

Senate File 474 - Introduced

SENATE FILE _____
BY COMMITTEE ON APPROPRIATIONS
(SUCCESSOR TO SSB 1325)

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

A BILL FOR

1 An Act relating to the bonding authorization of the state board
2 of regents for flood repair, restoration, replacement, and
3 mitigation at the state university of Iowa.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2710SV 83
6 rh/rj/24

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1 1 Section 1. Section 262A.2, subsection 3, Code 2009, is
1 2 amended to read as follows:
1 3 3. "Buildings and facilities" shall mean those academic
1 4 buildings and other facilities used primarily for
1 5 instructional and research purposes, including libraries, and
1 6 such other administrative and service buildings and facilities
1 7 as are deemed necessary by the board to provide supporting
1 8 services to the instructional and research programs and
1 9 activities of the institutions, including, without limiting
1 10 the generality of the foregoing, administrative offices,
1 11 facilities for business services, auditoriums and concert
1 12 halls, student services and extension and continuing education
1 13 services, off-street parking areas and structures incidental
1 14 to other buildings and facilities which are not primarily for
1 15 parking purposes, garages, and storage and warehouse
1 16 facilities, or any combination thereof. This phrase shall
1 17 also include works and facilities deemed necessary by the
1 18 board for furnishing utilities services to any buildings or
1 19 structures operated by the institutions, including, without
1 20 limiting the generality of the foregoing, water, electric,
1 21 gas, communications, sewer and heating facilities, together
1 22 with all necessary structures, buildings, tunnels, lines,
1 23 reservoirs, mains, filters, pipes, sewers, boilers,
1 24 generators, fixtures, wires, poles, equipment, treatment
1 25 facilities and all other appurtenances in connection
1 26 therewith, or any combination of the foregoing.

1 27 Sec. 2. STATE BOARD OF REGENTS BONDING.

1 28 1. FINDINGS. The general assembly finds that:

1 29 a. The general assembly hereby determines that the annual
1 30 revenues of the state are insufficient to finance the
1 31 immediate building requirements of the state university of
1 32 Iowa and that it is necessary to authorize the issuance of
1 33 revenue bonds by the state board of regents to finance the
1 34 repair, restoration, replacement, and mitigation of flood
1 35 damaged buildings and facilities on the campus of the state
2 1 university of Iowa.

2 2 b. Section 262A.4 provides that the state board of
2 3 regents, after authorization by a constitutional majority of
2 4 each house of the general assembly and approval by the
2 5 governor, may undertake and carry out at the institutions of
2 6 higher learning under the jurisdiction of the board any
2 7 project as defined in chapter 262A.

2 8 c. Chapter 262A authorizes the state board of regents to
2 9 borrow moneys and to issue and sell negotiable revenue bonds
2 10 to pay all or any part of the cost of carrying out projects at
2 11 any institution payable solely from and secured by an
2 12 irrevocable pledge of a sufficient portion of the student fees
2 13 and charges and institutional income received by the
2 14 particular institution.

2 15 d. To further the educational objectives of the state

2 16 university of Iowa, the state board of regents requests
2 17 authorization to finance certain capital costs and other
2 18 expenses as described herein by borrowing moneys and issuing
2 19 negotiable bonds under chapter 262A in a total amount as
2 20 provided in this section, with the remaining costs of the
2 21 projects to be financed by appropriations or by federal or
2 22 other funds lawfully available.

2 23 e. Due to flooding of the campus at the state university
2 24 of Iowa occurring in June of 2008, the state board of regents
2 25 requests authorization to finance certain costs attributable
2 26 for the repair, restoration, and replacement of buildings and
2 27 facilities and for certain other flood recovery and mitigation
2 28 expenses incurred or to be incurred with respect to damaged
2 29 buildings and facilities and improvements located on the
2 30 campus of the state university of Iowa in Iowa City.

2 31 2. AUTHORIZATION OF PROJECTS. The state board of regents
2 32 is authorized to undertake, plan, construct, improve, repair,
2 33 remodel, furnish, and equip, and otherwise carry out
2 34 \$100,000,000 in projects to repair, restore, and replace flood
2 35 damaged buildings and facilities and to undertake other flood
3 1 recovery and mitigation projects on the campus at the state
3 2 university of Iowa.

3 3 3. BONDS AUTHORIZED. The general assembly authorizes the
3 4 state board of regents to borrow moneys and to issue and sell
3 5 negotiable revenue bonds in the amount of \$100,000,000 in the
3 6 manner provided in sections 262A.5 and 262A.6 in order to pay
3 7 all or any part of the costs of carrying out the projects at
3 8 the state university of Iowa approved and authorized in
3 9 subsection 2, with the remaining costs of the projects to be
3 10 financed by appropriations or by federal or other funds
3 11 lawfully available. The amount of bonds may be exceeded by
3 12 the amount the state board of regents determines to be
3 13 necessary to capitalize bond reserves, interest during
3 14 construction, and issuance costs. No commitment is implied or
3 15 intended by approval to fund any portion of the buildings and
3 16 facilities improvement program beyond the portion that is
3 17 financed and approved by the Eighty-third General Assembly,
3 18 2009 Session, and the governor.

3 19 EXPLANATION

3 20 This bill authorizes the state board of regents to finance
3 21 certain costs attributable to the repair, restoration, and
3 22 replacement of buildings and facilities and for certain other
3 23 flood recovery and mitigation expenses incurred or to be
3 24 incurred with respect to flood-damaged buildings and
3 25 improvements located on the campus of the state university of
3 26 Iowa in Iowa City. The bill authorizes the board of regents
3 27 to borrow moneys and to issue and sell negotiable revenue
3 28 bonds in the amount of \$100,000,000 in the manner provided in
3 29 Code sections 262A.5 and 262A.6 in order to pay all or any
3 30 part of the costs of carrying out the projects. The amount of
3 31 bonds may be exceeded by the amount the state board of regents
3 32 determines to be necessary to capitalize bond reserves,
3 33 interest during construction, and issuance costs. The bill
3 34 also amends Code section 262A.2(3) to add auditoriums and
3 35 concert halls to the list of authorized regents revenue
4 1 bonding projects.

4 2 LSB 2710SV 83

4 3 rh/rj/24