

CHAPTER 122

SCHOOL FINANCE — PHYSICAL PLANT AND EQUIPMENT LEVY RATES

S.F. 485

AN ACT relating to the voter-approved physical plant and equipment levy by authorizing school districts to exceed the statutory levy rate limit following the refunding or refinancing of certain loan agreements and including effective date provisions.

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

Section 1. Section 298.2, subsection 1, Code 2015, is amended to read as follows:

1. a. A physical plant and equipment levy of not exceeding one dollar and sixty-seven cents per thousand dollars of assessed valuation in the district is established except as otherwise provided in [this subsection](#). The physical plant and equipment levy consists of the regular physical plant and equipment levy of not exceeding thirty-three cents per thousand dollars of assessed valuation in the district and a voter-approved physical plant and equipment levy of not exceeding one dollar and thirty-four cents per thousand dollars of assessed valuation in the district. However, the voter-approved physical plant and equipment levy may consist of a combination of a physical plant and equipment property tax levy and a physical plant and equipment income surtax as provided in [subsection 4](#) with the maximum amount levied and imposed limited to an amount that could be raised by a one dollar and thirty-four cent property tax levy.

b. For school budget years beginning on or after July 1, 2015, a school district may by resolution of the board of directors adopted prior to April 15 preceding the budget year impose a physical plant and equipment levy at a rate in excess of the levy rate limitations under paragraph “a” if the board has refunded or refinanced a loan agreement entered into under [section 297.36](#) and such refunding or refinancing complies with the maturity period authorized under [section 297.36, subsection 1](#), paragraph “c”, and results in a lower amount of interest on the amount of the loan agreement. However, the rate imposed by a school district under this paragraph shall not exceed the rate imposed during the budget year in which the loan agreement was refunded or refinanced. Authorization to exceed the levy rate limitations of paragraph “a” shall terminate upon the maturity of the loan agreement after refunding or refinancing. Upon adoption of the resolution under this paragraph “b”, the board shall comply with the requirements of [section 297.36, subsection 1](#), paragraph “b”.

Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.

Approved June 26, 2015