

*Reprinted 3/28*

MAR 21 1980

Place On Calendar

HOUSE FILE 2573

By COMMITTEE ON COMMERCE

(Formerly House File 2235)

Passed House, Date 3/27/80 (p. 1406) Passed Senate, Date \_\_\_\_\_

Vote: Ayes 91 Nays 0 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_

Approved April 21, 1980

### A BILL FOR

1 An Act authorizing rural water districts to finance the full  
2 cost of construction or purchase of any water district  
3 facility.

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

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HOUSE FILE 2573

H-5701

1 Amend House File 2573 as follows:  
2 1. Page 1, by striking lines 23 and 24.

H-5701 FILED

MARCH 26, 1980

*Accepted 3/27 (p. 1206)*

BY SPEAR of Lee

2573

1 Section 1. Section three hundred fifty-seven A point  
2 eleven (357A.11), subsection eight (8), Code 1979, is amended  
3 to read as follows:

4 8. Have power to finance ~~up-to-ninety-five-percent~~ all  
5 or part of the cost of the construction or purchase of any  
6 project necessary to carry out the purposes for which the  
7 district is incorporated, ~~provided-the-balance-of-the-cost~~  
8 ~~of-construction-or-purchase-is-acquired-by-subscription,~~  
9 ~~donation,-gift,-or-otherwise-than-through-the-medium-of-loans,~~  
10 or to refinance ~~up-to-ninety-five-percent~~ all or part of the  
11 original cost of any such project, and to evidence ~~such~~ that  
12 financing by issuance of revenue bonds or notes which shall  
13 mature in a period not to exceed forty years from date of  
14 issuance, shall bear interest, or combined interest and  
15 insurance charges, at a rate not to exceed six percent per  
16 annum, shall be payable only from revenue derived from sale  
17 of water by the district, and shall never become or be  
18 construed to be a debt against the state of Iowa or any of  
19 its political subdivisions other than the district issuing  
20 the bonds. A statutory mortgage lien shall exist upon the  
21 water system and appurtenances and extensions so acquired  
22 in favor of the holders of the bonds and notes.

23 Sec. 2. This Act takes effect January first following  
24 its enactment.

25 EXPLANATION

26 This bill increases the limitation on a rural water dis-  
27 trict's borrowing authority from 95 percent to 100 percent  
28 of the cost of construction of any project or purchase of  
29 any facility which is necessary in order to carry out the  
30 purposes for which the rural water district is established.

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Sen. Commerce 4/8  
H. Res. 4/2 (p. 1265)

HOUSE FILE 2573

By COMMITTEE ON COMMERCE  
(As Amended and Passed by the House)

Passed House, Date 3/27/80 (p. 1236) Passed Senate, Date 4/11/80 (p. 1394)

Vote: Ayes 91 Nays 0 Vote: Ayes 46 Nays 0

Approved April 21, 1980

### A BILL FOR

1 An Act authorizing rural water districts to finance the full  
2 cost of construction or purchase of any water district  
3 facility.

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

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Language Stricken \*

1 Section 1. Section three hundred fifty-seven A point  
2 eleven (357A.11), subsection eight (8), Code 1979, is amended  
3 to read as follows:

4 8. Have power to finance ~~up-to-ninety-five-percent~~ all  
5 or part of the cost of the construction or purchase of any  
6 project necessary to carry out the purposes for which the  
7 district is incorporated, ~~provided-the-balance-of-the-cost~~  
8 ~~of-construction-or-purchase-is-acquired-by-subscription,~~  
9 ~~donation,-gift,-or-otherwise-than-through-the-medium-of-loans,~~  
10 or to refinance ~~up-to-ninety-five-percent~~ all or part of the  
11 original cost of any such project, and to evidence ~~such~~ that  
12 financing by issuance of revenue bonds or notes which shall  
13 mature in a period not to exceed forty years from date of  
14 issuance, shall bear interest, or combined interest and  
15 insurance charges, at a rate not to exceed six percent per  
16 annum, shall be payable only from revenue derived from sale  
17 of water by the district, and shall never become or be  
18 construed to be a debt against the state of Iowa or any of  
19 its political subdivisions other than the district issuing  
20 the bonds. A statutory mortgage lien shall exist upon the  
21 water system and appurtenances and extensions so acquired  
22 in favor of the holders of the bonds and notes.

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water system and appurtenances and extensions so acquired  
in favor of the holders of the bonds and notes.

HOUSE FILE 2573

AN ACT

AUTHORIZING RURAL WATER DISTRICTS TO FINANCE THE FULL COST OF  
CONSTRUCTION OR PURCHASE OF ANY WATER DISTRICT FACILITY.

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

Section 1. Section three hundred fifty-seven A point  
eleven (357A.11), subsection eight (8), Code 1979, is amended  
to read as follows:

8. Have power to finance ~~up-to-ninety-five-percent~~ all  
or part of the cost of the construction or purchase of any  
project necessary to carry out the purposes for which the  
district is incorporated, ~~provided-the-balance-of-the-cost~~  
~~of-construction-or-purchase-is-acquired-by-subscription,~~  
~~donation,-gift,-or-otherwise-than-through-the-medium-of-loans,~~  
or to refinance ~~up-to-ninety-five-percent~~ all or part of the  
original cost of any such project, and to evidence ~~such~~ that  
financing by issuance of revenue bonds or notes which shall  
mature in a period not to exceed forty years from date of  
issuance, shall bear interest, or combined interest and  
insurance charges, at a rate not to exceed six percent per  
annum, shall be payable only from revenue derived from sale  
of water by the district, and shall never become or be  
construed to be a debt against the state of Iowa or any of  
its political subdivisions other than the district issuing  
the bonds. A statutory mortgage lien shall exist upon the

\_\_\_\_\_  
WILLIAM H. HARBOR  
Speaker of the House

\_\_\_\_\_  
TERRY E. BRANSTAD  
President of the Senate

I hereby certify that this bill originated in the House and  
is known as House File 2573, Sixty-eighth General Assembly.

\_\_\_\_\_  
BRUCE GRAHAM  
Assistant Chief Clerk of the House

Approved April 21, 1980

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ROBERT D. RAY  
Governor

H.F. 2573