

munity college (merged area XIII), in connection with the award of contract to Knudson, Inc., the execution of the contract to construct, and the execution and amendment of the lease agreement with purchase option are legalized and confirmed and the contract to construct and lease and the lease agreement with purchase option as amended and modified constitute binding obligations of the merged area district enforceable in accordance with their terms by the contractor or an approved assignee of the contractor.

Sec. 2. This Act, being deemed of immediate importance, takes effect from and after its publication in *The Council Bluffs Nonpareil*, a newspaper published in Council Bluffs, Iowa, and in *The Red Oak Express*, a newspaper published in Red Oak, Iowa.

Approved April 22, 1982

I hereby certify that the foregoing Act, Senate File 2267 was published in *The Council Bluffs Nonpareil*, Council Bluffs, Iowa on May 8, 1982 and in *The Red Oak Express*, Red Oak, Iowa on April 28, 1982.

MARY JANE ODELL, *Secretary of State*

CHAPTER 1128

SCHOOL DISTRICT PROPERTY TAX LEVY FOR CASH RESERVE

S.F. 2088

AN ACT to authorize a property tax levy by school districts for a cash reserve.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Acts of the Sixty-ninth General Assembly, 1981 Session, chapter 94, section 1, is amended by striking the section and inserting in lieu thereof the following:

SECTION 1. Chapter 298, Code 1981, is amended by adding the following new section:

NEW SECTION. LEVY FOR CASH RESERVE. The board of directors of a school district may certify for levy by March 15 of a school year, a tax on all taxable property in the school district in order to raise an amount for a necessary cash reserve for a school district's general fund. The amount raised for a necessary cash reserve does not increase a school district's authorized expenditures as defined in section 442.5, subsection 2.

Sec. 2. Section 442.13, Code 1981, is amended by adding the following new subsection:

NEW SUBSECTION. Annually the school budget review committee shall review the amount of property tax levied by each school district for a cash reserve authorized in section 1 of this Act. If in the committee's judgment, the amount of a district's cash reserve levy is unreasonably high, the committee shall instruct the state comptroller to reduce that district's tax levy computed under section 442.9 for the following budget year by the amount the cash reserve levy is deemed excessive. A reduction in a district's property tax levy for a budget year under this subsection does not affect the district's authorized budget.

Sec. 3. Section 442.13, subsection 2, Code 1981, is amended to read as follows:

2. The committee shall report to each session of the general assembly, which report shall include any recommended changes in laws relating to school districts, and shall specify the number of hearings held annually, the reasons for the committee's recommendations, information about the amounts of property tax levied by school districts for a cash reserve, and other information as the committee deems advisable.

Sec. 4. Chapter 442, Code 1981, is amended by adding the following new section:

NEW SECTION. If a school district receives less state school foundation aid under section 442.26 than is due under that section, for a base year and the school district uses funds from its cash reserve during the base year to make up for the amount of state aid not paid, the board of directors of the school district shall include in its general fund budget document information about the amount of the cash reserve used to replace state school foundation aid not paid.

Sec. 5. Notwithstanding sections 24.3 through 24.17, for the school year beginning July 1, 1982, the board may approve the levy of the property tax authorized in section 1 of this Act and certify a budget to the county auditor not later than twenty days after the effective date of this Act or not later than May 1, 1982, whichever is earlier. Time limitations on procedures necessary for budget certification are adjusted according to the budget certification deadline established in this section.

Sec. 6. This Act, being deemed of immediate importance, takes effect from and after its publication in the South Hardin Signal-Review, a newspaper published in Hubbard, Iowa, and in the Charles City Press, a newspaper published in Charles City, Iowa.

Approved April 16, 1982

I hereby certify that the foregoing Act, Senate File 2088 was published in the South Hardin Signal-Review, Hubbard, Iowa on April 22, 1982 and in the Charles City Press, Charles City, Iowa on April 23, 1982.

MARY JANE ODELL, *Secretary of State*

CHAPTER 1129

HISTORICAL SOCIETY USE OF COUNTY FUNDS

S.F. 460

AN ACT relating to the purposes for which funds from a tax levied by a county can be used by a nonprofit historical society.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 331.422, subsection 18, Code 1981 Supplement, is amended to read as follows:

18. For a local, nonprofit historical society organized under chapter 504 or 504A, not to exceed three cents per thousand dollars to be used for to preserve and disseminate a knowledge of the history of the area to the general public, including but not limited to collecting and