

Local Government: Peick, Chair: Royer and Sherzan.

Amend. per 5088, B. Pass 2/2 (p. 287)

HOUSE FILE 2111

JAN 23 1984

BY NORLAND

LOCAL GOVERNMENT

Passed House, Date 3-6-84 (p. 740) Passed Senate, Date 3/26/84 (p. 1031)

Vote: Ayes 95 Nays 0 Vote: Ayes 46 Nays 0

Approved April 11, 1984 (P. 1896)

A BILL FOR

1 An Act authorizing cities to issue revenue bonds to refund
2 general obligation bonds if they were issued or the proceeds
3 were expended for certain city projects.

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

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HOUSE FILE 2111

H-5088

1 Amend House File 2111 as follows:

2 1. Page 1, line 12, by inserting after the words
3 "revenue bonds" the words "or pledge orders".

4 2. Page 1, line 16, by inserting after the word
5 "bonds" the words "or pledge orders".

6 3. Page 1, line 27, by striking the word "and"
7 and inserting in lieu thereof the word "and,".

8 4. Page 1, line 28, by inserting after the word
9 "refunded" the words ", to pay the costs of issuance
10 of the refunding revenue bonds or pledge orders, and
11 to fund such reserve funds as the governing body may
12 deem advisable in connection with the issuance of
13 the refunding revenue bonds or pledge orders".

14 5. Title page, line 1, by inserting after the
15 word "bonds" the words "or pledge orders".

H-5088 FILED FEB. 3, 1984 BY COMMITTEE ON LOCAL GOVERNMENT

Adopted 3/6 (p. 740)

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1 Section 1. Section 394.82, subsection 2, Code 1983, is
2 amended to read as follows:

3 2. A city may issue revenue bonds or pledge orders to
4 refund revenue bonds, pledge orders, and other obligations
5 which are by their terms payable from the net revenues of
6 the same city utility, combined utility system, city
7 enterprise, or combined city enterprise, or from a city utility
8 comprising a part of the combined utility system or a city
9 enterprise comprising a part of the combined city enterprise,
10 at lower, the same, or higher rates of interest. Upon a
11 finding of necessity by the governing body, a city may issue
12 revenue bonds to refund general obligation bonds to the extent
13 the general obligation bonds were issued or the proceeds of
14 them were expended for a city utility, city enterprise, or
15 a portion of a combined city utility or city enterprise.
16 These revenue bonds may be issued at lower, the same, or at
17 higher rates of interest than the rates of the general
18 obligation bonds being refunded. A city may sell refunding
19 revenue bonds or pledge orders at public or private sale in
20 the manner prescribed by chapter 75 and apply the proceeds
21 to the payment of the obligations being refunded, and may
22 exchange refunding revenue bonds or pledge orders in payment
23 and discharge of the obligations being refunded. The principal
24 amount of ~~any~~ refunding revenue bonds or pledge orders may
25 exceed the principal amount of the obligations being refunded
26 to the extent necessary to pay a premium due on the call of
27 the obligations being refunded and to fund interest accrued
28 and to accrue on the obligations being refunded.

29 EXPLANATION

30 The bill authorizes cities to issue revenue bonds to refund
31 general obligation bonds if the proceeds of the general obli-
32 gation bonds were expended for a city utility, city enterprise,
33 or a portion of a combined city utility or city enterprise.
34 Presently, revenue bonds can be issued for those purposes
35 but not to refund general obligation bonds.

36 The bill takes effect July 1 following enactment.

Sen. Local Govt. 3/9
HOUSE FILE 2111 Do Pass 3/16 (p. 891)

Local Government
A. Miller, Chair
Wells
Waldsten

HOUSE FILE 2111

BY NORLAND

(As Amended and Passed by the House)

Passed House, Date 3-6-84 (p. 740) Passed Senate, Date 3-26-84 (p. 1021)

Vote: Ayes 95 Nays 0 Vote: Ayes 46 Nays 0

Approved April 11, 1984 (p. 1896)

A BILL FOR

1 An Act authorizing cities to issue revenue bonds or pledge
2 orders to refund general obligation bonds if they were
3 issued or the proceeds were expended for certain city
4 projects.

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

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House Amendments _____

1 Section 1. Section 384.82, subsection 2, Code 1983, is
2 amended to read as follows:

3 2. A city may issue revenue bonds or pledge orders to
4 refund revenue bonds, pledge orders, and other obligations
5 which are by their terms payable from the net revenues of
6 the same city utility, combined utility system, city
7 enterprise, or combined city enterprise, or from a city utility
8 comprising a part of the combined utility system or a city
9 enterprise comprising a part of the combined city enterprise,
10 at lower, the same, or higher rates of interest. Upon a
11 finding of necessity by the governing body, a city may issue
12 revenue bonds or pledge orders to refund general obligation
13 bonds to the extent the general obligation bonds were issued
14 or the proceeds of them were expended for a city utility,
15 city enterprise, or a portion of a combined city utility or
16 city enterprise. These revenue bonds or pledge orders may
17 be issued at lower, the same, or at higher rates of interest
18 than the rates of the general obligation bonds being refunded.
19 A city may sell refunding revenue bonds or pledge orders at
20 public or private sale in the manner prescribed by chapter
21 75 and apply the proceeds to the payment of the obligations
22 being refunded, and may exchange refunding revenue bonds or
23 pledge orders in payment and discharge of the obligations
24 being refunded. The principal amount of ~~any~~ refunding revenue
25 bonds or pledge orders may exceed the principal amount of
26 the obligations being refunded to the extent necessary to
27 pay a premium due on the call of the obligations being refunded
28 and, to fund interest accrued and to accrue on the obligations
29 being refunded, to pay the costs of issuance of the refunding
30 revenue bonds or pledge orders, and to fund such reserve funds
31 as the governing body may deem advisable in connection with
32 the issuance of the refunding revenue bonds or pledge orders.

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HOUSE FILE 2111

AN ACT

AUTHORIZING CITIES TO ISSUE REVENUE BONDS OR PLEDGE ORDERS TO REFUND GENERAL OBLIGATION BONDS IF THEY WERE ISSUED OR THE PROCEEDS WERE EXPENDED FOR CERTAIN CITY PROJECTS.

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

Section 1. Section 384.82, subsection 2, Code 1983, is amended to read as follows:

2. A city may issue revenue bonds or pledge orders to refund revenue bonds, pledge orders, and other obligations which are by their terms payable from the net revenues of the same city utility, combined utility system, city enterprise, or combined city enterprise, or from a city utility comprising a part of the combined utility system or a city enterprise comprising a part of the combined city enterprise, at lower, the same, or higher rates of interest. Upon a finding of necessity by the governing body, a city may issue revenue bonds or pledge orders to refund general obligation bonds to the extent the general obligation bonds were issued or the proceeds of them were expended for a city utility, city enterprise, or a portion of a combined city utility or city enterprise. These revenue bonds or pledge orders may be issued at lower, the same, or at higher rates of interest than the rates of the general obligation bonds being refunded. A city may sell refunding revenue bonds or pledge orders at public or private sale in the manner prescribed by chapter 75 and apply the proceeds to the payment of the obligations being refunded, and may exchange refunding revenue bonds or pledge orders in payment and discharge of the obligations being refunded. The principal amount of any refunding revenue bonds or pledge orders may exceed the principal amount of the obligations being refunded to the extent necessary to

pay a premium due on the call of the obligations being refunded and, to fund interest accrued and to accrue on the obligations being refunded, to pay the costs of issuance of the refunding revenue bonds or pledge orders, and to fund such reserve funds as the governing body may deem advisable in connection with the issuance of the refunding revenue bonds or pledge orders.

DONALD D. AVENSON
Speaker of the House

ROBERT T. ANDERSON
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2111, Seventieth General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved April 11, 1984

TERRY E. BRANSTAD
Governor

H.F. 2111