

Lamberti, Drake, Connolly

SSB 3048
WAYS + MEANS

SENATE FILE _____

BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON MCKIBBEN)

Succeeded By
(SF) / HF 2330

Passed Senate, Date _____ Passed House, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the establishment of a county urban public
2 transit district within incorporated and urbanized areas of
3 one or more counties, authorizing the imposition of a limited
4 tax levy, and providing for the issuance of general obligation
5 bonds and revenue bonds.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 331.386 COUNTY URBAN PUBLIC
2 TRANSIT DISTRICT AUTHORIZED -- DEFINITIONS -- TAX AND FINANCE
3 AUTHORITY.

4 1. DEFINITIONS. As used in this section, unless the
5 context otherwise requires:

6 a. "Transit district" means a county urban public transit
7 district which is created by one or more counties to provide
8 for the transportation of passengers who present themselves
9 for transportation without discrimination up to the limit of
10 the capacity of each public transit vehicle. A "transit
11 district" shall include only the urbanized areas of a county
12 and the territory of any participating city.

13 b. "Urbanized area" means any area of land within two
14 miles of the boundaries of a city.

15 2. TRANSIT DISTRICT CREATED.

16 a. One or more counties may create a transit district
17 consisting of any urbanized areas in the county and all or
18 part of the territory of any city which agrees to participate.
19 A city may join a transit district by agreement adopted
20 pursuant to chapter 28E. The territories of urbanized areas
21 and cities included in a transit district need not be
22 contiguous. The board of supervisors of a county included in
23 a transit district may serve as the governing body of the
24 transit district or a separate entity may be created pursuant
25 to a chapter 28E agreement to serve as the governing body.

26 b. The governing body of a transit district has all the
27 rights, powers, privileges, and immunities of a local
28 government relating to the purpose for which the transit
29 district is created. In exercising its powers, the governing
30 body may establish a schedule of fares and collect fares for
31 the transportation of passengers.

32 3. TAX AUTHORITY. The governing body of a transit
33 district may impose a tax levy which shall not exceed the rate
34 of ninety-five cents per thousand dollars of the assessed
35 value of all taxable property in the transit district. The

1 proceeds of the tax levy shall be used for works and
 2 facilities useful for the transportation of passengers who
 3 present themselves for transportation without discrimination
 4 up to the capacity of each public transit vehicle. The
 5 governing body of a transit district may divide a transit
 6 district into separate service areas and impose a separate
 7 levy not to exceed the maximum rate authorized in this
 8 subsection in each service area. If a city is included in a
 9 transit district, the tax levy authorized pursuant to section
 10 384.12, subsection 10, shall be reduced by the tax levy
 11 imposed by the transit district within the city or part of the
 12 city pursuant to this subsection. A tax levy imposed pursuant
 13 to section 384.12, subsection 10, and this subsection shall
 14 not exceed the aggregate of ninety-five cents per thousand
 15 dollars of the assessed value of all taxable property in a
 16 participating city.

17 4. BONDING AUTHORITY.

18 a. The establishment, construction, reconstruction,
 19 repair, equipping, remodeling, extension, maintenance, and
 20 operation of works, vehicles, and facilities of a transit
 21 district may be financed by revenue bonds as a county
 22 enterprise pursuant to division IV, part 4.

23 b. The establishment, construction, reconstruction,
 24 repair, equipping, remodeling, extension, maintenance, and
 25 operation of works, vehicles, and facilities of a transit
 26 district may be financed by general obligation bonds as an
 27 essential county purpose pursuant to division IV, part 3.

28 Sec. 2. Section 331.441, subsection 2, paragraph b, Code
 29 Supplement 2001, is amended by adding the following new
 30 subparagraph:

31 NEW SUBPARAGRAPH. (15) The establishment, construction,
 32 reconstruction, repair, equipping, remodeling, extension,
 33 maintenance, and operation of works, vehicles, and facilities
 34 of a county urban public transit district.

35 Sec. 3. Section 331.461, subsection 2, Code Supplement

1 2001, is amended by adding the following new paragraph:

2 NEW PARAGRAPH. h. A county urban public transit district
3 including the establishment, construction, reconstruction,
4 repair, equipping, remodeling, extension, maintenance, and
5 operation of its works, vehicles, and facilities.

6 Sec. 4. Section 384.12, subsection 10, Code 2001, is
7 amended to read as follows:

8 10. A tax for the operation and maintenance of a municipal
9 transit system, and for the creation of a reserve fund for the
10 system, in an amount not to exceed ninety-five cents per
11 thousand dollars of assessed value each year less the rate of
12 tax levied for a county urban public transit district pursuant
13 to section 331.386, when the revenues from the transit system
14 are insufficient for such purposes, but proceeds of the tax
15 may not be used to pay interest and principal on bonds issued
16 for the purposes of the transit system.

17

EXPLANATION

18 This bill authorizes the establishment of a county urban
19 public transit district by one or more counties. The transit
20 district may include urbanized areas of the county
21 (unincorporated territory of a county within two miles of the
22 boundaries of a city) and all or part of a city which agrees
23 to participate. The purpose of a transit district is to
24 provide for the transportation of passengers for an
25 established fare who present themselves for transportation
26 without discrimination up to the limit of the capacity of each
27 transit vehicle. The board of supervisors of a county
28 included in a transit district may serve as the governing body
29 of the transit district or a separate entity may be created
30 pursuant to a Code chapter 28E agreement.

31 A transit district may impose a tax levy up to \$.95 per
32 \$1,000 of the assessed value of the taxable property of the
33 transit district to finance the transit district and its
34 transportation services. However, if a city is included in
35 the transit district, the supplemental levy for municipal

1 transit purposes shall be reduced by the tax levy imposed in
 2 the city by the governing body of the transit district. The
 3 aggregate amount of any tax imposed by a city and a transit
 4 district on the taxable property in the city shall not exceed
 5 \$.95 per \$1,000 of the assessed value of the taxable property
 6 in the city. The governing body of a transit district may
 7 also establish a schedule of fares and collect fares for its
 8 transportation services.

9 The bill also amends the county bonding laws to provide
 10 that a transit district is a county enterprise for the purpose
 11 of issuing revenue bonds and an essential county purpose for
 12 the purpose of issuing general obligation bonds to finance its
 13 works, equipment, and facilities.

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REPRINTED

SENATE FILE 2330
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 3048)

Passed Senate, ^(P. 1146) Date 4-12-02 Passed House, Date _____
Vote: Ayes 45 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the establishment of a regional transit
2 district within incorporated cities and unincorporated areas
3 of one or more counties, and providing for the issuance of
4 general obligation bonds and revenue bonds.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2330

1 Section 1. NEW SECTION. 331.386 REGIONAL TRANSIT

2 DISTRICT AUTHORIZED -- DEFINITION -- FINANCE AUTHORITY.

3 1. DEFINITION. As used in this section, unless the
4 context otherwise requires, "regional transit district" means
5 a public transit district created pursuant to an agreement
6 pursuant to chapter 28E by one or more counties or cities to
7 provide support for transportation passengers by one or more
8 public transit systems designated under chapter 324A.

9 2. REGIONAL TRANSIT DISTRICT CREATED.

10 a. One or more counties may create a regional transit
11 district consisting of any participating county not served by
12 an urban transit system and the incorporated area of any
13 participating city. The areas included in a regional transit
14 district need not be contiguous, but the parties to a chapter
15 28E agreement creating a regional transit district shall be as
16 follows:

17 (1) A county or one or more counties contiguous to one or
18 more counties that are parties to the regional transit
19 district.

20 (2) One or more cities in contiguous counties, which may
21 be parties to the regional transit district even if the
22 counties in which the cities are located are not a party to
23 the regional transit district, and the regional transit
24 district may include cities in three or more counties as long
25 as at least one city in each such county is a party to the
26 regional transit district.

27 b. The governing body of a regional transit district has
28 all the rights, powers, privileges, and immunities of a local
29 government relating to the purpose for which the regional
30 transit district is created. In exercising its powers, the
31 governing body may establish a schedule of fares and collect
32 fares for the transportation of passengers.

33 3. BONDING AUTHORITY.

34 a. The establishment, construction, reconstruction,
35 repair, equipping, remodeling, extension, maintenance, and

1 operation of works, vehicles, and facilities of a regional
2 transit district may be financed by revenue bonds as a county
3 enterprise pursuant to division IV, part 4.

4 b. The establishment, construction, reconstruction,
5 repair, equipping, remodeling, extension, maintenance, and
6 operation of works, vehicles, and facilities of a regional
7 transit district may be financed by general obligation bonds
8 as an essential county purpose pursuant to division IV, part
9 3.

10 Sec. 2. Section 331.441, subsection 2, paragraph b, Code
11 Supplement 2001, is amended by adding the following new
12 subparagraph:

13 NEW SUBPARAGRAPH. (15) The establishment, construction,
14 reconstruction, repair, equipping, remodeling, extension,
15 maintenance, and operation of works, vehicles, and facilities
16 of a regional transit district.

17 Sec. 3. Section 331.461, subsection 2, Code Supplement
18 2001, is amended by adding the following new paragraph:

19 NEW PARAGRAPH. h. A regional transit district including
20 the establishment, construction, reconstruction, repair,
21 equipping, remodeling, extension, maintenance, and operation
22 of its works, vehicles, and facilities.

23 Sec. 4. Section 384.12, subsection 10, Code 2001, is
24 amended to read as follows:

25 10. A tax for the operation and maintenance of a municipal
26 transit system, and for the creation of a reserve fund for the
27 system, in an amount not to exceed ninety-five cents per
28 thousand dollars of assessed value each year less the rate of
29 tax levied for a regional transit district, when the revenues
30 from the transit system are insufficient for such purposes,
31 but proceeds of the tax may not be used to pay interest and
32 principal on bonds issued for the purposes of the transit
33 system.

34 EXPLANATION

35 This bill authorizes the creation of a regional transit

1 district consisting of any participating county not served by
2 an urban transit system and the incorporated area of any
3 participating city. The areas included in a regional transit
4 district need not be contiguous, but the parties to a Code
5 chapter 28E agreement creating a regional transit district
6 shall be as follows:

7 a. A county or one or more counties contiguous to one or
8 more counties that are parties to the regional transit
9 district.

10 b. One or more cities in contiguous counties, which may be
11 parties to the regional transit district even if the counties
12 in which the cities are located are not a party to the
13 regional transit district, and the regional transit district
14 may include cities in three or more counties as long as at
15 least one city in each such county is a party to the regional
16 transit district.

17 If a city is included in a regional transit district, the
18 supplemental levy for municipal transit purposes shall be
19 reduced by the tax levy imposed in the city for a regional
20 transit district. The governing body of a transit district
21 may also establish a schedule of fares and collect fares for
22 its transportation services.

23 The bill also amends the county bonding laws to provide
24 that a regional transit district is a county enterprise for
25 the purpose of issuing revenue bonds and an essential county
26 purpose for the purpose of issuing general obligation bonds to
27 finance its works, equipment, and facilities.

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SENATE FILE 2330

S-5435

1 Amend Senate File 2330 as follows:

2 1. Page 2, by inserting after line 9 the
3 following:

4 "Sec. ____ . NEW SECTION. 331.424D REGIONAL
5 TRANSIT DISTRICT LEVY.

6 The board may levy annually a tax not to exceed
7 ninety-five cents per thousand dollars of the assessed
8 value of all taxable property in the county within a
9 regional transit district but not within the
10 incorporated area of a city. However, if a city
11 participating in a regional transit district
12 authorizes the board to levy a tax for the regional
13 transit district within the city, the tax levy
14 authorized pursuant to section 384.12, subsection 10,
15 shall be reduced by the tax levy imposed by the county
16 pursuant to the agreement. A tax levy imposed
17 pursuant to section 384.12, subsection 10, and this
18 section shall not exceed the aggregate of ninety-five
19 cents per thousand dollars of the assessed value of
20 all taxable property in a participating city. The
21 proceeds of the tax levy shall be used for the
22 operation and maintenance of a regional transit
23 district and for the creation of a reserve fund. The
24 board may divide the territory of a regional transit
25 district outside the boundaries of a city into
26 separate service areas and impose a separate levy not
27 to exceed the maximum rate authorized in this section
28 in each service area."

29 2. Page 2, line 29, by inserting after the word
30 "district" the following: "pursuant to section
31 331.424D".

32 3. Title page, line 3, by inserting after the
33 word "counties," the following: "authorizing the
34 imposition of a limited tax levy,".

35 4. By renumbering as necessary.

By JEFF LAMBERTI

S-5435 FILED APRIL 9, 2002

o/o
4/12/02
(P. 1147)

SENATE FILE 2330

S-5438

1 Amend Senate File 2330 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. NEW SECTION. 331.386 REGIONAL
5 TRANSIT DISTRICT AUTHORIZED -- DEFINITION -- FINANCE
6 AUTHORITY.

7 1. DEFINITION. As used in this section, unless
8 the context otherwise requires, "regional transit
9 district" means a public transit district created
10 pursuant to an agreement pursuant to chapter 28E by
11 one or more counties or cities to provide support for
12 transportation passengers by one or more public
13 transit systems designated under chapter 324A.

14 2. REGIONAL TRANSIT DISTRICT CREATED.

15 a. One or more counties may create a regional
16 transit district consisting of the area of any
17 participating county outside cities served by an urban
18 transit system and the incorporated area of any
19 participating city. The areas included in a regional
20 transit district need not be contiguous, but the
21 parties to a chapter 28E agreement creating a regional
22 transit district shall include at least one county,
23 plus any of the following:

24 (1) Any contiguous counties which choose to
25 participate.

26 (2) Any cities which choose to participate,
27 provided the cities are located within a participating
28 county or within a county contiguous to a
29 participating county or to a county with at least one
30 participating city.

31 b. The governing body of a regional transit
32 district has all the rights, powers, privileges, and
33 immunities of a local government relating to the
34 purpose for which the regional transit district is
35 created. In exercising its powers, the governing body
36 may establish a schedule of fares and collect fares
37 for the transportation of passengers.

38 3. TAX AUTHORITY. The governing body of a
39 regional transit district may impose a tax levy which
40 shall not exceed the rate of ninety-five cents per
41 thousand dollars of the assessed value of all taxable
42 property in the regional transit district. The
43 proceeds of the tax levy shall be used for works and
44 facilities useful for the transportation of passengers
45 who present themselves for transportation without
46 discrimination up to the capacity of each public
47 transit vehicle. The governing body of a regional
48 transit district may divide a regional transit
49 district into separate service areas and impose a
50 separate levy not to exceed the maximum rate

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Page 2

1 authorized in this subsection in each service area.
2 If a city is included in a regional transit district,
3 the tax levy authorized pursuant to section 384.12,
4 subsection 10, shall be reduced by the tax levy
5 imposed by the regional transit district within the
6 city or part of the city pursuant to this subsection.
7 A tax levy imposed pursuant to section 384.12,
8 subsection 10, and this subsection shall not exceed
9 the aggregate of ninety-five cents per thousand
10 dollars of the assessed value of all taxable property
11 in a participating city.

12 4. BONDING AUTHORITY.

13 a. The establishment, construction,
14 reconstruction, repair, equipping, remodeling,
15 extension, maintenance, and operation of works,
16 vehicles, and facilities of a regional transit
17 district may be financed by revenue bonds as a county
18 enterprise pursuant to division IV, part 4.

19 b. The establishment, construction,
20 reconstruction, repair, equipping, remodeling,
21 extension, maintenance, and operation of works,
22 vehicles, and facilities of a regional transit
23 district may be financed by general obligation bonds
24 as an essential county purpose pursuant to division
25 IV, part 3.

26 Sec. _____. Section 331.441, subsection 2, paragraph
27 b, Code Supplement 2001, is amended by adding the
28 following new subparagraph:

29 NEW SUBPARAGRAPH. (15) The establishment,
30 construction, reconstruction, repair, equipping,
31 remodeling, extension, maintenance, and operation of
32 works, vehicles, and facilities of a regional transit
33 district.

34 Sec. _____. Section 331.461, subsection 2, Code
35 Supplement 2001, is amended by adding the following
36 new paragraph:

37 NEW PARAGRAPH. h. A regional transit district
38 including the establishment, construction,
39 reconstruction, repair, equipping, remodeling,
40 extension, maintenance, and operation of its works,
41 vehicles, and facilities.

42 Sec. _____. Section 384.12, subsection 10, Code
43 2001, is amended to read as follows:

44 10. A tax for the operation and maintenance of a
45 municipal transit system, and for the creation of a
46 reserve fund for the system, in an amount not to
47 exceed ninety-five cents per thousand dollars of
48 assessed value each year less the rate of tax levied
49 for a regional transit district, when the revenues
50 from the transit system are insufficient for such

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1 purposes, but proceeds of the tax may not be used to
2 pay interest and principal on bonds issued for the
3 purposes of the transit system."

4 2. Title page, line 3, by inserting after the
5 word "counties," the following: "authorizing the
6 imposition of a limited tax levy,".

7 3. By renumbering as necessary.

By JEFF LAMBERTI

S-5438 FILED APRIL 10, 2002

W/D
4/12/02
(P. 1147)

SENATE FILE 2330**S-5476**

1 Amend Senate File 2330 as follows:

2 1. By striking everything after the enacting
3 clause and inserting the following:

4 "Section 1. NEW SECTION. 331.386 REGIONAL
5 TRANSIT DISTRICT AUTHORIZED -- DEFINITION -- FINANCE
6 AUTHORITY.

7 1. DEFINITION. As used in this section, unless
8 the context otherwise requires, "regional transit
9 district" means a public transit district created
10 pursuant to an agreement pursuant to chapter 28E by
11 one or more counties or cities to provide support for
12 transportation passengers by one or more public
13 transit systems designated under chapter 324A.

14 2. REGIONAL TRANSIT DISTRICT CREATED.

15 a. One or more counties may create a regional
16 transit district consisting of the area of any
17 participating county outside cities served by an urban
18 transit system and the incorporated area of any
19 participating city. The areas included in a regional
20 transit district need not be contiguous, but the
21 parties to a chapter 28E agreement creating a regional
22 transit district shall include at least one county,
23 plus any of the following:

24 (1) Any contiguous counties which choose to
25 participate.

26 (2) Any cities which choose to participate,
27 provided the cities are located within a participating
28 county or within a county contiguous to a
29 participating county or to a county with at least one
30 participating city.

31 b. The governing body of a regional transit
32 district has all the rights, powers, privileges, and
33 immunities of a local government relating to the
34 purpose for which the regional transit district is
35 created. In exercising its powers, the governing body
36 may establish a schedule of fares and collect fares
37 for the transportation of passengers.

38 3. BONDING AUTHORITY.

39 a. The establishment, construction,
40 reconstruction, repair, equipping, remodeling,
41 extension, maintenance, and operation of works,
42 vehicles, and facilities of a regional transit
43 district may be financed by revenue bonds as a county
44 enterprise pursuant to division IV, part 4.

45 b. The establishment, construction,
46 reconstruction, repair, equipping, remodeling,
47 extension, maintenance, and operation of works,
48 vehicles, and facilities of a regional transit
49 district may be financed by general obligation bonds
50 as an essential county purpose pursuant to division

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Page 2

1 IV, part 3.

2 Sec. ____ . NEW SECTION. 331.424D REGIONAL TRANSIT
3 DISTRICT LEVY.

4 The board may levy annually a tax not to exceed
5 ninety-five cents per thousand dollars of the assessed
6 value of all taxable property in the county within a
7 regional transit district but not within the
8 incorporated area of a city. However, if a city
9 participating in a regional transit district
10 authorizes the board to levy a tax for the regional
11 transit district within the city, the tax levy
12 authorized pursuant to section 384.12, subsection 10,
13 shall be reduced by the tax levy imposed by the county
14 pursuant to the agreement. A tax levy imposed
15 pursuant to section 384.12, subsection 10, and this
16 section shall not exceed the aggregate of ninety-five
17 cents per thousand dollars of the assessed value of
18 all taxable property in a participating city. The
19 proceeds of the tax levy shall be used for the
20 operation and maintenance of a regional transit
21 district and for the creation of a reserve fund. The
22 board may divide the territory of a regional transit
23 district outside the boundaries of a city into
24 separate service areas and impose a separate levy not
25 to exceed the maximum rate authorized in this section
26 in each service area.

27 Sec. ____ . Section 331.441, subsection 2, paragraph
28 b, Code Supplement 2001, is amended by adding the
29 following new subparagraph:

30 NEW SUBPARAGRAPH. (15) The establishment,
31 construction, reconstruction, repair, equipping,
32 remodeling, extension, maintenance, and operation of
33 works, vehicles, and facilities of a regional transit
34 district.

35 Sec. ____ . Section 331.461, subsection 2, Code
36 Supplement 2001, is amended by adding the following
37 new paragraph:

38 NEW PARAGRAPH. h. A regional transit district
39 including the establishment, construction,
40 reconstruction, repair, equipping, remodeling,
41 extension, maintenance, and operation of its works,
42 vehicles, and facilities.

43 Sec. ____ . Section 384.12, subsection 10, Code
44 2001, is amended to read as follows:

45 10. A tax for the operation and maintenance of a
46 municipal transit system, and for the creation of a
47 reserve fund for the system, in an amount not to
48 exceed ninety-five cents per thousand dollars of
49 assessed value each year less the rate of tax levied
50 for a regional transit district pursuant to section

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Page 3

1 331.424D, when the revenues from the transit system
2 are insufficient for such purposes, but proceeds of
3 the tax may not be used to pay interest and principal
4 on bonds issued for the purposes of the transit
5 system."

6 2. Title page, line 3, by inserting after the
7 word "counties," the following: "authorizing the
8 imposition of a limited tax levy,".

9 3. By renumbering as necessary.

By JEFF LAMBERTI

S-5476 FILED APRIL 10, 2002

Adopted
4-12-02
(p. 1147)

SENATE FILE 2330
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 3048)

(AS AMENDED AND PASSED BY THE SENATE APRIL 12, 2002)

ALL New Language by the Senate

Passed Senate ^(P. 1146) Date 4-12-02 Passed House, Date _____
Vote: Ayes 45 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the establishment of a regional transit
2 district within incorporated cities and unincorporated areas
3 of one or more counties, authorizing the imposition of a
4 limited tax levy, and providing for the issuance of general
5 obligation bonds and revenue bonds.

6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S.F. 2330

1 Section 1. NEW SECTION. 331.386 REGIONAL TRANSIT
2 DISTRICT AUTHORIZED -- DEFINITION -- FINANCE AUTHORITY.

3 1. DEFINITION. As used in this section, unless the
4 context otherwise requires, "regional transit district" means
5 a public transit district created pursuant to an agreement
6 pursuant to chapter 28E by one or more counties or cities to
7 provide support for transportation passengers by one or more
8 public transit systems designated under chapter 324A.

9 2. REGIONAL TRANSIT DISTRICT CREATED.

10 a. One or more counties may create a regional transit
11 district consisting of the area of any participating county
12 outside cities served by an urban transit system and the
13 incorporated area of any participating city. The areas
14 included in a regional transit district need not be
15 contiguous, but the parties to a chapter 28E agreement
16 creating a regional transit district shall include at least
17 one county, plus any of the following:

18 (1) Any contiguous counties which choose to participate.

19 (2) Any cities which choose to participate, provided the
20 cities are located within a participating county or within a
21 county contiguous to a participating county or to a county
22 with at least one participating city.

23 b. The governing body of a regional transit district has
24 all the rights, powers, privileges, and immunities of a local
25 government relating to the purpose for which the regional
26 transit district is created. In exercising its powers, the
27 governing body may establish a schedule of fares and collect
28 fares for the transportation of passengers.

29 3. BONDING AUTHORITY.

30 a. The establishment, construction, reconstruction,
31 repair, equipping, remodeling, extension, maintenance, and
32 operation of works, vehicles, and facilities of a regional
33 transit district may be financed by revenue bonds as a county
34 enterprise pursuant to division IV, part 4.

35 b. The establishment, construction, reconstruction,

1 repair, equipping, remodeling, extension, maintenance, and
2 operation of works, vehicles, and facilities of a regional
3 transit district may be financed by general obligation bonds
4 as an essential county purpose pursuant to division IV, part
5 3.

6 Sec. ____ . NEW SECTION. 331.424D REGIONAL TRANSIT
7 DISTRICT LEVY.

8 The board may levy annually a tax not to exceed ninety-five
9 cents per thousand dollars of the assessed value of all
10 taxable property in the county within a regional transit
11 district but not within the incorporated area of a city.
12 However, if a city participating in a regional transit
13 district authorizes the board to levy a tax for the regional
14 transit district within the city, the tax levy authorized
15 pursuant to section 384.12, subsection 10, shall be reduced by
16 the tax levy imposed by the county pursuant to the agreement.
17 A tax levy imposed pursuant to section 384.12, subsection 10,
18 and this section shall not exceed the aggregate of ninety-five
19 cents per thousand dollars of the assessed value of all
20 taxable property in a participating city. The proceeds of the
21 tax levy shall be used for the operation and maintenance of a
22 regional transit district and for the creation of a reserve
23 fund. The board may divide the territory of a regional
24 transit district outside the boundaries of a city into
25 separate service areas and impose a separate levy not to
26 exceed the maximum rate authorized in this section in each
27 service area.

28 Sec. ____ . Section 331.441, subsection 2, paragraph b, Code
29 Supplement 2001, is amended by adding the following new
30 subparagraph:

31 NEW SUBPARAGRAPH. (15) The establishment, construction,
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9 transit system, and for the creation of a reserve fund for the
10 system, in an amount not to exceed ninety-five cents per
11 thousand dollars of assessed value each year less the rate of
12 tax levied for a regional transit district pursuant to section
13 331.424D, when the revenues from the transit system are
14 insufficient for such purposes, but proceeds of the tax may
15 not be used to pay interest and principal on bonds issued for
16 the purposes of the transit system.

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