

4/3/81
Passed 4/13 (p. 1251)

Commerce
Rush, Chairperson
Comito
Baugher

MAR 25 1981

HOUSE FILE 790

By COMMITTEE ON COMMERCE

Place On Calendar

(Formerly House File 479)

Passed House, Date 4-3-81 (p. 1052) Passed Senate, Date 4-24-81 (p. 1425)

Vote: Ayes 92 Nays 0 Vote: Ayes 40 Nays 0

Approved May 5, 1981

A BILL FOR

1 An Act relating to the time the lien for rates or charges for
2 utility services attaches.

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

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The text of this bill, and explanation, are identical
to House File 479

1 Section 1. Section 384.84, subsection 1, Code 1981, is
2 amended to read as follows:

3 1. The governing body of a city utility, combined utility
4 system, city enterprise, or combined city enterprise may
5 establish, impose, adjust, and provide for the collection
6 of rates to produce gross revenues at least sufficient to
7 pay the expenses of operation and maintenance of the city
8 utility, combined utility system, city enterprise, or combined
9 city enterprise and, whenever revenue bonds or pledge orders
10 are issued and outstanding pursuant to ~~the provisions of~~ this
11 division, shall establish, impose, adjust, and provide for
12 the collection of rates to produce gross revenues at least
13 sufficient to pay the expenses of operation and maintenance
14 of the city utility, combined utility system, city enterprise,
15 or combined city enterprise, and to leave a balance of net
16 revenues sufficient at all times to pay the principal of and
17 interest on the revenue bonds and pledge orders as ~~the same~~
18 they become due and to maintain a reasonable reserve for the
19 payment of ~~such~~ principal and interest, and a sufficient
20 portion of net revenues must be pledged for ~~such~~ that purpose.
21 Rates must be established by ordinance of the council or by
22 resolution of the trustees, published in the same manner as
23 an ordinance. All rates or charges for the services of sewer
24 systems, sewage treatment, solid waste collection, solid waste
25 disposal, or any of these, if not paid as provided by ordinance
26 of council, or resolution of trustees, ~~shall~~ constitute a
27 lien upon the premises served by any of these services and
28 upon certification to the county auditor that the rates or
29 charges are owing. The rates or charges may be certified
30 to the county auditor and collected in the same manner as
31 taxes.

32 EXPLANATION

33 The bill provides that a lien for the payment of charges
34 for the services of sewer systems, sewage treatments, solid
35 waste collection and solid waste disposal attaches only after

1 certification to the county auditor that the charges are
2 owing. Presently, the lien attaches when the charges are
3 not paid and no certification is needed resulting in the
4 attachment of the lien without notice of its existence.

5 The bill takes effect July 1 following its enactment.

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HOUSE FILE 790

AN ACT

RELATING TO THE TIME THE LIEN FOR RATES OR CHARGES FOR UTILITY SERVICES ATTACHES.

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

Section 1. Section 384.84, subsection 1, Code 1981, is amended to read as follows:

1. The governing body of a city utility, combined utility system, city enterprise, or combined city enterprise may 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 division, shall 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~~ they become due and to maintain a reasonable reserve for the payment of ~~such~~ such that principal and interest, and a sufficient portion of net revenues must be pledged for such that purpose. Rates must be established by ordinance of the council or by resolution of the trustees, published in the same manner as an ordinance. All rates or charges for the services of sewer systems, sewage treatment, solid waste collection, solid waste disposal, or any of these, if not paid as provided by ordinance of council, or resolution of trustees, ~~shall~~ constitute a

lien upon the premises served by any of these services and upon certification to the county auditor that the rates or charges are owing. The rates or charges may be certified to the county auditor and collected in the same manner as taxes.

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 790, Sixty-ninth General Assembly.

PAT H. HARPER
Chief Clerk of the House

Approved 5/5, 1981

ROBERT D. RAY
Governor

H.F. 790