

February 23, 1951.
Public Lands and Buildings.

House File 534
By LUDWIG.

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

A BILL FOR

An Act to authorize the state board of education to erect, maintain, and operate an addition to the memorial union building at Iowa City, Iowa on a self-liquidating basis and to borrow money and pledge the rents and profits and assess the students for said purpose.

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

- 1 Section 1. The state board of education is authorized to:
- 2 1. Set aside and use the portion of the campus on which
- 3 the memorial union building is located at Iowa City, Iowa and
- 4 the parts of the campus adjacent thereto as said board shall
- 5 deem suitable for the construction thereon of additions to said
- 6 memorial union building and to enlarge the same and facilities
- 7 provided thereby including additions to and alterations to the
- 8 existing building for said purposes, the same to be financed on a
- 9 self-liquidating basis.
- 10 2. Maintain, operate, control, and manage said building and
- 11 facilities therein contained.
- 1 Sec. 2. Acquire by any lawful means such additional land
- 2 as said board shall deem desirable and suitable for any or all
- 3 of the purposes aforesaid, and to erect appropriate structures

4 and make improvements thereon.

1 Sec. 3. In carrying out the above powers, said board may :

2 1. Borrow money.

3 2. Mortgage the real estate upon which the addition is
4 constructed and also the improvements erected thereon in order
5 to secure the necessary loans.

6 3. Lease the rooms, buildings and facilities to the students,
7 faculty, guests, and employees of the university and for functions
8 related to the university.

9 4. Levy a charge to students for the use of said facilities,
10 and pledge the same and the rent, profits and other incomes
11 received from any such property and from the present memorial
12 union building as security for the payment of any money
13 borrowed to carry out the purposes of this Act and any notes
14 or mortgages evidencing such a loan.

1 Sec. 4. No obligation created hereunder shall ever be or
2 become a charge against the state of Iowa but all such obligations,
3 including principal and interest, shall be payable solely :

4 1. From the net rents, profits, charges to students and
5 other income so pledged or mortgaged as herein authorized.

6 2. From the income derived from gifts and bequests made to
7 the board of education for the purposes specified in Section one
8 (1).

1 Sec. 5. All obligations created hereunder shall be exempt
2 from taxation.

1 Sec. 6. No state funds, unless specifically appropriated by

2 the general assembly for such purposes, shall be loaned or used
3 for this purpose. This shall not apply to funds derived from
4 the net earnings of the properties, improvements and facilities
5 named in Section one (1) of this Act now or hereafter owned by
6 the state.

EXPLANATION OF H. F. 534

The Iowa law has, for many years, authorized the building and operation of dormitories on a self-liquidating basis; this has been very successful and has enabled the state to acquire extensive dormitory facilities at the various institutions without cost to the taxpayers.

The above bill would provide a similar means of acquiring additional facilities for an addition to the memorial union at the university which is now possible if the authority exists. The above bill uses the same wording as Sections 262.35 to 263.42 of the 1950 Code now applicable to dormitories, and would merely apply those provisions to the memorial union building.