

within the rural improvement zone. The rate of the standby tax shall be not less than fifty cents per thousand dollars of the assessed value of the taxable property and not more than two dollars and fifty cents per thousand dollars of the assessed value of the taxable property. A copy of the resolution shall be sent to the county auditor. The revenues from the standby tax shall be deposited in a special fund and shall be expended only for the payment of principal of and interest on the certificates issued as provided in this section, when the receipt of tax revenues pursuant to section 357H.9 is insufficient. If payments are necessary and made from the special fund, the amount of the payments shall be promptly repaid into the special fund from the first available payments received which are not required for the payment of principal of or interest on certificates due. No reserves may be built up in the special fund in anticipation of a projected default. The board of trustees shall adjust the annual standby tax levy for each year to reflect the amount of revenues in the special fund and the amount of principal and interest which is due in that year.

Approved May 15, 2000

CHAPTER 1191
UNCLAIMED PROPERTY
H.F. 2557

AN ACT relating to the state's disposition of unclaimed property law by setting a limit on the retention of abandoned property records and requiring the filing of rules setting requirements and conditions for hiring independent auditors.

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

Section 1. Section 556.11, Code 1999, is amended by adding the following new subsection: **NEW SUBSECTION.** 8. a. A holder required to file a report under this section shall maintain its records containing the information required to be included in the report until the holder files the report and for four years after the date of filing, unless a shorter time is provided in paragraph "b" or by rule of the treasurer of state.

b. A business association that sells, issues, or provides to others for sale or issue in this state, travelers checks, money orders, or similar written instruments other than third-party bank checks, on which the business association is directly liable, shall maintain a record of the instruments while they remain outstanding, indicating the state and date of issue, for four years after the date of filing.

Sec. 2. The treasurer of state shall give notice of intended action, as required in section 17A.4, by December 31, 2000, to adopt rules providing for the conditions and requirements for entering into a contract with an independent auditor to conduct the examination allowed under section 556.23 on behalf of the treasurer. The proposed rules shall, at a minimum, contain the procedures and conduct of the independent auditor in making the examination, the method for payment, the requirement for confidentiality, procedures for appeals by the person whose records are examined, and conflict of issue provisions.

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