

County Government
Brown, Chair
Goodwin
C. Miller

BY COMMITTEE ON COUNTY
GOVERNMENT

JAN 29 1982

Place On Calendar

Passed House, Date 2-8-82 (p. 289) Passed Senate, Date 3-5-82 (p. 608)

Vote: Ayes 91 Nays 0 Vote: Ayes 43 Nays 0

Approved March 26, 1982 (p. 1080)

A BILL FOR

1 An Act relating to the issuance of a warrant order covering
2 the amounts of warrants not paid because of a fund
3 deficiency.

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

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1 Section 1. Section 331.554, subsection 5, Code 1981 Supple-
2 ment, is amended to read as follows:

3 5. a. When a warrant legally drawn on the county treasury
4 is presented for payment and not paid because of a deficiency,
5 the treasurer shall carry out duties relating to the endorse-
6 ment and payment of interest on the amount of deficiency as
7 provided in chapter 74.

8 b. In lieu of the requirements and procedures specified
9 in sections 74.1, 74.2, and 74.3, when warrants other than
10 anticipatory warrants are presented for payment and not paid
11 for want of funds or are only partially paid, the treasurer
12 may issue a warrant order for an amount equal to the unpaid
13 warrants drawn on a fund. The warrant order shall be dated
14 and include the fund name, amount, and the rate of interest
15 established under section 74A.6. The warrant order shall
16 be endorsed by the treasurer, "not paid for want of funds",
17 and include the treasurer's signature. The treasurer shall
18 keep a list of all warrants comprising a warrant order and
19 shall submit a duplicate copy of the warrant order to the
20 auditor. The procedures of sections 74.4 through 74.7 apply
21 to warrant orders.

22 Sec. 2. Section 74.4, Code 1981, is amended to read as
23 follows:

24 74.4 ASSIGNMENT OF OBLIGATION. When a nonnegotiable
25 interest-bearing obligation is assigned or transferred, the
26 assignee or transferee shall notify the treasurer in writing
27 of the assignment or transfer and of the post-office address
28 of the assignee or transferee. Upon receiving such
29 notification, the treasurer accordingly shall correct the
30 record maintained under section 74.3 or 331.554, subsection
31 5, paragraph b in section 1 of this Act as applicable.

32 Sec. 3. Section 74.6, subsection 1, Code 1981, is amended
33 to read as follows:

34 1. The treasurer shall make a call for payment under
35 section 74.5 by mailing to the holder of the obligation, as

1 shown in the records maintained under section 74.3 or 331.554,
2 subsection 5, paragraph b in section 1 of this Act as
3 applicable, a notice of call which describes the obligation
4 by number and amount, and which specifies a date, not more
5 than ten days thereafter when interest ceases to accrue on
6 the obligation. The treasurer shall enter the date of mailing
7 of the notice in the records maintained under section 74.3
8 or 331.554, subsection 5, paragraph b in section 1 of this
9 Act as applicable.

10 Sec. 4. Section 74.7, Code 1981, is amended to read as
11 follows:

12 74.7 ENDORSEMENT OF INTEREST. When an obligation which
13 legally draws interest is paid, the treasurer shall endorse
14 upon it the date of payment, and the amount of interest paid.
15 The treasurer ~~also~~ shall enter into the records maintained
16 under section 74.3 or 331.554, subsection 5, paragraph b in
17 section 1 of this Act as applicable, the date of payment and
18 the amount of interest paid.

19 EXPLANATION

20 This bill authorizes optional procedures which may be used
21 by a county treasurer when county warrants are presented for
22 payment and not paid because of a deficiency in a county fund.
23 These optional procedures will authorize the county treasurer
24 to group all warrants drawn on a single fund and not paid
25 for lack of funds into a warrant order. The treasurer will
26 keep a list of all warrants comprising the warrant order and
27 submit a duplicate copy to the county auditor. The warrant
28 order will pay the same interest rates as if the warrants
29 were handled separately and will include only the warrants
30 received on a single fund each day.

31 This Act takes effect July 1 following its enactment.

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HOUSE FILE 2224

AN ACT

RELATING TO THE ISSUANCE OF A WARRANT ORDER COVERING THE
AMOUNTS OF WARRANTS NOT PAID BECAUSE OF A FUND DEFICIENCY.

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

Section 1. Section 331.554, subsection 5, Code 1981 Supplement, is amended to read as follows:

5. a. When a warrant legally drawn on the county treasury is presented for payment and not paid because of a deficiency, the treasurer shall carry out duties relating to the endorsement and payment of interest on the amount of deficiency as provided in chapter 74.

b. In lieu of the requirements and procedures specified in sections 74.1, 74.2, and 74.3, when warrants other than anticipatory warrants are presented for payment and not paid for want of funds or are only partially paid, the treasurer may issue a warrant order for an amount equal to the unpaid warrants drawn on a fund. The warrant order shall be dated and include the fund name, amount, and the rate of interest established under section 74A.6. The warrant order shall

be endorsed by the treasurer, "not paid for want of funds", and include the treasurer's signature. The treasurer shall keep a list of all warrants comprising a warrant order and shall submit a duplicate copy of the warrant order to the auditor. The procedures of sections 74.4 through 74.7 apply to warrant orders.

Sec. 2. Section 74.4, Code 1981, is amended to read as follows:

74.4 ASSIGNMENT OF OBLIGATION. When a nonnegotiable interest-bearing obligation is assigned or transferred, the assignee or transferee shall notify the treasurer in writing of the assignment or transfer and of the post-office address of the assignee or transferee. Upon receiving such notification, the treasurer accordingly shall correct the record maintained under section 74.3 or 331.554, subsection 5, paragraph b in section 1 of this Act as applicable.

Sec. 3. Section 74.6, subsection 1, Code 1981, is amended to read as follows:

1. The treasurer shall make a call for payment under section 74.5 by mailing to the holder of the obligation, as shown in the records maintained under section 74.3 or 331.554, subsection 5, paragraph b in section 1 of this Act as applicable, a notice of call which describes the obligation by number and amount, and which specifies a date, not more than ten days thereafter when interest ceases to accrue on the obligation. The treasurer shall enter the date of mailing of the notice in the records maintained under section 74.3 or 331.554, subsection 5, paragraph b in section 1 of this Act as applicable.

Sec. 4. Section 74.7, Code 1981, is amended to read as follows:

74.7 ENDORSEMENT OF INTEREST. When an obligation which legally draws interest is paid, the treasurer shall endorse upon it the date of payment, and the amount of interest paid. The treasurer ~~also~~ shall enter into the records maintained

under section 74.3 or 331.554, subsection 5, paragraph b in section 1 of this Act as applicable, the date of payment and the amount of interest paid.

DELWYN STROMER
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 2224, Sixty-ninth General Assembly.

ELIZABETH A. ISAACSON
Chief Clerk of the House

Approved 3/26, 1982

ROBERT D. RAY
Governor