

(P. 1122) 4/8/94 Senate - Ways & Means
(P. 1156) 4/12/94 Senate - Do Pass

MAR 1 1994

HOUSE FILE 2326
BY COMMITTEE ON WAYS AND MEANS

WAYS & MEANS CALENDAR

(SUCCESSOR TO HSB 520)

Passed House, Date ^(P. 1218) 4-7-94 Passed Senate, Date ^(P. 1241) 4-14-95
Vote: Ayes 98 Nays 0 Vote: Ayes 49 Nays 0
Approved May 5, 1994

A BILL FOR

1 An Act relating to the definition of project for which certain
2 revenue bonds may be issued by a city or county and providing
3 an effective date.

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

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HOUSE FILE 2326

H-5300

- 1 Amend House File 2326 as follows:
- 2 1. Page 2, line 18, by striking the words
- 3 "facility of" and inserting the following: "facility
- 4 for".
- 5 2. Page 2, line 26, by striking the words
- 6 "indebtedness of" and inserting the following:
- 7 "indebtedness on a facility for".

By LARSON of Linn

H-5300 FILED MARCH 11, 1994
adopted 4-7-94 (P. 1217)

HF 2326

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1 Section 1. Section 419.1, subsection 12, paragraph a, Code
2 1993, is amended to read as follows:

3 a. Land, buildings, or improvements, whether or not in
4 existence at the time of issuance of the bonds issued under
5 this chapter, which are suitable for the use of a any of the
6 following:

7 (1) A voluntary nonprofit hospital, clinic, or health care
8 facility as defined in section 135C.1, subsection 5, ~~or of~~
9 one.

10 (2) One or more physicians for an office building to be
11 used exclusively by professional health care providers,
12 including appropriate ancillary facilities, ~~or of a~~.

13 (3) A private college or university, or a state
14 institution governed under chapter 262 whether for the
15 establishment or maintenance of the college or university, ~~or~~
16 of an or state institution.

17 (4) An industry or industries for the manufacturing,
18 processing, or assembling of agricultural or manufactured
19 products, even though the processed products may require
20 further treatment before delivery to the ultimate consumer, ~~or~~
21 of a.

22 (5) A commercial enterprise engaged in storing,
23 warehousing, or distributing products of agriculture, mining,
24 or industry including but not limited to barge facilities and
25 riverfront improvements useful and convenient for the handling
26 and storage of goods and products, ~~or of a~~.

27 (6) A facility for the generation of electrical energy
28 through the use of a renewable energy source including but not
29 limited to hydroelectric and wind generation facilities, ~~or of~~
30 a.

31 (7) A facility engaged in research and development
32 activities, ~~or of a~~.

33 (8) A national, regional, or divisional headquarters
34 facility of a company that does multistate business, ~~or of a~~.

35 (9) A museum, library, or tourist information center, ~~or~~

1 of-a.

2 (10) A telephone company, or of-a.

3 (11) A beginning businessperson for any purpose, or of-a.

4 (12) A commercial amusement or theme park, or of-a.

5 (13) A housing unit or complex for the elderly or
6 handicapped, or of-a.

7 (14) A fair or exposition held in the state, other than
8 the Iowa state fair, which is a member of the association of
9 Iowa fairs, or of-a.

10 (15) A sports facility, or.

11 (16) A facility for an organization described in section
12 501(c)(3) of the Internal Revenue Code which is exempt from
13 federal income tax under section 501(a) of the Internal
14 Revenue Code.

15 Sec. 2. Section 419.2, Code 1993, is amended by adding the
16 following new subsection:

17 NEW SUBSECTION. 9. To issue revenue bonds for the purpose
18 of retiring any existing indebtedness on a facility of an
19 organization described in section 501(c)(3) of the Internal
20 Revenue Code which is exempt from federal income tax under
21 section 501(a) of the Internal Revenue Code, to secure payment
22 of the bonds as provided in this chapter, and to enter into
23 agreements with others with respect to these bonds for the
24 payments and upon the terms and conditions as the governing
25 body may deem advisable in accordance with the provisions of
26 this chapter. The retiring of any existing indebtedness of an
27 organization described in section 501(c)(3) of the Internal
28 Revenue Code is a "project" for the purposes of this chapter.

29 Sec. 3. This Act, being deemed of immediate importance,
30 takes effect upon enactment.

31 EXPLANATION

32 The bill includes in the definition of project for which a
33 city or county may issue revenue bonds a facility of an
34 organization of a section 501(c)(3) organization which is
35 exempt from federal income tax. A section 501(c)(3)

1 organization is a nonprofit organization operated for
2 religious, charitable, scientific, or educational purposes.
3 The bill also allows a city or county to issue revenue bonds
4 for retiring existing indebtedness of such a section 501(c)(3)
5 organization. The interest on these bonds are exempt from
6 federal income tax.

7 The bill takes effect upon enactment.

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HOUSE FILE 2326
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 520)

(As Amended and Passed by the House April 7, 1994)

Passed House, Date 4-7-94 (P. 1218) Passed Senate, Date 4-14-94 (P. 1241)
Vote: Ayes 98 Nays 0 Vote: Ayes 49 Nays 0
Approved May 5, 1994

A BILL FOR

1 An Act relating to the definition of project for which certain
2 revenue bonds may be issued by a city or county and providing
3 an effective date.

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

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House Amendments _____

1 Section 1. Section 419.1, subsection 12, paragraph a, Code
2 1993, is amended to read as follows:

3 a. Land, buildings, or improvements, whether or not in
4 existence at the time of issuance of the bonds issued under
5 this chapter, which are suitable for the use of a any of the
6 following:

7 (1) A voluntary nonprofit hospital, clinic, or health care
8 facility as defined in section 135C.1, subsection 5~~-or-of~~
9 one.

10 (2) One or more physicians for an office building to be
11 used exclusively by professional health care providers,
12 including appropriate ancillary facilities~~-or-of-a~~.

13 (3) A private college or university, or a state
14 institution governed under chapter 262 whether for the
15 establishment or maintenance of the college or university~~-or~~
16 of-an or state institution.

17 (4) An industry or industries for the manufacturing,
18 processing, or assembling of agricultural or manufactured
19 products, even though the processed products may require
20 further treatment before delivery to the ultimate consumer~~-or~~
21 of-a.

22 (5) A commercial enterprise engaged in storing,
23 warehousing, or distributing products of agriculture, mining,
24 or industry including but not limited to barge facilities and
25 riverfront improvements useful and convenient for the handling
26 and storage of goods and products~~-or-of-a~~.

27 (6) A facility for the generation of electrical energy
28 through the use of a renewable energy source including but not
29 limited to hydroelectric and wind generation facilities~~-or-of~~
30 a.

31 (7) A facility engaged in research and development
32 activities~~-or-of-a~~.

33 (8) A national, regional, or divisional headquarters
34 facility of a company that does multistate business~~-or-of-a~~.

35 (9) A museum, library, or tourist information center~~-or~~

1 of-a.

2 (10) A telephone company~~-or-of-a.~~

3 (11) A beginning businessperson for any purpose~~-or-of-a.~~

4 (12) A commercial amusement or theme park~~-or-of-a.~~

5 (13) A housing unit or complex for the elderly or
6 handicapped~~-or-of-a.~~

7 (14) A fair or exposition held in the state, other than
8 the Iowa state fair, which is a member of the association of
9 Iowa fairs~~-or-of-a.~~

10 (15) A sports facility~~-or.~~

11 (16) A facility for an organization described in section
12 501(c)(3) of the Internal Revenue Code which is exempt from
13 federal income tax under section 501(a) of the Internal
14 Revenue Code.

15 Sec. 2. Section 419.2, Code 1993, is amended by adding the
16 following new subsection:

17 NEW SUBSECTION. 9. To issue revenue bonds for the purpose
18 of retiring any existing indebtedness on a facility for an
19 organization described in section 501(c)(3) of the Internal
20 Revenue Code which is exempt from federal income tax under
21 section 501(a) of the Internal Revenue Code, to secure payment
22 of the bonds as provided in this chapter, and to enter into
23 agreements with others with respect to these bonds for the
24 payments and upon the terms and conditions as the governing
25 body may deem advisable in accordance with the provisions of
26 this chapter. The retiring of any existing indebtedness on a
27 facility for an organization described in section 501(c)(3) of
28 the Internal Revenue Code is a "project" for the purposes of
29 this chapter.

30 Sec. 3. This Act, being deemed of immediate importance,
31 takes effect upon enactment.

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HOUSE FILE 2326

S-5598

1 Amend House File 2326, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, by inserting before line 1 the
4 following:
5 "Section 001. Section 16.102, Code 1993, is
6 amended by adding the following new subsection:
7 NEW SUBSECTION. 4. Any other project or purpose
8 which the authority determines to be consistent with
9 the economic development, maintenance, or expansion of
10 housing, business, industry, or farming in the state.
11 Sec. ____ . Section 419.1, subsections 6 and 11,
12 Code 1993, are amended to read as follows:
13 6. "Governing body" means the board, council or
14 other body in which the legislative powers of the
15 municipality are vested or in the case of the Iowa
16 finance authority, "governing body" means the director
17 of the Iowa finance authority.
18 11. "Municipality" means any county, or any
19 incorporated city in this state or the Iowa finance
20 authority."
21 2. Title page, line 2, by striking the words
22 "city or county" and inserting the following:
23 "municipality".

By WILLIAM D. PALMER

S-5598 FILED APRIL 13, 1994

WITHDRAWN

4-14-94
(P.1240)

CARSON-CHASER

HSB 520

WAYS AND MEANS

HALVORSON

PLASSER

OSTERBERG

NEIHAUSER

HOUSE FILE 2326

BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON HANSON of
Delaware)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

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2 revenue bonds may be issued by a city or county and providing
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5 this chapter, which are suitable for the use of a any of the
6 following:

7 (1) A voluntary nonprofit hospital, clinic, or health care
8 facility as defined in section 135C.1, subsection 5~~-or-of~~
9 one.

10 (2) One or more physicians for an office building to be
11 used exclusively by professional health care providers,
12 including appropriate ancillary facilities~~-or-of-a.~~

13 (3) A private college or university, or a state
14 institution governed under chapter 262 whether for the
15 establishment or maintenance of the college or university~~-or~~
16 of-an or state institution.

17 (4) An industry or industries for the manufacturing,
18 processing, or assembling of agricultural or manufactured
19 products, even though the processed products may require
20 further treatment before delivery to the ultimate consumer~~-or~~
21 of-a.

22 (5) A commercial enterprise engaged in storing,
23 warehousing, or distributing products of agriculture, mining,
24 or industry including but not limited to barge facilities and
25 riverfront improvements useful and convenient for the handling
26 and storage of goods and products~~-or-of-a.~~

27 (6) A facility for the generation of electrical energy
28 through the use of a renewable energy source including but not
29 limited to hydroelectric and wind generation facilities~~-or-of~~
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31 (7) A facility engaged in research and development
32 activities~~-or-of-a.~~

33 (8) A national, regional, or divisional headquarters
34 facility of a company that does multistate business~~-or-of-a.~~

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6 handicapped, or of-a.

7 (14) A fair or exposition held in the state, other than
8 the Iowa state fair, which is a member of the association of
9 Iowa fairs, or of-a.

10 (15) A sports facility, or.

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25 body may deem advisable in accordance with the provisions of
26 this chapter. The retiring of any existing indebtedness of an
27 organization described in section 501(c)(3) of the Internal
28 Revenue Code is a "project" for the purposes of this chapter.

29 Sec. 3. This Act, being deemed of immediate importance,
30 takes effect upon enactment.

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HOUSE FILE 2326

AN ACT

RELATING TO THE DEFINITION OF PROJECT FOR WHICH CERTAIN
REVENUE BONDS MAY BE ISSUED BY A CITY OR COUNTY AND
PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 419.1, subsection 12, paragraph a, Code 1993, is amended to read as follows:

a. Land, buildings, or improvements, whether or not in existence at the time of issuance of the bonds issued under this chapter, which are suitable for the use of a any of the following:

(1) A voluntary nonprofit hospital, clinic, or health care facility as defined in section 135C.1, subsection 57-or-of-a, one.

(2) One or more physicians for an office building to be used exclusively by professional health care providers, including appropriate ancillary facilities7-or-of-a,

(3) A private college or university7 or a state institution governed under chapter 262 whether for the establishment or maintenance of the college or university7-or of-an or state institution.

(4) An industry or industries for the manufacturing, processing, or assembling of agricultural or manufactured products, even though the processed products may require further treatment before delivery to the ultimate consumer7-or of-a,

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facility for an organization described in section 501(c)(3) of the Internal Revenue Code is a "project" for the purposes of this chapter.

Sec. 3. This Act, being deemed of immediate importance, takes effect upon enactment.

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 2326, Seventy-fifth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved May 5, 1994

TERRY E. BRANSTAD
Governor