

b. Joint powers agreements and other institutional arrangements associated with the administration, management, and operation of a midwest regional rail system.

3. The director shall enter into discussions with members of Iowa's congressional delegation to foster rail passenger service in this state and the midwest and to maximize the level of federal funding for the service, including funding for the midwest regional rail system.

4. The director may provide assistance and enter into agreements with cities along the proposed route of the midwest regional rail system or other passenger rail system serving the midwest to ensure that rail stations and terminals are designed and developed in accordance with the following objectives:

a. To meet safety and efficiency requirements outlined by AMTRAK and the federal railroad administration.

b. To aid intermodal transportation.

c. To encourage economic development.

5. The director shall report annually to the general assembly concerning the development and operation of the midwest regional rail system and the state's passenger rail service.

Sec. 3. Section 328.35, subsection 1, Code 1999, is amended by adding the following new paragraph:

NEW PARAGRAPH. e. An aircraft which is displayed in a museum.

Sec. 4. **LIMITATION ON EXPENDITURE OF FUNDS FOR PASSENGER RAIL SERVICE.** It is the intent of the general assembly that moneys directed to be deposited in the road use tax fund under section 312.1 shall not be used for loans, grants, or other financial assistance for passenger rail service.

Approved May 4, 2000

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## CHAPTER 1169

### TAXATION OF SALE OF LIVESTOCK EAR TAGS

H.F. 2569

**AN ACT** exempting the sale of livestock ear tags by certain nonprofit organizations from the sales and use taxes.

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

Section 1. Section 422.45, Code Supplement 1999, is amended by adding the following new subsection:

NEW SUBSECTION. 57. The gross receipts from the sales of livestock ear tags by a nonprofit organization whose income is exempt from federal taxation under section 501(c)(6) of the Internal Revenue Code where the proceeds are used in bovine research programs selected or approved by such organization.

Approved May 4, 2000