

## CHAPTER 106

### COMMUNITY COLLEGES — APPROVAL AND IMPOSITION OF FACILITIES, EQUIPMENT REPLACEMENT, AND PROGRAM SHARING PROPERTY TAX LEVIES

S.F. 486

**AN ACT** relating to the approval and imposition of the facilities property tax levy and the equipment replacement and program sharing property tax levy for a merged area and including effective date and applicability provisions.

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

Section 1. Section 260C.15, subsection 1, Code 2015, is amended to read as follows:

1. Regular elections held by the merged area for the election of members of the board of directors as required by [section 260C.11](#) or for any other matter authorized by law and designated for election by the board of directors of the merged area, shall be held on the date of the school election as fixed by [section 277.1](#). However, elections held for the ~~renewal imposition, rate increase, or discontinuance~~ of the twenty and one-fourth cents per thousand dollars of assessed valuation levy authorized in [section 260C.22](#) shall be held either on the date of the school election as fixed by [section 277.1](#) or at a special election held on the second Tuesday in September of the even-numbered year. The election notice shall be made a part of the local school election notice published as provided in [section 49.53](#) in each local school district where voting is to occur in the merged area election and the election shall be conducted by the county commissioner of elections pursuant to [chapters 39 through 53](#) and [section 277.20](#).

Sec. 2. Section 260C.22, subsection 1, paragraphs a and b, Code 2015, are amended to read as follows:

a. In addition to the tax authorized under [section 260C.17](#) ~~and upon resolution of the board of directors~~, the voters in a merged area may at the regular school election or at a special election held on the second Tuesday in September of the even-numbered year vote a tax not exceeding twenty and one-fourth cents per thousand dollars of assessed value in any one year for a period not to exceed ten years, ~~unless otherwise provided under subsection 2~~, for the purchase of grounds, construction of buildings, payment of debts contracted for the construction of buildings, purchase of buildings and equipment for buildings, and the acquisition of libraries, for the purpose of paying costs of utilities, and for the purpose of maintaining, remodeling, improving, or expanding the community college of the merged area. If the tax levy is approved under [this section](#), the costs of utilities shall be paid from the proceeds of the levy. The tax shall be collected by the county treasurers and remitted to the treasurer of the merged area as provided in [section 331.552, subsection 29](#). The proceeds of the tax shall be deposited in a separate and distinct fund to be known as the voted tax fund, to be paid out upon warrants drawn by the president and secretary of the board of directors of the merged area district for the payment of costs incurred in providing the school facilities for which the tax was ~~voted~~ authorized.

b. In order to make immediately available to the merged area the proceeds of the voted tax ~~hereinbefore~~ authorized to be levied ~~under this section~~, the board of directors of any such merged area is hereby authorized, without the necessity for any further election, to borrow money and enter into loan agreements in anticipation of the collection of such tax, and such board shall, by resolution, provide for the levy of an annual tax, within the limits of the special voted tax ~~hereinbefore~~ authorized ~~under this section~~, sufficient to pay the amount of any such loan and the interest thereon to maturity as the same becomes due. A certified copy of this resolution shall be filed with the county auditors of the counties in which such merged area is located, and the filing thereof shall make it a duty of such auditors to enter annually this levy for collection until funds are realized to repay the loan and interest thereon in full. Said loan ~~must mature within the number of years for which the tax has been voted and~~ shall bear interest at a rate or rates not exceeding that permitted by [chapter 74A](#). Any loan agreement entered into pursuant to authority herein contained shall be in such form as the board of directors shall by resolution provide and the loan shall be payable as to both principal and

interest from the proceeds of the annual levy of the voted tax ~~hereinbefore~~ authorized under [this section](#), or so much thereof as will be sufficient to pay the loan and interest thereon. In furtherance of the foregoing the board of directors of such merged area may, with or without notice, negotiate and enter into a loan agreement or agreements with any bank, investment banker, trust company, insurance company or group thereof, whereunder the borrowing of the necessary funds may be assured and consummated. The proceeds of such loan shall be deposited in a special fund, to be kept separate and apart from all other funds of the merged area, and shall be paid out upon warrants drawn by the president and secretary of the board of directors to pay the cost of acquiring the school facilities for which the tax was ~~voted~~ authorized.

Sec. 3. Section 260C.22, subsections 2 and 3, Code 2015, are amended by striking the subsections and inserting in lieu thereof the following:

2. Following approval of the tax at two consecutive elections under [subsection 1](#) where the question of imposing the tax appeared on the ballot, if the tax has been imposed for a period of at least twenty consecutive years, the board of directors of the merged area may, by resolution adopted at any time before the end of the most recently authorized period of time for imposing the tax, continue to impose the voted tax each year for an additional period not to exceed ten years at a rate not to exceed the maximum rate approved at election until the tax is discontinued or the maximum rate is increased following an election pursuant to [subsection 3](#). An increase in the maximum rate of the voted tax, not to exceed the maximum rate specified in [subsection 1](#), shall be approved at election pursuant to the requirements of [subsection 3](#).

3. A voted tax imposed under [this section](#) may be discontinued, or its maximum rate increased, by petition and election. Upon receipt of a petition containing the required number of signatures, the board of directors of a merged area shall direct the county commissioner of elections responsible under [section 47.2](#) for conducting elections in the merged area to submit to the voters of the merged area the question of whether to discontinue the authority of the board of directors to impose the voted tax under [this section](#) or to increase the maximum rate of the voted tax, whichever is applicable. The petition must be signed by eligible electors equal in number to not less than twenty-five percent of the votes cast at the last preceding election in the merged area where the question of the imposition of the tax appeared on the ballot and received by the board of directors by June 1 of the year in which the election is to be held. The question shall be submitted at an election held on a date authorized for an election under [subsection 1](#), paragraph "a". If a majority of those voting on the question of discontinuance of the board of directors' authority to impose the tax favors discontinuance, the board shall not impose the tax for any fiscal year beginning after expiration of the period of time for imposing the tax approved at the last election under [subsection 1](#) or the period of time for imposing the tax established by resolution of the board under [subsection 2](#) that is in effect on the date the petition for the election is filed with the board, whichever is applicable, unless following discontinuance the voted tax is again authorized at election under [subsection 1](#). If the question of whether to discontinue the authority of the board of directors to impose the tax fails to gain approval at election, the question shall not be submitted to the voters of the merged area for a period of ten years following the date of the election. If a majority of those voting on the question to increase the maximum rate of the voted tax favors the proposed increase, the new maximum rate shall apply to fiscal years beginning after the date of the election.

Sec. 4. Section 260C.22, subsection 4, Code 2015, is amended by striking the subsection.

Sec. 5. Section 260C.28, subsection 3, Code 2015, is amended to read as follows:

3. a. If the board of directors wishes to certify for a levy under [subsection 2](#), the board shall direct the county commissioner of elections to submit the question of such authorization for the board at an election held on a date specified in [section 39.2, subsection 4](#), paragraph "c". If a majority of those voting on the question at the election favors authorization of the board to make such a levy, the board may certify for a levy as provided under [subsection 2](#) during each of the ten years following the election, unless otherwise authorized under paragraph

“b”. If a majority of those voting on the question at the election does not favor authorization of the board to make a levy under [subsection 2](#), the board may submit the question to the voters again at an election held on a date specified in [section 39.2, subsection 4](#), paragraph “c”.

b. Following approval of the additional tax authorized under [subsection 2](#) at two consecutive elections under paragraph “a” where the question of imposing the additional tax appeared on the ballot, if the additional tax has been imposed for a period of at least twenty consecutive years and either the period of time for imposing the additional tax approved at the last election under paragraph “a” or the period of time for imposing the tax established previously by resolution under this paragraph “b” is due to expire, the board of directors of the merged area may, by resolution, continue to impose the additional tax each year for an additional period not to exceed ten years at a rate not to exceed the maximum rate authorized under [subsection 2](#), until the tax is discontinued following an election pursuant to paragraph “c”.

c. The additional tax authorized under [subsection 2](#) may be discontinued by petition and election. Upon receipt of a petition containing the required number of signatures, the board of directors of a merged area shall direct the county commissioner of elections responsible under [section 47.2](#) for conducting elections in the merged area to submit to the voters of the merged area the question of whether to discontinue the authority of the board of directors to impose the additional tax under [subsection 2](#). The petition must be signed by eligible electors equal in number to not less than twenty-five percent of the votes cast at the last preceding election in the merged area where the question of the imposition of the additional tax appeared on the ballot. The question shall be submitted at an election held on a date specified in [section 39.2, subsection 4](#), paragraph “c”. If a majority of those voting on the question of discontinuance of the board of directors’ authority to impose the additional tax favors discontinuance, the board shall not impose the additional tax for any fiscal year beginning after the expiration of the period of time for imposing the tax approved at the last election under paragraph “a” or the period of time for imposing the additional tax established by resolution of the board under paragraph “b” that is in effect on the date the petition for the election is filed with the board, whichever is applicable, unless following discontinuance the additional tax is again authorized at election under paragraph “a”. If the question of whether to discontinue the authority of the board of directors to impose the additional tax fails to gain approval at election, the question shall not be submitted to the voters of the merged area for a period of ten years following the date of the election.

Sec. 6. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.

#### Sec. 7. APPLICABILITY.

1. This Act applies to merged area voted taxes under [section 260C.22](#) in effect on the effective date of this Act and merged area voted taxes approved at election under [section 260C.22](#) on or after the effective date of this Act.

2. This Act applies to merged area taxes under [section 260C.28, subsections 2 and 3](#), in effect on the effective date of this Act and merged area taxes approved at election under [section 260C.28, subsection 3](#), on or after the effective date of this Act.

Approved May 22, 2015