

(p.453) 3-7-94 Amend/Do Pass w/H514/
(p.838) 3-24-94 Senate - Do Pass

HOUSE FILE 2311
BY MERTZ

FEB 28 1994

Agriculture

Passed House, ^(p.691) Date 3-17-94 Passed Senate, ^(p.870) Date 3/28/94
Vote: Ayes 98 Nays 0 Vote: Ayes 48 Nays 0
Approved April 4, 1994

A BILL FOR

1 An Act relating to the rate of interest that may be charged by a
2 governing body assessing land within a drainage district.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2311

HOUSE FILE 2311

H-5141

1 Amend House File 2311 as follows:
2 1. Page 3, lines 31 and 32, by striking the words
3 "not exceeding that permitted by" and inserting the
4 following: "~~not-exceeding-that-permitted-by~~
5 determined by the board, notwithstanding".

By COMMITTEE ON AGRICULTURE
EDDIE of Buena Vista, Chairperson

H-5141 FILED MARCH 7, 1994 ^(p.691)
adopted 3-17-94

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1 Section 1. Section 468.50, Code 1993, is amended to read
2 as follows:

3 468.50 LEVY -- INTEREST.

4 When the board has finally determined the matter of
5 assessments of benefits and apportionment, it shall levy the
6 assessments as fixed by it upon the lands within the district,
7 but an assessment on a tract, parcel or lot within the
8 district which is computed at less than two dollars shall be
9 fixed at the sum of two dollars. All assessments shall be
10 levied at that time as a tax and shall bear interest at ~~not to~~
11 ~~exceed the rate permitted~~ a rate determined by the board
12 notwithstanding chapter 74A from that date, payable annually,
13 except as provided as to cash payments within a specified
14 time.

15 Sec. 2. Section 468.57, subsections 1 and 2, Code 1993,
16 are amended to read as follows:

17 1. To pay one-third of the amount of the assessment at the
18 time of filing the agreement; one-third within twenty days
19 after the engineer in charge certifies to the auditor that the
20 improvement is one-half completed; and the remaining one-third
21 within twenty days after the improvement has been completed
22 and accepted by the board. All installments shall be without
23 interest if paid at said times, otherwise the assessments
24 shall bear interest from the date of the levy at a rate ~~not~~
25 ~~exceeding that permitted~~ determined by the board
26 notwithstanding chapter 74A, payable annually, and be
27 collected as other taxes on real estate, with like interest
28 for delinquency.

29 2. To pay the assessments in not less than ten nor more
30 than twenty equal installments, ~~with the number to be fixed by~~
31 ~~the board; of payments~~ and interest ~~at the rate fixed~~
32 determined by the board, ~~not exceeding that permitted by~~
33 notwithstanding chapter 74A. The first installment of each
34 assessment, or the total amount if less than one hundred
35 dollars, is due and payable on July 1 next succeeding the date

1 of the levy, unless the assessment is filed with the county
2 treasurer after May 31 in any year. The first installment
3 shall bear interest on the whole unpaid assessment from the
4 date of the levy as set by the board to the first day of
5 December following the due date. The succeeding annual
6 installments, with interest on the whole unpaid amount, to the
7 first day of December following the due date, are respectively
8 due on July 1 annually, and must be paid at the same time and
9 in the same manner as the first semiannual payment of ordinary
10 taxes. All future installments of an assessment may be paid
11 on any date by payment of the then outstanding balance plus
12 interest accrued to the date of payment. Each installment of
13 an assessment with interest on the unpaid balance is
14 delinquent from October 1 after its due date, unless the last
15 day of September is a Saturday or Sunday, in which case the
16 installment becomes delinquent from the following Tuesday, and
17 bears the same delinquent interest as ordinary taxes. When
18 collected, the interest must be credited to the same drainage
19 fund as the drainage special assessment.

20 Sec. 3. Section 468.70, unnumbered paragraph 1, Code 1993,
21 is amended to read as follows:

22 The board may provide by resolution for the payment of
23 assessments in not more than twenty annual installments with
24 interest at a rate ~~not-exceeding-that-permitted~~ determined by
25 the board, notwithstanding chapter 74A. The board may issue
26 warrants bearing interest at the same rate, which warrants
27 shall be numbered and state a maturity date in which event
28 they shall bear interest from the date of issuance without
29 being presented for payment and marked unpaid for want of
30 funds. The warrants may be sold by the board for cash in an
31 amount not less than ~~the~~ their face value ~~thereof~~, together
32 with any accrued interest, ~~if any~~.

33 Sec. 4. Section 468.72, Code 1993, is amended to read as
34 follows:

35 468.72 INTEREST -- PLACE OF PAYMENT.

1 Such certificates shall bear interest at a rate not
2 ~~exceeding that permitted by chapter 74A~~ determined by the
3 board, payable annually, and shall be paid by the taxpayer to
4 the county treasurer, who shall receipt for the same and cause
5 the amount to be credited on the certificates issued therefor.

6 Sec. 5. Section 468.76, Code 1993, is amended to read as
7 follows:

8 468.76 AMOUNT -- INTEREST -- MATURITY.

9 In no case shall the aggregate amount of all bonds issued
10 exceed the benefits assessed. The bonds shall not be issued
11 for a greater amount than the aggregate amount of assessments
12 for the payment of which they are issued, nor for a longer
13 period of maturity than twenty years. The bonds shall bear
14 interest at a rate ~~not-exceeding that permitted by~~ determined
15 by the board, notwithstanding chapter 74A, payable
16 semiannually, on June 1 and December 1 of each year. The
17 interest on unpaid assessments shall be at a rate not
18 ~~exceeding that permitted by chapter 74A~~ determined by the
19 board.

20 Sec. 6. Section 468.212, Code 1993, is amended to read as
21 follows:

22 468.212 INSTALLMENTS -- WARRANTS.

23 The board shall levy the costs contemplated in section
24 468.201 upon all of the lands of the district on the basis of
25 the classification for benefits as finally established and the
26 assessments so levied shall be paid in one installment unless
27 the board in its discretion shall provide for the payment
28 thereof in not more than twenty equal installments with
29 interest at a rate ~~not-exceeding that permitted~~ determined by
30 the board notwithstanding chapter 74A. The board may issue
31 anticipatory warrants bearing interest at a rate not exceeding
32 that permitted by chapter 74A. The warrants may be numbered
33 and state a maturity date. The warrants may be sold by the
34 board for cash in an amount not less than the face value
35 thereof, together with accrued interest, if any.

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EXPLANATION

This bill amends chapter 468 providing for the establishment and regulation of drainage districts and levees. When a drainage district has been established or a subsequent repair or improvement is required, the board may assess land within the district. The board may assess the land and issue improvement certificates. If the board determines that the cost will create assessments against the land greater than should be levied in a single year then, instead of issuing improvement certificates, the board may determine the amount to be levied and collected each year until such cost and expenses are paid, and may issue drainage bonds to cover the assessments.

This bill provides that the board may determine the rate of interest that may be charged by the board in assessing the land for purposes of issuing a certificate or bond, notwithstanding chapter 74A. Chapter 74A generally establishes interest rates which are applicable to bonds, warrants, anticipatory warrants, pledge orders, improvement certificates, and anticipation certificates issued by a governmental body or agency, and interest rates which are applicable to assessments levied by a governmental body or agency against benefited properties for the retirement of public debt.



(P.776) 3-21-94 Amended.
Local Govt

HOUSE FILE 2311

BY MERTZ

(As Amended and Passed by the House March 17, 1994)

Passed House, (P.691) Date 3-17-94 Passed Senate, (P.870) Date 3/28/94
Vote: Ayes 98 Nays 0 Vote: Ayes 48 Nays 0
Approved April 4, 1994

A BILL FOR

1 An Act relating to the rate of interest that may be charged by a
2 governing body assessing land within a drainage district.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments _____

1 Section 1. Section 468.50, Code 1993, is amended to read
2 as follows:

3 468.50 LEVY -- INTEREST.

4 When the board has finally determined the matter of
5 assessments of benefits and apportionment, it shall levy the
6 assessments as fixed by it upon the lands within the district,
7 but an assessment on a tract, parcel or lot within the
8 district which is computed at less than two dollars shall be
9 fixed at the sum of two dollars. All assessments shall be
10 levied at that time as a tax and shall bear interest at ~~not to~~
11 ~~exceed the rate permitted~~ a rate determined by the board
12 notwithstanding chapter 74A from that date, payable annually,
13 except as provided as to cash payments within a specified
14 time.

15 Sec. 2. Section 468.57, subsections 1 and 2, Code 1993,
16 are amended to read as follows:

17 1. To pay one-third of the amount of the assessment at the
18 time of filing the agreement; one-third within twenty days
19 after the engineer in charge certifies to the auditor that the
20 improvement is one-half completed; and the remaining one-third
21 within twenty days after the improvement has been completed
22 and accepted by the board. All installments shall be without
23 interest if paid at said times, otherwise the assessments
24 shall bear interest from the date of the levy at a rate ~~not~~
25 ~~exceeding that permitted~~ determined by the board
26 notwithstanding chapter 74A, payable annually, and be
27 collected as other taxes on real estate, with like interest
28 for delinquency.

29 2. To pay the assessments in not less than ten nor more
30 than twenty equal installments, with the number ~~to be fixed by~~
31 ~~the board,~~ of payments and interest ~~at the~~ rate fixed
32 determined by the board, ~~not exceeding that permitted by~~
33 notwithstanding chapter 74A. The first installment of each
34 assessment, or the total amount if less than one hundred
35 dollars, is due and payable on July 1 next succeeding the date

1 of the levy, unless the assessment is filed with the county
2 treasurer after May 31 in any year. The first installment
3 shall bear interest on the whole unpaid assessment from the
4 date of the levy as set by the board to the first day of
5 December following the due date. The succeeding annual
6 installments, with interest on the whole unpaid amount, to the
7 first day of December following the due date, are respectively
8 due on July 1 annually, and must be paid at the same time and
9 in the same manner as the first semiannual payment of ordinary
10 taxes. All future installments of an assessment may be paid
11 on any date by payment of the then outstanding balance plus
12 interest accrued to the date of payment. Each installment of
13 an assessment with interest on the unpaid balance is
14 delinquent from October 1 after its due date, unless the last
15 day of September is a Saturday or Sunday, in which case the
16 installment becomes delinquent from the following Tuesday, and
17 bears the same delinquent interest as ordinary taxes. When
18 collected, the interest must be credited to the same drainage
19 fund as the drainage special assessment.

20 Sec. 3. Section 468.70, unnumbered paragraph 1, Code 1993,
21 is amended to read as follows:

22 The board may provide by resolution for the payment of
23 assessments in not more than twenty annual installments with
24 interest at a rate ~~not-exceeding-that-permitted~~ determined by
25 the board, notwithstanding chapter 74A. The board may issue
26 warrants bearing interest at the same rate, which warrants
27 shall be numbered and state a maturity date in which event
28 they shall bear interest from the date of issuance without
29 being presented for payment and marked unpaid for want of
30 funds. The warrants may be sold by the board for cash in an
31 amount not less than ~~the~~ their face value thereof, together
32 with any accrued interest, ~~if-any~~.

33 Sec. 4. Section 468.72, Code 1993, is amended to read as
34 follows:

35 468.72 INTEREST -- PLACE OF PAYMENT.

1 Such certificates shall bear interest at a rate not
2 ~~exceeding-that-permitted-by-chapter-74A~~ determined by the
3 board, payable annually, and shall be paid by the taxpayer to
4 the county treasurer, who shall receipt for the same and cause
5 the amount to be credited on the certificates issued therefor.

6 Sec. 5. Section 468.76, Code 1993, is amended to read as
7 follows:

8 468.76 AMOUNT -- INTEREST -- MATURITY.

9 In no case shall the aggregate amount of all bonds issued
10 exceed the benefits assessed. The bonds shall not be issued
11 for a greater amount than the aggregate amount of assessments
12 for the payment of which they are issued, nor for a longer
13 period of maturity than twenty years. The bonds shall bear
14 interest at a rate ~~not-exceeding-that-permitted-by~~ determined
15 by the board, notwithstanding chapter 74A, payable
16 semiannually, on June 1 and December 1 of each year. The
17 interest on unpaid assessments shall be at a rate not
18 ~~exceeding-that-permitted-by-chapter-74A~~ determined by the
19 board.

20 Sec. 6. Section 468.212, Code 1993, is amended to read as
21 follows:

22 468.212 INSTALLMENTS -- WARRANTS.

23 The board shall levy the costs contemplated in section
24 468.201 upon all of the lands of the district on the basis of
25 the classification for benefits as finally established and the
26 assessments so levied shall be paid in one installment unless
27 the board in its discretion shall provide for the payment
28 thereof in not more than twenty equal installments with
29 interest at a rate ~~not-exceeding-that-permitted~~ determined by
30 the board notwithstanding chapter 74A. The board may issue
31 anticipatory warrants bearing interest at a rate not-exceeding
32 that-permitted-by determined by the board, notwithstanding
33 chapter 74A. The warrants may be numbered and state a
34 maturity date. The warrants may be sold by the board for cash
35 in an amount not less than the face value thereof, together

- 1 with accrued interest, if any.
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HOUSE FILE 2311

AN ACT
RELATING TO THE RATE OF INTEREST THAT MAY BE CHARGED BY A
GOVERNING BODY ASSESSING LAND WITHIN A DRAINAGE DISTRICT.

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

Section 1. Section 468.50, Code 1991, is amended to read as follows:

468.50 LEVY -- INTEREST.

When the board has finally determined the matter of assessments of benefits and apportionment, it shall levy the assessments as fixed by it upon the lands within the district, but an assessment on a tract, parcel or lot within the district which is computed at less than two dollars shall be fixed at the sum of two dollars. All assessments shall be levied at that time as a tax and shall bear interest at ~~not to exceed the rate permitted~~ a rate determined by the board notwithstanding chapter 74A from that date, payable annually, except as provided as to cash payments within a specified time.

Sec. 2. Section 468.57, subsections 1 and 2, Code 1993, are amended to read as follows:

1. To pay one-third of the amount of the assessment at the time of filing the agreement; one-third within twenty days after the engineer in charge certifies to the auditor that the improvement is one-half completed; and the remaining one-third within twenty days after the improvement has been completed and accepted by the board. All installments shall be without interest if paid at said times, otherwise the assessments shall bear interest from the date of the levy at a rate ~~not exceeding that permitted~~ determined by the board notwithstanding chapter 74A, payable annually, and be collected as other taxes on real estate, with like interest

for delinquency.

2. To pay the assessments in not less than ten nor more than twenty equal installments, ~~with the number to be fixed by the board, of payments and interest at the rate fixed determined by the board, not exceeding that permitted by~~ notwithstanding chapter 74A. The first installment of each assessment, or the total amount if less than one hundred dollars, is due and payable on July 1 next succeeding the date of the levy, unless the assessment is filed with the county treasurer after May 31 in any year. The first installment shall bear interest on the whole unpaid assessment from the date of the levy as set by the board to the first day of December following the due date. The succeeding annual installments, with interest on the whole unpaid amount, to the first day of December following the due date, are respectively due on July 1 annually, and must be paid at the same time and in the same manner as the first semiannual payment of ordinary taxes. All future installments of an assessment may be paid on any date by payment of the then outstanding balance plus interest accrued to the date of payment. Each installment of an assessment with interest on the unpaid balance is delinquent from October 1 after its due date, unless the last day of September is a Saturday or Sunday, in which case the installment becomes delinquent from the following Tuesday, and bears the same delinquent interest as ordinary taxes. When collected, the interest must be credited to the same drainage fund as the drainage special assessment.

Sec. 3. Section 468.70, unnumbered paragraph 1, Code 1993, is amended to read as follows:

The board may provide by resolution for the payment of assessments in not more than twenty annual installments with interest at a rate ~~not exceeding that permitted~~ determined by the board, notwithstanding chapter 74A. The board may issue warrants bearing interest at the same rate, which warrants shall be numbered and state a maturity date in which event

they shall bear interest from the date of issuance without being presented for payment and marked unpaid for want of funds. The warrants may be sold by the board for cash in an amount not less than the their face value thereof, together with any accrued interest, ~~if any.~~

Sec. 4. Section 468.72, Code 1993, is amended to read as follows:

468.72 INTEREST -- PLACE OF PAYMENT.

Such certificates shall bear interest at a rate ~~not exceeding that permitted by chapter 74A~~ determined by the board, payable annually, and shall be paid by the taxpayer to the county treasurer, who shall receipt for the same and cause the amount to be credited on the certificates issued therefor.

Sec. 5. Section 468.76, Code 1993, is amended to read as follows:

468.76 AMOUNT -- INTEREST -- MATURITY.

In no case shall the aggregate amount of all bonds issued exceed the benefits assessed. The bonds shall not be issued for a greater amount than the aggregate amount of assessments for the payment of which they are issued, nor for a longer period of maturity than twenty years. The bonds shall bear interest at a rate ~~not exceeding that permitted by~~ determined by the board, notwithstanding chapter 74A, payable semiannually, on June 1 and December 1 of each year. The interest on unpaid assessments shall be at a rate ~~not exceeding that permitted by chapter 74A~~ determined by the board.

Sec. 6. Section 468.212, Code 1993, is amended to read as follows:

468.212 INSTALLMENTS -- WARRANTS.

The board shall levy the costs contemplated in section 468.201 upon all of the lands of the district on the basis of the classification for benefits as finally established and the assessments so levied shall be paid in one installment unless the board in its discretion shall provide for the payment

thereof in not more than twenty equal installments with interest at a rate ~~not exceeding that permitted~~ determined by the board notwithstanding chapter 74A. The board may issue anticipatory warrants bearing interest at a rate ~~not exceeding that permitted by~~ determined by the board, notwithstanding chapter 74A. The warrants may be numbered and state a maturity date. The warrants may be sold by the board for cash in an amount not less than the face value thereof, together with accrued interest, if any.

.....
HAROLD VAN MAANEN
Speaker of the House

.....
LEONARD L. BOSWELL
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2311, Seventy-fifth General Assembly.

Approved April 4, 1994

.....
ELIZABETH ISAACSON
Chief Clerk of the House

.....
TERRY E. BRANSTAD
Governor