

SENATE FILE 485
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 351)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act authorizing certain counties, cities, or school districts
2 to create a joint authority to issue bonds to build and own
3 buildings and authorizing a tax levy by school districts to
4 lease buildings.

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

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S.F. 485

1 Section 1. NEW SECTION. 298.6 LEVY FOR ANNUAL LEASE ON
2 JOINT BUILDING.

3 If a school district has joined with the county or a city
4 to form an authority for a joint building as provided in
5 section 346.27, and has entered into a lease with the
6 authority, the board of directors may levy a tax sufficient to
7 pay the annual rent payable under the lease.

8 Sec. 2. Section 331.424, subsection 1, paragraph k, Code
9 1995, is amended to read as follows:

10 k. Joint county, and city, or school district building
11 authorities established under section 346.27, as provided in
12 subsection 22 of that section.

13 Sec. 3. Section 346.27, subsection 2, Code 1995, is
14 amended to read as follows:

15 2. Any A county may join with its county seat, city, or
16 school district which shares common land area with another
17 county, city, or school district may join to incorporate an
18 "Authority" for the purpose of acquiring, constructing,
19 demolishing, improving, enlarging, equipping, furnishing,
20 repairing, maintaining, and operating a public building, and
21 to acquire and prepare the necessary site, including
22 demolition of any structures, for the joint use of the county
23 and city or any school district which is within or is a part
24 of the county or city all or a part of the building by the
25 incorporating units.

26 Sec. 4. Section 346.27, subsection 3, Code 1995, is
27 amended by adding the following new paragraph:

28 NEW PARAGRAPH. c. For a school district, by the president
29 of the board of directors.

30 Sec. 5. Section 346.27, subsection 5, Code 1995, is
31 amended to read as follows:

32 5. The authority shall be directed and governed by a board
33 of commissioners of three members, one to be elected by the
34 board of supervisors of the county from the area outside of
35 the county seat, one to be elected by the council of the city

1 ~~from the area inside the city~~ governing body of each
2 incorporating unit, and one to be elected by the joint action
3 of the ~~board of supervisors of the county and the council of~~
4 ~~the city~~ governing bodies of the two incorporating units, and
5 if the governing bodies are unable to agree upon a choice for
6 the third member within sixty days of the election of the
7 first member, then the third member shall be appointed by the
8 governor. The commissioners shall serve for six-year terms.
9 Of the first appointees, the member appointed by the ~~board of~~
10 ~~supervisors~~ governing body of the incorporating unit having
11 the largest population shall be for a term of two years, the
12 member appointed by the ~~city council~~ governing body of the
13 other incorporating unit shall be for a term of four years,
14 and the member appointed by the joint action of the ~~board and~~
15 ~~council~~ governing bodies of both incorporating units or the
16 governor shall be for a term of six years. The board of
17 commissioners shall designate one ~~of their number~~ commissioner
18 as chairperson, one as secretary, and one as treasurer, and
19 shall adopt bylaws and rules of procedure and provide ~~therein~~
20 for regular meetings and for the proper safekeeping of ~~its~~ the
21 board's records. ~~No~~ A commissioner shall not receive any
22 compensation in connection with services as commissioner.
23 Each commissioner, however, ~~shall be~~ is entitled to
24 reimbursement for any necessary expenditures in connection
25 with the performance of the commissioner's duties.

26 Sec. 6. Section 346.27, subsection 9, paragraphs a, b, c,
27 and d, Code 1995, are amended to read as follows:

28 a. To select, locate, and designate an area lying wholly
29 within the territorial limits of ~~the county seat of the county~~
30 ~~in which the authority is incorporated~~ either incorporating
31 unit as the site to be acquired for the construction,
32 alteration, enlargement, or improvement of ~~a building~~ one or
33 more buildings. The site selected is subject to approval by a
34 majority of the members of each governing body of the
35 incorporating units.

1 b. To acquire in the corporate name of the authority the
2 fee simple title to the real property located within the a
3 designated area by purchase, gift, devise, or by the exercise
4 of the power of eminent domain, or to take possession of real
5 estate by lease.

6 c. To demolish, repair, alter, or improve any building
7 within the designated area, to construct a one or more new
8 building buildings within the area and to furnish, equip,
9 maintain, and operate the building buildings.

10 d. To construct, repair, and install streets, sidewalks,
11 sewers, water pipes, and other similar facilities and
12 otherwise improve the a selected site.

13 Sec. 7. Section 346.27, subsections 10, 11, and 12, Code
14 1995, are amended to read as follows:

15 10. After the incorporation of an authority, and before
16 the sale of any issue of revenue bonds, except refunding
17 bonds, the authority shall submit in a single countywide
18 election to the qualified voters of ~~the city and county~~ both
19 incorporating units, at a general, primary, or special
20 election called for that purpose, the question of whether an
21 the authority shall issue and sell revenue bonds, stating the
22 amount, for any of the purposes for which it the authority is
23 incorporated. An affirmative vote of a majority of the votes
24 cast on the proposition is required to authorize the issuance
25 and sale of revenue bonds. A notice of the election shall be
26 published once each week for at least two weeks in some a
27 newspaper published generally circulated in the county
28 incorporating units. The notice shall name the time when the
29 question shall be submitted, and a copy of the question to be
30 submitted shall be posted at each polling place during the day
31 of election. The authority shall call ~~this~~ the election with
32 the concurrence of both incorporating units, and ~~it~~ the
33 authority shall establish the voting precincts and polling
34 places, and appoint the election judges, ~~and in so doing such.~~
35 The election procedures shall be in accordance with the

1 provisions-of chapters 49 and 50.

2 11. When the board of commissioners decides to issue bonds
3 subject to the election requirement, ~~it~~ the board shall adopt
4 a resolution describing the ~~area~~ areas to be acquired, the
5 nature of the existing improvements, the disposition to be
6 made of the improvements, and a general description of any new
7 buildings to be constructed.

8 12. The resolution shall set out the limit of the cost of
9 the project, including the cost of acquiring and preparing ~~the~~
10 ~~site~~ one or more sites, determine the period of usefulness and
11 fix the amount of revenue bonds to be issued, the date or
12 dates of maturity, the dates on which interest is payable, the
13 sinking fund provisions, and all other details in connection
14 with the bonds. The board shall determine and fix the rate of
15 interest of any revenue bonds issued, in a resolution adopted
16 by the board prior to the issuance. The resolution, trust
17 agreement, or other contract entered into with the bondholders
18 may contain covenants and restrictions concerning the issuance
19 of additional revenue bonds as necessary or advisable for the
20 assurance of the payment of the bonds authorized.

21 Sec. 8. Section 346.27, subsection 22, Code 1995, is
22 amended to read as follows:

23 22. When an incorporating unit enters into a lease with
24 the authority, the governing body of the incorporating unit
25 shall provide by ordinance or resolution for the levy and
26 collection of a direct annual tax sufficient to pay the annual
27 rent payable under the lease as and when it becomes due and
28 payable. The tax shall be levied and collected in like manner
29 with the other taxes of the incorporating unit and shall be in
30 addition to all other taxes authorized to be levied by that
31 incorporating unit. This tax shall not be included within and
32 shall be in addition to any statutory limitation of rate or
33 amount for that incorporating unit. The fund realized from
34 the tax levy shall be set aside for the payment of the annual
35 rent and shall not be disbursed for any other purpose until

1 the annual rental has been paid in full. An incorporating
2 unit which has entered into a lease with the authority may
3 enter into a sublease or use agreement with the other
4 incorporating unit to provide for the joint use of all or part
5 of the building.

6 Sec. 9. Section 346.27, subsection 25, Code 1995, is
7 amended to read as follows:

8 25. When all bonds issued by an authority have been
9 retired, the authority may convey the title to the property
10 owned by the authority to the incorporating units in
11 accordance with the provisions therefor contained in the
12 articles of incorporation, or, if none, in accordance with any
13 agreement adopted by the respective governing bodies of the
14 incorporating units, and the authority. The proposition of
15 whether a conveyance shall be made shall be submitted to the
16 legal voters of ~~the city and county~~ both incorporating units,
17 utilizing the election procedures provided for bond issues,
18 and an affirmative vote equal to at least a majority of the
19 total votes cast on the proposition shall be required to
20 authorize the conveyance. If the proposition does not carry,
21 the authority shall continue to operate, maintain, and manage
22 the building under a lease arrangement with the incorporating
23 units.

24 Sec. 10. Section 384.12, subsection 15, Code 1995, is
25 amended to read as follows:

26 15. If a city has joined with the county or a school
27 district to form an authority for a joint ~~county-city~~ county-
28 city-school district building, as provided in section 346.27,
29 and has entered into a lease with the authority, a tax
30 sufficient to pay the annual rent payable under the lease.

31 EXPLANATION

32 This bill amends several subsections of section 346.27 to
33 authorize a school district to join with a county or city with
34 overlapping jurisdictions to create a joint building authority
35 for the purpose of creating a joint authority to acquire,

1 construct, operate, and finance one or more buildings which
2 will be used jointly by the school district and a county or
3 city. The bill also authorizes a tax levy for school
4 districts to make lease payments for buildings which the
5 district may lease from the joint authority.

6 Currently, section 346.27 allows a county and a city to
7 create a joint building authority to acquire, construct, and
8 finance one or more buildings for joint use.

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SENATE FILE 485

S-3658

1 Amend Senate File 485 as follows:
2 1. Page 2, line 21, by inserting after the word
3 "records." the following: "The provisions of chapters
4 21 and 22 applicable to cities, counties, and school
5 districts apply to the authority. The records of the
6 authority are subject to audit pursuant to section
7 11.6."

By PATRICK J. DELUHERY
LARRY MURPHY

S-3658 FILED MAY 1, 1995

SENATE FILE 485

S-3661

1 Amend Senate File 485 as follows:
2 1. Page 1, line 3, by inserting after the word
3 "city" the following: "or both a county and a city".
4 2. Page 2, line 8, by inserting after the word
5 "governor." the following: "If a school district
6 joins with both a county and a city to create an
7 authority, the third member shall be appointed by the
8 third political subdivision in lieu of the governor."
9 3. Page 3, line 18, by striking the word "both"
10 and inserting the following: "all".
11 4. Page 5, line 16, by striking the word "both"
12 and inserting the following: "all".

By LARRY MURPHY
ELAINE SZYMONIAK

S-3661 FILED MAY 1, 1995

SENATE FILE 485

S-3670

1 Amend Senate File 485 as follows:
2 1. Page 3, line 23, by inserting after the word
3 "a" the following: "sixty-percent".
4 2. Page 5, line 18, by inserting after the word
5 "a" the following: "sixty-percent".

By STEWART IVERSON, Jr.

S-3670 FILED MAY 2, 1995

Murphy
Connolly
Drake

SSB-351

Ways & Means

Succeeded By
SF/HF 485

SENATE FILE _____

BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON PALMER)

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

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18 for the purpose of acquiring, constructing, demolishing,
19 improving, enlarging, equipping, furnishing, repairing,
20 maintaining, and operating a public building, and to acquire
21 and prepare the necessary site, including demolition of any
22 structures, for the joint use of the-county-and-city-or-any
23 school-district-which-is-within-or-is-a-part-of-the-county-or
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27 NEW PARAGRAPH. c. For a school district, by the president
28 of the board of directors.

29 Sec. 5. Section 346.27, subsection 5, Code 1995, is
30 amended to read as follows:

31 5. The authority shall be directed and governed by a board
32 of commissioners of three members, one to be elected by the
33 board-of-supervisors-of-the-county-from-the-area-outside-of
34 the-county-seat, one-to-be-elected-by-the-council-of-the-city
35 from-the-area-inside-the-city governing body of each

1 incorporating unit, and one to be elected by the joint action
2 of the ~~board-of-supervisors-of-the-county-and-the-council-of~~
3 ~~the-city governing bodies of the two incorporating units~~, and
4 if the governing bodies are unable to agree upon a choice for
5 the third member within sixty days of the election of the
6 first member, then the third member shall be appointed by the
7 governor. The commissioners shall serve for six-year terms.
8 Of the first appointees, the member appointed by the ~~board-of~~
9 ~~supervisors governing body of the incorporating unit having~~
10 ~~the largest population~~ shall be for a term of two years, the
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16 commissioners shall designate one ~~of-their-number~~ commissioner
17 as chairperson, one as secretary, and one as treasurer, and
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20 board's records. No A commissioner shall not receive any
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22 Each commissioner, however, ~~shall-be~~ is entitled to
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27 a. To select, locate, and designate an area lying wholly
28 within the territorial limits of ~~the-county-seat-of-the-county~~
29 ~~in-which-the-authority-is-incorporated~~ either incorporating
30 unit as the site to be acquired for the construction,
31 alteration, enlargement, or improvement of ~~a-building~~ one or
32 more buildings. The site selected is subject to approval by a
33 majority of the members of each governing body of the
34 incorporating units.

35 b. To acquire in the corporate name of the authority the

1 fee simple title to the real property located within the a
2 designated area by purchase, gift, devise, or by the exercise
3 of the power of eminent domain, or to take possession of real
4 estate by lease.

5 c. To demolish, repair, alter, or improve any building
6 within the designated area, to construct a one or more new
7 building buildings within the area and to furnish, equip,
8 maintain, and operate the building buildings.

9 d. To construct, repair, and install streets, sidewalks,
10 sewers, water pipes, and other similar facilities and
11 otherwise improve the a selected site.

12 Sec. 7. Section 346.27, subsections 10, 11, and 12, Code
13 1995, are amended to read as follows:

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16 bonds, the authority shall submit in a single countywide
17 election to the qualified voters of ~~the city and county~~ both
18 incorporating units, at a general, primary, or special
19 election called for that purpose, the question of whether an
20 the authority shall issue and sell revenue bonds, stating the
21 amount, for any of the purposes for which ~~it~~ the authority is
22 incorporated. An affirmative vote of a majority of the votes
23 cast on the proposition is required to authorize the issuance
24 and sale of revenue bonds. A notice of the election shall be
25 published once each week for at least two weeks in ~~some~~ a
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28 question shall be submitted, and a copy of the question to be
29 submitted shall be posted at each polling place during the day
30 of election. The authority shall call ~~this~~ the election with
31 the concurrence of both incorporating units, and ~~it~~ the
32 authority shall establish the voting precincts and polling
33 places, and appoint the election judges, ~~and in so doing such.~~
34 The election procedures shall be in accordance with the
35 ~~provisions of~~ chapters 49 and 50.

1 11. When the board of commissioners decides to issue bonds
2 subject to the election requirement, ~~it~~ the board shall adopt
3 a resolution describing the area areas to be acquired, the
4 nature of the existing improvements, the disposition to be
5 made of the improvements, and a general description of any new
6 buildings to be constructed.

7 12. The resolution shall set out the limit of the cost of
8 the project, including the cost of acquiring and preparing the
9 site one or more sites, determine the period of usefulness and
10 fix the amount of revenue bonds to be issued, the date or
11 dates of maturity, the dates on which interest is payable, the
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18 of additional revenue bonds as necessary or advisable for the
19 assurance of the payment of the bonds authorized.

20 Sec. 8. Section 346.27, subsection 22, Code 1995, is
21 amended to read as follows:

22 22. When an incorporating unit enters into a lease with
23 the authority, the governing body of the incorporating unit
24 shall provide by ordinance or resolution for the levy and
25 collection of a direct annual tax sufficient to pay the annual
26 rent payable under the lease as and when it becomes due and
27 payable. The tax shall be levied and collected in like manner
28 with the other taxes of the incorporating unit and shall be in
29 addition to all other taxes authorized to be levied by that
30 incorporating unit. This tax shall not be included within and
31 shall be in addition to any statutory limitation of rate or
32 amount for that incorporating unit. The fund realized from
33 the tax levy shall be set aside for the payment of the annual
34 rent and shall not be disbursed for any other purpose until
35 the annual rental has been paid in full. An incorporating

1 unit which has entered into a lease with the authority may
2 enter into a sublease or use agreement with the other
3 incorporating unit to provide for the joint use of all or part
4 of the building.

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8 retired, the authority may convey the title to the property
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30 EXPLANATION

31 This bill amends several subsections of section 346.27 to
32 authorize a school district to join with a county or city with
33 overlapping jurisdictions to create a joint building authority
34 for the purpose of creating a joint authority to acquire,
35 construct, operate, and finance one or more buildings which

1 will be used jointly by the school district and a county or
2 city. The bill also authorizes a tax levy for school
3 districts to make lease payments for buildings which the
4 district may lease from the joint authority.

5 Currently, section 346.27 allows a county and a city to
6 create a joint building authority to acquire, construct, and
7 finance one or more buildings for joint use.

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