

House Study Bill 79

Bill Text

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1 1 Section 1. Section [28F.1](#), Code 1997, is amended by
1 2 striking the section and inserting in lieu thereof the
1 3 following:
1 4 28F.1 SCOPE OF CHAPTER.
1 5 This chapter provides a means to reduce the cost of local
1 6 government by assisting public agencies in the undertaking of
1 7 joint financing and is intended to provide specific state
1 8 legislation consistent with criteria established by
1 9 regulations and rulings of the commissioner of internal
1 10 revenue, United States department of treasury, in order for a
1 11 separate joint financing entity to be treated as a constituted
1 12 authority empowered to issue obligations on behalf of
1 13 political subdivisions of this state. This chapter provides a
1 14 means for the joint financing by public agencies of works or
1 15 facilities which are part of any city enterprise as defined in
1 16 section 384.24, county enterprise as defined in section
1 17 331.461, city utility as defined in section 362.2, joint water
1 18 utility as defined in section 389.1, or sanitary district as
1 19 defined in chapter 358. This chapter applies to the
1 20 acquisition, construction, reconstruction, ownership,
1 21 operation, repair, extension, or improvement of the works or
1 22 facilities, by a separate administrative or legal entity
1 23 created pursuant to chapter 28E or chapter 389. When the
1 24 legal entity created under this chapter is comprised solely of
1 25 cities, counties, or sanitary districts established under
1 26 chapter 358 or any combination of these political
1 27 subdivisions, or any combination of the public agencies
1 28 previously specified in this section with other public
1 29 agencies, the entity shall be both a corporation and a
1 30 political subdivision with the name under which it was
1 31 organized. The legal entity may sue and be sued, contract,
1 32 acquire and hold real and personal property necessary for
1 33 corporate purposes, adopt a corporate seal and alter the seal
1 34 at pleasure, and execute all powers conferred by this chapter.

1 35 Sec. 2. Section [28F.2](#), Code 1997, is amended to read as
2 1 follows:

2 2 28F.2 DEFINITIONS.

2 3 The terms "public agency", "state", and "private agency"
2 4 shall have the meanings prescribed by section 28E.2. The term
2 5 "project" or "projects" shall mean any works or facilities
2 6 referred to in section 28F.1 and shall include all property
2 7 real and personal, pertinent thereto or connected with such
2 8 project or projects, and the existing works or facilities, if
2 9 any, to which such project or projects are an extension,
2 10 addition, betterment, or improvement.

~~"Electric power agency"~~

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2 11

~~means an entity financing or acquiring electric power~~

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2 12

~~facilities pursuant to this chapter or chapter 28E.~~
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2 13 Sec. 3. Section [28F.7](#), unnumbered paragraph 2, Code 1997,
2 14 is amended by striking the unnumbered paragraph.

2 15 EXPLANATION

2 16 This bill provides that specified public agencies and
2 17 political subdivisions of this state which separately have the
2 18 authority to undertake certain public works, as specified in
2 19 the bill, may join other public agencies or political
2 20 subdivisions to carry out those projects jointly and fund the
2 21 projects or facilities through a separate joint financing
2 22 entity acting on behalf of the political subdivisions. The
2 23 separate funding entities created under this chapter are to
2 24 meet the regulations and rulings of the commissioner of
2 25 internal revenue.

2 26 The bill also strikes certain restrictions on cities' use
2 27 of joint financing of public works and facilities, strikes a
2 28 definition of electric power agency which is no longer needed,
2 29 and strikes a requirement that a power facility operating
2 30 under chapter 28F meet standards of the national electric
2 31 safety code of 1968, as amended.

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2 33 tj/jj/8