

FILED MAR 20 1989

SENATE FILE 505
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO SSB 258)

Passed Senate, Date 4-3-89 (p.1130) Passed House, Date _____
Vote: Ayes 43 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

motion to reconsider 4-3-89 (p.1147)

A BILL FOR

1 An Act limiting tax increment financing of city urban renewal
2 projects.

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

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SENATE FILE 505

S-3457

1 Amend Senate File 505 as follows:
2 1. Page 1, line 6, by inserting after the word
3 "years" the following: "except that this limitation
4 does not apply to bonds issued pursuant to chapter
5 384, division III".

By ELAINE SZYMONIAK

S-3457 FILED MARCH 28, 1989

adopted 4-3-89 (p.1130) motion to reconsider 4-3-89 (p.1147)

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SENATE FILE 505

S-3510

1 Amend Senate File 505 as follows:
2 1. Page 1, line 6, by striking the word "ten" and
3 inserting the following: "twenty-five".

By RICHARD RUNNING

S-3510 FILED APRIL 3, 1989

WITHDRAWN *4-3-89 (p.1130)*

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1 Section 1. Section 403.19, Code 1989, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 7. A city ordinance enacted after July 1,
4 1989, under this section to finance an urban renewal project
5 shall not provide tax increment financing for the project for
6 more than ten years.

3510,
3-F57

7 EXPLANATION

8 The bill provides that a city ordinance enacted after July
9 1, 1989, to finance an urban renewal project shall not provide
10 tax increment financing for the project for more than ten
11 years.

12 This bill may create a state mandate pursuant to chapter
13 25B.

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2 the following new subsection:

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5 shall not provide tax increment financing for the project for
6 more than ten years except that this limitation does not apply
7 to bonds issued pursuant to chapter 384, division III.

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FRANKE, CH.
VANSENDER
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SSB 258
LOCAL GOVERNMENT

SENATE FILE 505
BY (PROPOSED COMMITTEE ON LOCAL
GOVERNMENT BILL)

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

A BILL FOR

1 An Act relating to notice and approval of tax increment
2 expenditures by a municipality.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 304.19, Code 1989, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 7. A municipality shall notify the board
4 of supervisors of its intent to pursue the division of revenue
5 pursuant to this section for projects initiated after July 1,
6 1989. The notice shall include the plan for the use of county
7 tax funds for municipal purposes. The board of supervisors
8 must notify the governing body of the municipality within
9 sixty days of receipt of the notice if the board determines,
10 by resolution, that county funds are not available for
11 municipal tax increment purposes. The county may place
12 restrictions on the use of its funds, including but not
13 limited to, the time period that the funds may be available
14 for inclusion in the division of revenue pursuant to this
15 section. Upon notification by a county of the denial or
16 restriction on the use of county funds, the municipality may
17 amend or withdraw its plan for the division of revenue.

18 EXPLANATION

19 This bill requires cities and area colleges to obtain the
20 approval of a board of supervisors before county funds may be
21 used by a municipality for tax increment purposes. A county
22 may place restrictions on the use of its funds. This bill
23 applies to projects initiated after July 1, 1989.

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