemed most advisable by the governing
21 body, it is the intent of this chapter that a lessee or
22 contracting party under a sale contract or loan agreement
23 is not required to be the eventual user of a project; provided,
24 that any sublessee or assignee shall assume all of the
25 obligations of the lessee or contracting party under the
26 lease, sale contract or loan agreement, the lessee or
27 contracting party remains primarily liable for all of its
28 obligations under the lease, sale contract or loan agreement,
29 and the use of the project is consistent with the purposes
30 of this chapter.

31

EXPLANATION

32 Chapter 419 now provides in general that municipalities
33 may finance certain projects relating to industry, private
34 colleges and universities, and pollution control, by means
35 of acquiring and leasing the project, and issuing revenue

1 bonds for the cost of acquisition, to be paid from rentals.
2 This bill includes counties under chapter 419 and authorizes
3 two alternate methods of handling the financing of projects;
4 by installment sales or loan agreements. It also expands
5 the list of projects to include commercial enterprises engaged
6 in storing, warehousing, distributing or selling products
7 of agriculture, mining or industry, and voluntary nonprofit
8 hospitals, clinics, or health care facilities.

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- 1 Amend House File 719 as follows:
- 2 1. Page 2, line 10, by striking the word
- 3 "voluntary".
- 4 2. Page 2, line 15, by inserting after the comma
- 5 the words "producing, nurturing,".
- 6 3. Page 2, line 17, by striking the word "pro-
- 7 cessed" and inserting in lieu thereof the word
- 8 "processed".
- 9 4. Page 2, line 19, by adding after the word "in"
- 10 the words "producing, handling, nurturing,".
- 11 5. Page 2, line 25, by adding after the word
- 12 "improvements," the words "unit trains used in the
- 13 "hauling of low sulphur coal,".
- 14 6. Page 2, by striking lines 31 through 35 and
- 15 inserting in lieu thereof the following:
- 16 "that can be used or that will be useful in a
- 17 ~~private-college-or-university-enterprise-or-an~~
- 18 ~~industrial-enterprise-or-as-pollution-control-facili-~~
- 19 ~~ties-for-any-industry,-commercial-enterprise-or-utility~~
- 20 ~~connection with a project, including, without limiting".~~
- 21 7. Page 3, line 32, by inserting after the word
- 22 "payments" the words ", including without limitation,
- 23 interest thereon".
- 24 8. Page 3, line 33, by inserting before the period
- 25 the words "or to the trustee under the indenture pur-
- 26 suant to which the bonds were issued".
- 27 9. Page 4, line 8, by inserting after the word
- 28 "municipality" the words "or to the trustee under the
- 29 indenture pursuant to which the bonds were issued".
- 30 10. Page 4, line 10, by inserting after the word
- 31 "parties" the words "providing for timely payments,
- 32 including without limitation, interest thereon".
- 33 11. Page 4, line 18, by inserting after the word
- 34 "secured" the words "or evidenced".
- 35 12. Page 4, line 20, by inserting before the period
- 36 the words ", delivered to the municipality or to the
- 37 trustee under the indenture pursuant to which the bonds
- 38 were issued".
- 39 13. Page 4, line 25, by striking the word "includes"
- 40 and inserting in lieu thereof the word "include".
- 41 14. Page 4, line 26, by inserting before the period
- 42 the words ", or under notes, debentures, bonds and other
- 43 secured or unsecured debt obligations of a lessee or
- 44 contracting party delivered as herein provided".
- 45 15. Page 4, by inserting after line 28 the following:
- 46 "NEW SUBSECTION. 'Corporation' includes a corpora-
- 47 tion whether organized for profit or not for profit for
- 48 which the secretary of state has issued a certificate
- 49 of incorporation or a permit for the transaction of busi-
- 50 ness within the state and further includes a cooperative

51 association."
52 16. Page 4, by striking lines 32 through 35 and
53 inserting in lieu thereof the following:
54 "may now have, ~~in-the-event-that-local-capital-is~~
55 ~~not-available-for-the-development-of-industrial-pro-~~
56 ~~jects,-pollution-control-projects,-or-private-college~~
57 ~~or-university-projects,"~~.
58 17. Page 5, line 1, by striking the word
59 "facilities,".
60 18. Page 5, line 10, by inserting before the period
61 the words ", and provided that unit trains used as
62 pollution control facilities for the hauling of low
63 sulphur coal may be operated anywhere within or without
64 the state".
65 19. Page 6, line 8, by striking the word "or" and
66 inserting in lieu thereof the word "including".
67 20. Page 9, line 16, by inserting after the word
68 "RENT" the words "AND OTHER PAYMENTS".
69 21. Page 9, by striking lines 26 and 27 and insert-
70 ing in lieu thereof the following:
71 "the-project-is-to-be-leased-provides of the lease,
72 sale contract or loan agreement provide that the lessee
73 or contracting party".
74 22. Page 11, by striking lines 11 through 14 and
75 inserting in lieu thereof the following:
76 "unless specifically acquired for development of a
77 ~~private-college-or-university-or-for-industrial~~
78 ~~development-or-for-pollution-control-facilities~~
79 ~~projects~~ or unless the".
80 23. Page 11, line 16, by inserting before the
81 comma the words "other than the project".
82 24. Page 13, line 10, by striking the word
83 "voluntary".
84 25. Page 1, line 1, amend the title by striking
85 the word "projects" and inserting in lieu thereof the
86 words "industrial and agricultural projects including
87 pollution control facilities".

H-2108 Filed - *Withdrawn 3/25*
February 5, 1974

By COMMITTEE ON CITIES AND TOWNS
CLARK of Lee, Chairman

H-470

1 Amend House File 719, page 5, by striking lines
2 32, 33 and 34 and inserting in lieu thereof the
3 following: "No municipality shall have the power to
4 operate any project, referred to in this chapter, as
5 a business or in any manner except as ~~the-essor~~
6 thereof provided in this chapter."

H-470 Filed - *Withdrawn 3/29*
May 8, 1973

By CLARK of Lee

HOUSE FILE 719

H-2241

1 Amend House File 719 as follows:

2 1. Page 2, by striking lines 31 through 35 and
3 inserting in lieu thereof the following:

4 "that can be used or that will be useful in a
5 ~~private-college-or-university-enterprise-or-an~~
6 ~~industrial-enterprise-or-as-pollution-control-facili-~~
7 ~~ties-for-any-industry,-commercial-enterprise-or~~
8 ~~utility~~ connection with a project, including, with-
9 out limiting".

10 2. Page 3, line 32, by inserting after the word
11 "payments" the words ", including without limitation,
12 interest thereon".

13 3. Page 3, line 33, by inserting before the
14 period the words "or to the trustee under the in-
15 denture pursuant to which the bonds were issued".

16 4. Page 4, line 8, by inserting after the word
17 "municipality" the words "or to the trustee under
18 the indenture pursuant to which the bonds were
19 issued".

20 5. Page 4, line 10, by inserting after the word
21 "parties" the words "providing for timely payments,
22 including without limitation, interest thereon".

23 6. Page 4, line 18, by inserting after the word
24 "secured" the words "or evidenced".

25 7. Page 4, line 20, by inserting before the period
26 the words ", delivered to the municipality or to the
27 trustee under the indenture pursuant to which the
28 bonds were issued".

29 8. Page 4, line 25, by striking the word "includes"
30 and inserting in lieu thereof the word "include".

31 9. Page 4, line 26, by inserting before the period
32 the words ", or under notes, debentures, bonds and
33 other secured or unsecured debt obligations of a lessee
34 or contracting party delivered as herein provided".

35 10. Page 4, by inserting after line 23 the follow-
36 ing:

37 "NEW SUBSECTION. "Corporation" includes a corpora-
38 tion whether organized for profit or not for profit
39 for which the secretary of state has issued a certif-
40 icate of incorporation or a permit for the transaction
41 of business within the state and further includes a
42 cooperative association."

43 11. Page 4, by striking lines 32 through 35 and
44 inserting in lieu thereof the following:

45 "may now have, ~~in-the-event-that-local-capital-is~~
46 ~~not-available-for-the-development-of-industrial-pro-~~
47 ~~jects, pollution-control-projects, or private~~
48 ~~college-or-university-projects,~~".

49 12. Page 5, line 1, by striking the word
50 "facilities,"

- 51 13. Page 6, line 8, by striking the word "or"
52 and inserting in lieu thereof the word "including".
53 14. Page 9, line 16, by inserting after the word
54 "RENT" the words "AND OTHER PAYMENTS".
55 15: Page 9, by striking lines 26 and 27 and
56 inserting in lieu thereof the following:
57 "~~the project is to be leased provides of the~~
58 lease, sale contract or loan agreement provide that
59 the lessee or contracting party".
60 16. Page 11, by striking lines 11 through 14 and
61 inserting in lieu thereof the following:
62 "unless specifically acquired for development of
63 ~~a private college or university or for industrial~~
64 ~~development or for pollution control facilities~~
65 projects, or unless the".
66 17. Page 11, line 16, by inserting before the
67 comma the words "other than the project".
68 18. Page 1, line 1, amend the title by striking
69 the word "projects" and inserting in lieu thereof
70 the words "industrial and agricultural projects in-
71 cluding pollution control facilities".

H-2241 Filed-*Adopted 3/25*
February 19, 1974

By COMMITTEE ON CITIES AND TOWNS
CLARK of Lee, Chairman

SENATE AMENDMENT TO HOUSE FILE 719

- 1 Amend House File 719, as amended and passed by the
2 House as follows:
3 1. Page 2, line 21, by inserting after the word
4 "industry" the following: "including but not limited
5 to barge facilities and river front improvements
6 useful and convenient for the handling and storage
7 of goods and products".
8 2. Page 11, line 1, by inserting after the word
9 "acquisition" the words ", and amount to be held
10 as a bond reserve fund,".

Received from the Senate
May 4, 1974

House Concurred 5/4

H-2113

- 1 Amend House File 719 as follows:
2 1. Page 5, by striking from lines 13, 14 and 15
3 the following: "~~but in no case shall the rentals be~~
4 ~~less than the average rental cost for like or similar~~
5 ~~facilities within the competitive commercial area~~"
6 and inserting in lieu thereof the following: "but in
7 no case shall the rentals be less than the average
8 rental cost for like or similar facilities within the
9 competitive commercial area".
10 2. Page 5, by striking all of lines 32 through
11 34 and inserting in lieu thereof the following:
12 "No municipality shall have the power to operate any
13 project, referred to in this chapter, as a business
14 or in any manner except as the lessor thereof."

H-2113 Filed-*Withdrawn 3/25*

By HARVEY of Scott

H-2500

1 Amend House File 719 as follows:
2 1. Page 5, by striking all after the word
3 "advisable" in line 13 and all of lines 14, 15 and 16
4 and inserting in lieu thereof the following: "in
5 accordance with the provisions of this chapter, but
6 in no case shall the rentals be less than the average
7 rental cost for like or similar facilities within the
8 competitive commercial area."
9 2. Page 5, by striking all of lines 32 through
10 34 and inserting in lieu thereof the following: "No
11 municipality shall have the power to operate any
12 project, referred to in this chapter, as a business
13 or in any manner except as the lessor thereof."

H-2500 Filed *1-Adopted 3/25 (1225)* By HARVEY of Scott
March 14, 1974 *Withdrawn 3/29*

H-2622

1 Amend House File 719, page 5, by striking all of
2 lines 32 through 34 and inserting in lieu thereof the
3 following: "No municipality shall have the power
4 to operate any project financed under this chapter, as
5 a business or in any manner except as specifically
6 provided in this chapter."

H-2622 Filed *Withdrawn 3/29* By HARVEY of Scott
March 25, 1974

H-2637

1 Amend House File 719 by striking everything after
2 the enacting clause and inserting in lieu thereof the
3 following:
4 "Section 1. Chapter four hundred nineteen (419),
5 Code 1973, is repealed."

H-2637 Filed *Adopted 3/29* By SMALL of Johnson
March 26, 1974 HIGGINS of Scott

H-2695

1 Amend House File 719 as follows:
2 1. Page 5, by striking all of line 32 and
3 inserting in lieu thereof the following: "No
4 municipality shall have the power to operate any
5 project;".
6 2. Page 5, line 34, by inserting after the word
7 "~~thereof-~~" the following: "financed under this chapter,
8 as a business or in any manner except as specifically
9 provided in this chapter."

H-2695 Filed and adopted By HARVEY of Scott
March 29, 1974

S-2738

1 Amend House File 719, as amended and passed by
2 the House, page 11, line 1, by inserting after the
3 word "acquisition" the words ", an amount to be
4 held as a bond reserve fund,".

S-2738 Filed - *adopted 5/4*
April 11, 1974

By KELLY

S-2851

1 Amend House File 719, as amended and passed
2 by the House, as follows:
3 1. Page 2, line 2, by striking "one (1),".
4 2. Page 2, by striking lines 4 and 5.
5 3. Page 2, line 20 by striking the words
6 ", distributing or selling".

S-2851 Filed - *Withdrawn 5/4*
April 23, 1974

By SHAW

S-2869

1 Amend House File 719, as amended and passed
2 by the House, page 2, line 20, by striking the
3 words ", distributing or selling" and inserting
4 in lieu thereof the words "or distributing".

S-2869 Filed - *W/d 5/4*
April 24, 1974

By SHAW

S-2917

1 Amend House File 719, as amended and passed
2 by the House, page 2, line 21, by inserting after
3 the word "industry" the following: "including but
4 not limited to barge facilities and river front
5 improvements useful and convenient for the handling
6 and storage of goods and products".

S-2917 Filed - *W/d 5/4*
April 29, 1974

By SHAW

S-3030

1 Amend House File 719, as amended and passed by the
2 House, page 2, lines 6 and 7 by striking the words
3 "all or any part of, or any interest in,".

S-3030 Filed and lost
May 4, 1974

By GALLAGHER