

Appropriation 4/29 Dr. Pass 5/2 (p. 1557)

APR 28 1986

APPROPRIATIONS CALENDAR

HOUSE FILE 2489

BY COMMITTEE ON APPROPRIATIONS

Passed House, Date 4-29-86 (p. 1879) Passed Senate, Date 5-2-86 (p. 1580)

Vote: Ayes 76 Nays 24 Vote: Ayes 38 Nays 18

Approved May 28, 1986

*Repassed House 5-2-86 (p. 2136)
73-10*

A BILL FOR

1 An Act relating to the issuance of bonds by the state
2 conservation commission for the acquisition of real property
3 for the development and enhancement of wildlife lands and
4 habitat areas.

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

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HF 2489

1 Section 1. Section 110.3, Code 1985, is amended to read as
2 follows:

3 110.3 WILDLIFE HABITAT STAMP.

4 1. A resident or nonresident person required to have a
5 hunting or fur harvester license shall not hunt or trap unless
6 the person carries a valid wildlife habitat stamp signed in
7 ink with the person's signature across the face of the stamp.
8 This section shall not apply to residents who are permanently
9 disabled or who are younger than sixteen or older than sixty-
10 five years of age. Special wildlife habitat stamps shall be
11 administered in the same manner as hunting and fur harvester
12 licenses except all revenue derived from the sale of the
13 wildlife habitat stamps shall be used within the state of Iowa
14 for habitat development and shall be deposited in the state
15 fish and game protection fund, except as provided in
16 subsection 2. The revenue may be used for the matching of
17 federal funds. The revenues and any matched federal funds
18 shall be used for acquisition of land, leasing of land or
19 obtaining of easements from willing sellers for use as
20 wildlife habitats. Notwithstanding the exemption provided by
21 section 427.1, any land acquired with the revenues and matched
22 federal funds shall be subject to the full consolidated levy
23 of property taxes which shall be paid from those revenues. In
24 addition such revenue may be used for the development and
25 enhancement of wildlife lands and habitat areas. Not less
26 than fifty percent of all revenue from the sale of wildlife
27 habitat stamps shall be used by the commission to enter into
28 agreements with county conservation boards or other public
29 agencies in order to carry out the purposes of this section.
30 The state share of funding of those agreements provided by the
31 revenue from the sale of wildlife habitat stamps shall not
32 exceed seventy-five percent.

595633 2. All or a portion of the revenues from the sale of
34 wildlife habitat stamps which are not required under
35 subsection 1 to be used by the commission to enter into

1 agreements with county conservation boards or other public
2 agencies may be credited to the wildlife habitat bond fund as
3 provided in section 110.53.

4 Sec. 2. NEW SECTION. 110.50 DEFINITIONS.

5 When used in this division, unless the context otherwise
6 requires:

59617 1. "Bonds" means negotiable wildlife habitat stamp revenue
8 bonds of the commission issued pursuant to this division and
9 includes all bonds, notes, and other obligations issued in
10 anticipation of these bonds or as refunding bonds pursuant to
11 this division.

12 2. "Treasurer" means the treasurer of state of the state
13 of Iowa.

14 3. "Wildlife habitat bond fund" means the fund created by
15 section 110.53.

16 Sec. 3. NEW SECTION. 110.51 BONDS ISSUED BY THE
17 COMMISSION.

18 1. The commission may issue its negotiable bonds in
19 principal amounts as, in the opinion of the commission, are
20 necessary to provide funds for the acquisition of real
21 property for the development and enhancement of wildlife lands
22 and habitat areas, the payment of interest on its bonds and
23 all other expenditures of the commission incident to and
24 necessary or convenient to carry out the acquisition. The
25 bonds shall be deemed to be investment securities and
26 negotiable instruments within the meaning of and for all
27 purposes of chapter 554, the uniform commercial code.

28 2. Bonds issued by the commission are payable solely and
29 only from the wildlife habitat stamp revenues credited to the
30 wildlife habitat bond fund. Taxes or appropriations shall not
31 be pledged for the payment of the bonds. Bonds are not an
32 obligation of this state or any political subdivision of this
33 state other than the commission within the meaning of any
34 constitutional or statutory debt limitations, but are special
35 obligations of the commission payable solely and only from the

1 sources provided in this division, and the commission shall
2 not pledge the general credit or taxing power of this state or
3 any political subdivision of this state or make its debts
4 payable out of any moneys except those of the wildlife habitat
5 bond fund.

6 3. Bonds must be authorized by a resolution of the
7 commission. However, a resolution authorizing the issuance of
8 obligations may delegate to an officer of the commission the
9 power to negotiate and fix the details of an issue of bonds or
10 notes by an appropriate certificate of the authorized officer.

11 4. The bond proceedings shall provide for the purpose of
12 the bonds, principal amount and principal maturity or
13 maturities, the interest rate or rates or the maximum interest
14 rate, the date of the bonds and the dates of payment of
15 interest on the bonds, their denomination, the terms and
16 conditions upon which parity bonds may be issued, and the
17 establishment within or without the state of a place or places
18 of payment of principal of and interest on the bonds. The
19 purpose of the bonds may be stated in the bond proceedings in
20 terms describing the general purpose or purposes to be served.
21 The commission may cause to be issued a prospectus or official
22 statement in connection with the offering of the bonds. Bonds
23 may be issued in coupon or in registered form, or both.
24 Provision may be made for the registration of bonds with
25 coupons attached as to principal alone, or as to both
26 principal and interest, their exchange for bonds so
27 registered, and for the conversion or reconversion into bonds
28 with coupons attached of any bonds registered as to both
29 principal and interest, and for reasonable charges for
30 registration, exchange, conversion, and reconversion. Bonds
31 shall be sold in the manner and at the time determined by the
32 commission. Chapter 75 and sections 23.12 through 23.16 do
33 not apply to these bonds. The bonds are negotiable
34 instruments. The bond proceedings may contain additional
35 provisions as to:

1 a. The redemption of bonds prior to maturity at the option
2 of the commission at the price and on the terms and conditions
3 provided in the bond proceedings.

4 b. Other terms of the bonds and concerning execution and
5 delivery of the bonds.

6 c. The delegation of responsibility for any act relating
7 to the issuance, execution, sale, redemption, or other matter
8 pertaining to the bonds to any other officer, agency of the
9 state, or other person or body.

10 d. Additional agreements with the bondholders relating to
11 the bonds.

12 e. Payment from the proceeds of the sale of the bonds of
13 all legal and financial expenses incurred by the commission in
14 the issuance, sale, delivery, and payment of the bonds.

15 f. Other matters, alike or different, which may in any way
16 affect the security of the bonds and the protection of the
17 bondholders.

18 5. The power to issue bonds includes the power to issue
19 obligations in the form of bond anticipation notes or other
20 forms of short-term indebtedness and to renew these notes by
21 the issuance of new notes. The holders of notes or interest
22 coupons of notes have a right to be paid solely from those
596/23 wildlife habitat stamp revenues credited to the wildlife
24 habitat bond fund which were pledged to the payment of the
25 bonds anticipated, or from the proceeds of those bonds or
26 renewal notes, or both, as the commission provides in the bond
27 proceedings authorizing the notes. The notes may be
28 additionally secured by covenants of the commission to the
29 effect that the commission will do those acts authorized by
30 this division and necessary for the issuance of the bonds or
31 renewal notes in appropriate amount, and either exchange the
32 bonds or renewal notes for the notes, or apply the proceeds of
33 the notes, to the extent necessary, to make full payment of
34 the principal of and interest on the notes at the time
35 contemplated, as provided in the bond proceedings. For this

1 purpose, the commission may issue bonds or renewal notes in a
2 principal amount and upon terms as authorized by this division
3 and as necessary to provide funds to pay when required the
4 principal of and interest on the outstanding notes. All
5 provisions for and references to bonds in this division are
6 applicable to notes authorized under this subsection to the
7 extent not inconsistent with this subsection.

8 6. The commission may authorize and issue bonds for the
9 refunding, including funding and retirement, and advance
10 refunding with or without payment or redemption prior to
11 maturity, of bonds previously issued by the commission. These
12 bonds may be issued in amounts sufficient for payment of the
13 principal amount of the prior bonds, any redemption premiums
14 on the prior bonds, principal maturities of bonds maturing
15 prior to the redemption of the remaining bonds on a parity
16 with them, interest accrued or to accrue to the maturity date
17 or dates of redemption of the bonds, and project costs
18 including expenses incurred or to be incurred in connection
19 with this issuance, refunding, funding, and retirement.
20 Subject to the bond proceedings, the portion of proceeds of
21 the sale of bonds issued under this subsection to be applied
22 to principal of and interest on the prior bonds shall be
23 credited to the appropriate account for the prior bonds.
24 Bonds authorized under this subsection shall be deemed to be
25 issued for those purposes for which the prior bonds were
26 issued and are subject to the provisions of this division
27 pertaining to other bonds. Refunding bonds may be issued
28 without regard to whether or not the bonds to be refunded are
29 payable on the same date or different dates or due serially or
30 otherwise.

31 Sec. 4. NEW SECTION. 110.52 ADDITIONAL POWERS OF
32 COMMISSION.

33 In connection with the issuance of the bonds or in order to
34 secure the payment of the bonds and interest on the bonds, the
35 commission may by resolution:

1 1. Provide that the bonds be secured by a first lien on
2 all or any part of the revenues from the sale of wildlife
3 habitat stamps and that the revenues when collected will be
4 credited to the wildlife habitat bond fund.

5 2. Pledge and assign to or entrust for the benefit of the
6 bondholders any part of the wildlife habitat stamp revenues
7 collected as will be necessary to pay the principal of and
8 interest on the bonds as they mature or become due by
9 providing that the revenues collected shall be credited to the
10 wildlife habitat bond fund.

11 3. Establish, authorize, set aside, regulate, and dispose
12 of reserves and sinking funds.

13 4. Provide that sufficient amounts of the proceeds of the
14 sale of the bonds may be used to fully or partially fund any
15 and all reserves or sinking funds set out by the bond
16 resolution.

17 5. Prescribe the procedure, if any, by which the terms of
18 any contract with bondholders may be amended or abrogated, the
19 amount of the bonds whose holders must consent thereto, and
20 the manner in which the consent may be given.

21 6. Purchase bonds, out of funds available for that
22 purpose, which shall be canceled, at a price not exceeding
23 either of the following:

24 a. If the bonds are then redeemable, the redemption price
25 then applicable plus accrued interest to the next interest
26 payment date.

27 b. If the bonds are not then redeemable, the redemption
28 price applicable on the first date after the purchase upon
29 which the bonds become subject to redemption plus accrued
30 interest to that date.

31 Sec. 5. NEW SECTION. 110.53 PAYMENT OF BONDS.

32 A wildlife habitat bond fund is created in the state
33 treasury. At the direction of the commission as provided in
34 the bond proceedings or pursuant to section 110.52, subsection
35 1 or 2, and as certified by the director, the treasurer of

1 state shall credit to the wildlife habitat bond fund from the
2 revenues received from the sale of wildlife habitat stamps a
3 sum at least sufficient to pay interest on the bonds in each
4 fiscal year and principal on the bonds that mature during each
5 fiscal year. In each fiscal year after the effective date of
6 this division and after bonds are issued, and until all the
7 bonds issued have been retired, in order to provide for the
8 payment of principal of the bonds issued and sold and the
9 interest on them as the same become due and mature, there is
10 pledged and annually appropriated out of the wildlife habitat
11 stamp revenues to be credited to the wildlife habitat bond
12 fund an amount sufficient to pay principal and interest on the
13 bonds issued for each of the years the bonds are outstanding.
14 The director shall annually certify to the treasurer the
15 amount of funds required to pay interest on the bonds in the
16 ensuing fiscal year and the principal on the bonds that mature
17 during the ensuing fiscal year.

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18 Sec. 6. NEW SECTION. 110.54 NONLIABILITY OF THE STATE
19 AND ITS OFFICIALS.

20 Bonds issued are special limited obligations of the
21 commission and are not a debt or liability of the state or any
22 other political subdivision within the meaning of any
23 constitutional or statutory debt limitation and are not a
24 pledge of the state's credit or taxing power within the
25 meaning of any constitutional or statutory limitation or
26 provision and, except as provided in this division, an
27 appropriation shall not be made, directly or indirectly, by
28 the state or any political subdivision of the state for the
29 payment of bonds. The bonds are special obligations of the
30 commission payable solely from the wildlife habitat bond fund.
31 Funds from the general fund of the state shall not be used to
32 pay interest or principal on the bonds if revenues deposited
33 in the wildlife habitat bond fund are insufficient.

34 The members of the commission or other person executing the
35 bonds is not personally liable for the payment of the bonds.

1 The bonds are valid and binding obligations of the commission
2 notwithstanding the fact that before the delivery of the bonds
3 any of the officers whose signatures appear on the bonds cease
4 to be officers of the state. From and after the sale and
5 delivery of the bonds, they shall be incontestable by the
6 commission.

7 Sec. 7. NEW SECTION. 110.55 BONDS AS LEGAL INVESTMENTS.

8 Bonds are securities in which all public officers and
9 bodies of the state and all municipalities and political
10 subdivisions of this state, all insurance companies and
11 associations and other persons carrying on an insurance
12 business, all banks, bankers, trust companies, savings banks,
13 and savings associations, including savings and loan
14 associations, building loan associations, investment
15 companies, and other persons carrying on a banking business,
16 all administrators, guardians, executors, trustees, and other
17 fiduciaries and all other persons who are now or may be
18 authorized to invest in bonds or other obligations of this
19 state may properly and legally invest funds including capital
20 in their control or belonging to them. The bonds are also
21 securities which may be deposited with and may be received by
22 all public officers and bodies of the state and all
23 municipalities and legal subdivisions of this state for any
24 purpose for which the deposit of bonds or other obligations of
25 the state is now or may be authorized.

26 Sec. 8. NEW SECTION. 110.56 RIGHTS OF BONDHOLDERS.

27 The bond proceedings may provide that a holder of bonds or
28 a trustee under the bond proceedings, except to the extent
29 that the holder's rights are restricted by the bond
30 proceedings, may by legal proceedings, protect and enforce any
31 rights under the laws of this state or granted by the bond
32 proceedings. These rights include the right to compel the
33 performance of all duties of the commission required by this
34 division or the bond proceedings; to enjoin unlawful
35 activities; and in the event of default with respect to the

1 payment of any principal of or interest on bonds or in the
2 performance of a covenant or agreement on the part of the
3 commission in bond proceedings, to apply to a court to appoint
4 a receiver to receive and administer the funds which are
5 pledged to the payment of bonds or which are the subject of
6 the covenant or agreement, with full power to pay and to
7 provide for payment of any principal of or interest on bonds
8 and with powers accorded receivers in general equity cases,
9 excluding power to pledge additional funds or other income or
10 moneys of the commission, the state, or governmental agencies
11 of the state to the payment of the bonds.

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12 EXPLANATION

13 The bill authorizes the Iowa conservation commission to
14 issue bonds the proceeds of which will be used for the
15 acquisition of real property for the development and
16 enhancement of wildlife lands and habitat areas. The
17 principal of and interest on the bonds are to be paid solely
18 from revenues derived from the sale of habitat stamps. These
19 revenues would be credited to a wildlife habitat bond fund
20 created in the office of the treasurer. These bonds are
21 limited obligations of the state and no taxes or
22 appropriations will be pledged to pay for the principal of and
23 interest on the bonds.

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S-5961

- 1 Amend House File 2489 as passed by the House as
 2 follows:
 3 1. Page 2, line 7, by striking the words "stamp
 4 revenue".
 5 2. Page 2, line 24, by inserting after the word
 6 "acquisition." the following: "However, the
 7 commission shall not have a total principal amount of
 8 bonds outstanding at anytime in excess of eight
 9 million dollars."
 10 3. Page 2, line 29, by striking the words
 11 "wildlife habitat stamp".
 12 4. Page 4, line 23, by striking the words
 13 "wildlife habitat stamp".
 14 5. Page 6, by striking lines 1 through 10 and
 15 inserting the following:
 16 "1. Provide that the bonds be secured by a first
 17 lien on the revenues and receipts received or to be
 18 received into the wildlife habitat bond fund from
 19 income from the investment of the wildlife habitat
 20 bond fund, from moneys received from the sale of
 21 bonds, and from any other moneys which are available
 22 for the payment of bond service charges.
 23 2. Pledge for the benefit of the bondholders any
 24 part of the receipts in the wildlife habitat bond
 25 fund. The pledge shall be effective without physical
 26 delivery or further act and moneys in the fund may be
 27 applied for the purposes as pledged without the
 28 necessity of an Act of appropriation."
 29 6. Page 7, lines 10 and 11, by striking the words
 30 "wildlife habitat stamp".

S-5961 Filed May 2, 1986
 BY WELSH

ADOPTED (p. 1579)

HOUSE FILE 2489

S-5956

- 1 Amend House File 2489 as passed by the House as
 2 follows:
 3 1. Page 1, line 33, by striking the words "All or
 4 a portion" and inserting the following: "Up to sixty
 5 percent".

S-5956 Filed May 2, 1986

By Schwengel, Gentleman, Tilden, Hall

ADOPTED (p. 1579)

S-5927

1 Amend House File 2489 as passed by the House as
2 follows:

3 1. Page 9, by inserting after line 11 the
4 following:

5 "Sec. 9. SCHOOL TAX PAYMENT. There is
6 appropriated from the general fund of the state to the
7 department of natural resources the amount sufficient
8 to pay ninety percent of the school taxes for the
9 fiscal year beginning July 1, 1986 on the lands
10 acquired under the open spaces acquisition program,
11 commenced in Acts of the Sixty-fifth General Assembly,
12 1973 Session, chapter 74, and under the jobs now
13 account of the Iowa plan fund under 1985 Iowa Acts,
14 chapter 33, which would otherwise be subject to the
15 levy of school taxes. The assessed value of the open
16 spaces land shall be that determined pursuant to
17 section 427.1, subsection 31, and the department may
18 protest the assessed value in the manner provided by
19 law for any property owner to protest an assessment.
20 For the purposes of chapter 442, ninety percent of the
21 assessed value of the open spaces land shall be
22 included in the valuation base of the school district
23 and the payments made pursuant to this section shall
24 be considered as property tax revenues and not as
25 miscellaneous income. The county treasurer shall
26 certify the taxes due to the department."

S-5927 Filed May 1, 1986

BY HESTER, TIEDEN, HUSAK

Ruled not germane 5/2 (p. 1574)

SENATE AMENDMENT TO HOUSE FILE 2489

H-6143

1 Amend House File 2489 as passed by the House as
2 follows:

3 1. Page 1, line 33, by striking the words "All or
4 a portion" and inserting the following: "Up to sixty
5 percent".

6 2. Page 2, line 7, by striking the words "stamp
7 revenue".

8 3. Page 2, line 24, by inserting after the word
9 "acquisition." the following: "However, the
10 commission shall not have a total principal amount of
11 bonds outstanding at anytime in excess of eight
12 million dollars."

13 4. Page 2, line 29, by striking the words
14 "wildlife habitat stamp".

15 5. Page 4, line 23, by striking the words
16 "wildlife habitat stamp".

17 6. Page 6, by striking lines 1 through 10 and
18 inserting the following:

19 "1. Provide that the bonds be secured by a first
20 lien on the revenues and receipts received or to be
21 received into the wildlife habitat bond fund from
22 income from the investment of the wildlife habitat
23 bond fund, from moneys received from the sale of
24 bonds, and from any other moneys which are available
25 for the payment of bond service charges.

26 2. Pledge for the benefit of the bondholders any
27 part of the receipts in the wildlife habitat bond
28 fund. The pledge shall be effective without physical
29 delivery or further act and moneys in the fund may be
30 applied for the purposes as pledged without the
31 necessity of an Act of appropriation."

32 7. Page 7, lines 10 and 11, by striking the words
33 "wildlife habitat stamp".

34 8. By renumbering, relettering, or redesignating
35 and correcting internal references as necessary.

H-6143 FILED MAY 2, 1986

RECEIVED FROM THE SENATE

CONCURRED (p. 2136)

HOUSE FILE 2489

AN ACT

RELATING TO THE ISSUANCE OF BONDS BY THE STATE CONSERVATION COMMISSION FOR THE ACQUISITION OF REAL PROPERTY FOR THE DEVELOPMENT AND ENHANCEMENT OF WILDLIFE LANDS AND HABITAT AREAS.

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

Section 1. Section 110.3, Code 1985, is amended to read as follows:

110.3 WILDLIFE HABITAT STAMP.

1. A resident or nonresident person required to have a hunting or fur harvester license shall not hunt or trap unless the person carries a valid wildlife habitat stamp signed in ink with the person's signature across the face of the stamp. This section shall not apply to residents who are permanently disabled or who are younger than sixteen or older than sixty-five years of age. Special wildlife habitat stamps shall be administered in the same manner as hunting and fur harvester licenses except all revenue derived from the sale of the wildlife habitat stamps shall be used within the state of Iowa for habitat development and shall be deposited in the state fish and game protection fund, except as provided in subsection 2. The revenue may be used for the matching of federal funds. The revenues and any matched federal funds shall be used for acquisition of land, leasing of land or obtaining of easements from willing sellers for use as wildlife habitats. Notwithstanding the exemption provided by section 427.1, any land acquired with the revenues and matched federal funds shall be subject to the full consolidated levy of property taxes which shall be paid from those revenues. In addition such revenue may be used for the development and enhancement of wildlife lands and habitat areas. Not less

than fifty percent of all revenue from the sale of wildlife habitat stamps shall be used by the commission to enter into agreements with county conservation boards or other public agencies in order to carry out the purposes of this section. The state share of funding of those agreements provided by the revenue from the sale of wildlife habitat stamps shall not exceed seventy-five percent.

2. Up to sixty percent of the revenues from the sale of wildlife habitat stamps which are not required under subsection 1 to be used by the commission to enter into agreements with county conservation boards or other public agencies may be credited to the wildlife habitat bond fund as provided in section 110.53.

Sec. 2. NEW SECTION. 110.50 DEFINITIONS.

When used in this division, unless the context otherwise requires:

1. "Bonds" means negotiable wildlife habitat bonds of the commission issued pursuant to this division and includes all bonds, notes, and other obligations issued in anticipation of these bonds or as refunding bonds pursuant to this division.

2. "Treasurer" means the treasurer of state of the state of Iowa.

3. "Wildlife habitat bond fund" means the fund created by section 110.53.

Sec. 3. NEW SECTION. 110.51 BONDS ISSUED BY THE COMMISSION.

1. The commission may issue its negotiable bonds in principal amounts as, in the opinion of the commission, are necessary to provide funds for the acquisition of real property for the development and enhancement of wildlife lands and habitat areas, the payment of interest on its bonds and all other expenditures of the commission incident to and necessary or convenient to carry out the acquisition. However, the commission shall not have a total principal amount of bonds outstanding at any time in excess of eight million dollars. The bonds shall be deemed to be investment securities and negotiable instruments within the meaning of

and for all purposes of chapter 554, the uniform commercial code.

2. Bonds issued by the commission are payable solely and only from the revenues credited to the wildlife habitat bond fund. Taxes or appropriations shall not be pledged for the payment of the bonds. Bonds are not an obligation of this state or any political subdivision of this state other than the commission within the meaning of any constitutional or statutory debt limitations, but are special obligations of the commission payable solely and only from the sources provided in this division, and the commission shall not pledge the general credit or taxing power of this state or any political subdivision of this state or make its debts payable out of any moneys except those of the wildlife habitat bond fund.

3. Bonds must be authorized by a resolution of the commission. However, a resolution authorizing the issuance of obligations may delegate to an officer of the commission the power to negotiate and fix the details of an issue of bonds or notes by an appropriate certificate of the authorized officer.

4. The bond proceedings shall provide for the purpose of the bonds, principal amount and principal maturity or maturities, the interest rate or rates or the maximum interest rate, the date of the bonds and the dates of payment of interest on the bonds, their denomination, the terms and conditions upon which parity bonds may be issued, and the establishment within or without the state of a place or places of payment of principal of and interest on the bonds. The purpose of the bonds may be stated in the bond proceedings in terms describing the general purpose or purposes to be served. The commission may cause to be issued a prospectus or official statement in connection with the offering of the bonds. Bonds may be issued in coupon or in registered form, or both. Provision may be made for the registration of bonds with coupons attached as to principal alone, or as to both principal and interest, their exchange for bonds so registered, and for the conversion or reconversion into bonds with coupons attached of any bonds registered as to both

principal and interest, and for reasonable charges for registration, exchange, conversion, and reconversion. Bonds shall be sold in the manner and at the time determined by the commission. Chapter 75 and sections 23.12 through 23.16 do not apply to these bonds. The bonds are negotiable instruments. The bond proceedings may contain additional provisions as to:

a. The redemption of bonds prior to maturity at the option of the commission at the price and on the terms and conditions provided in the bond proceedings.

b. Other terms of the bonds and concerning execution and delivery of the bonds.

c. The delegation of responsibility for any act relating to the issuance, execution, sale, redemption, or other matter pertaining to the bonds to any other officer, agency of the state, or other person or body.

d. Additional agreements with the bondholders relating to the bonds.

e. Payment from the proceeds of the sale of the bonds of all legal and financial expenses incurred by the commission in the issuance, sale, delivery, and payment of the bonds.

f. Other matters, alike or different, which may in any way affect the security of the bonds and the protection of the bondholders.

5. The power to issue bonds includes the power to issue obligations in the form of bond anticipation notes or other forms of short-term indebtedness and to renew these notes by the issuance of new notes. The holders of notes or interest coupons of notes have a right to be paid solely from those revenues credited to the wildlife habitat bond fund which were pledged to the payment of the bonds anticipated, or from the proceeds of those bonds or renewal notes, or both, as the commission provides in the bond proceedings authorizing the notes. The notes may be additionally secured by covenants of the commission to the effect that the commission will do those acts authorized by this division and necessary for the issuance of the bonds or renewal notes in appropriate amount,

and either exchange the bonds or renewal notes for the notes, or apply the proceeds of the notes, to the extent necessary, to make full payment of the principal of and interest on the notes at the time contemplated, as provided in the bond proceedings. For this purpose, the commission may issue bonds or renewal notes in a principal amount and upon terms as authorized by this division and as necessary to provide funds to pay when required the principal of and interest on the outstanding notes. All provisions for and references to bonds in this division are applicable to notes authorized under this subsection to the extent not inconsistent with this subsection.

6. The commission may authorize and issue bonds for the refunding, including funding and retirement, and advance refunding with or without payment or redemption prior to maturity, of bonds previously issued by the commission. These bonds may be issued in amounts sufficient for payment of the principal amount of the prior bonds, any redemption premiums on the prior bonds, principal maturities of bonds maturing prior to the redemption of the remaining bonds on a parity with them, interest accrued or to accrue to the maturity date or dates of redemption of the bonds, and project costs including expenses incurred or to be incurred in connection with this issuance, refunding, funding, and retirement. Subject to the bond proceedings, the portion of proceeds of the sale of bonds issued under this subsection to be applied to principal of and interest on the prior bonds shall be credited to the appropriate account for the prior bonds. Bonds authorized under this subsection shall be deemed to be issued for those purposes for which the prior bonds were issued and are subject to the provisions of this division pertaining to other bonds. Refunding bonds may be issued without regard to whether or not the bonds to be refunded are payable on the same date or different dates or due serially or otherwise.

Sec. 4. NEW SECTION. 110.52 ADDITIONAL POWERS OF COMMISSION.

In connection with the issuance of the bonds or in order to secure the payment of the bonds and interest on the bonds, the commission may by resolution:

1. Provide that the bonds be secured by a first lien on the revenues and receipts received or to be received into the wildlife habitat bond fund from income from the investment of the wildlife habitat bond fund, from moneys received from the sale of bonds, and from any other moneys which are available for the payment of bond service charges.

2. Pledge for the benefit of the bondholders any part of the receipts in the wildlife habitat bond fund. The pledge shall be effective without physical delivery or further act and moneys in the fund may be applied for the purposes as pledged without the necessity of an Act of appropriation.

3. Establish, authorize, set aside, regulate, and dispose of reserves and sinking funds.

4. Provide that sufficient amounts of the proceeds of the sale of the bonds may be used to fully or partially fund any and all reserves or sinking funds set out by the bond resolution.

5. Prescribe the procedure, if any, by which the terms of any contract with bondholders may be amended or abrogated, the amount of the bonds whose holders must consent thereto, and the manner in which the consent may be given.

6. Purchase bonds, out of funds available for that purpose, which shall be canceled, at a price not exceeding either of the following:

a. If the bonds are then redeemable, the redemption price then applicable plus accrued interest to the next interest payment date.

b. If the bonds are not then redeemable, the redemption price applicable on the first date after the purchase upon which the bonds become subject to redemption plus accrued interest to that date.

Sec. 5. NEW SECTION. 110.53 PAYMENT OF BONDS.

A wildlife habitat bond fund is created in the state treasury. At the direction of the commission as provided in

the bond proceedings or pursuant to section 110.52, subsection 1 or 2, and as certified by the director, the treasurer of state shall credit to the wildlife habitat bond fund from the revenues received from the sale of wildlife habitat stamps a sum at least sufficient to pay interest on the bonds in each fiscal year and principal on the bonds that mature during each fiscal year. In each fiscal year after the effective date of this division and after bonds are issued, and until all the bonds issued have been retired, in order to provide for the payment of principal of the bonds issued and sold and the interest on them as the same become due and mature, there is pledged and annually appropriated out of the revenues to be credited to the wildlife habitat bond fund an amount sufficient to pay principal and interest on the bonds issued for each of the years the bonds are outstanding. The director shall annually certify to the treasurer the amount of funds required to pay interest on the bonds in the ensuing fiscal year and the principal on the bonds that mature during the ensuing fiscal year.

Sec. 6. NEW SECTION. 110.54 NONLIABILITY OF THE STATE AND ITS OFFICIALS.

Bonds issued are special limited obligations of the commission and are not a debt or liability of the state or any other political subdivision within the meaning of any constitutional or statutory debt limitation and are not a pledge of the state's credit or taxing power within the meaning of any constitutional or statutory limitation or provision and, except as provided in this division, an appropriation shall not be made, directly or indirectly, by the state or any political subdivision of the state for the payment of bonds. The bonds are special obligations of the commission payable solely from the wildlife habitat bond fund. Funds from the general fund of the state shall not be used to pay interest or principal on the bonds if revenues deposited in the wildlife habitat bond fund are insufficient.

The members of the commission or other person executing the bonds is not personally liable for the payment of the bonds.

The bonds are valid and binding obligations of the commission notwithstanding the fact that before the delivery of the bonds any of the officers whose signatures appear on the bonds cease to be officers of the state. From and after the sale and delivery of the bonds, they shall be incontestable by the commission.

Sec. 7. NEW SECTION. 110.55 BONDS AS LEGAL INVESTMENTS.

Bonds are securities in which all public officers and bodies of the state and all municipalities and political subdivisions of this state, all insurance companies and associations and other persons carrying on an insurance business, all banks, bankers, trust companies, savings banks, and savings associations, including savings and loan associations, building loan associations, investment companies, and other persons carrying on a banking business, all administrators, guardians, executors, trustees, and other fiduciaries and all other persons who are now or may be authorized to invest in bonds or other obligations of this state may properly and legally invest funds including capital in their control or belonging to them. The bonds are also securities which may be deposited with and may be received by all public officers and bodies of the state and all municipalities and legal subdivisions of this state for any purpose for which the deposit of bonds or other obligations of the state is now or may be authorized.

Sec. 8. NEW SECTION. 110.56 RIGHTS OF BONDHOLDERS.

The bond proceedings may provide that a holder of bonds or a trustee under the bond proceedings, except to the extent that the holder's rights are restricted by the bond proceedings, may by legal proceedings, protect and enforce any rights under the laws of this state or granted by the bond proceedings. These rights include the right to compel the performance of all duties of the commission required by this division or the bond proceedings; to enjoin unlawful activities; and in the event of default with respect to the payment of any principal of or interest on bonds or in the performance of a covenant or agreement on the part of the

commission in bond proceedings, to apply to a court to appoint a receiver to receive and administer the funds which are pledged to the payment of bonds or which are the subject of the covenant or agreement, with full power to pay and to provide for payment of any principal of or interest on bonds and with powers accorded receivers in general equity cases, excluding power to pledge additional funds or other income or moneys of the commission, the state, or governmental agencies of the state to the payment of the bonds.

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 2489, Seventy-first General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved May 28, 1986

TERRY E. BRANSTAD
Governor