

PROOF

STATE OF IOWA

House Journal

FRIDAY, APRIL 16, 2004

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JOURNAL OF THE HOUSE

Ninety-sixth Calendar Day - Sixty-sixth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Friday, April 16, 2004

The House met pursuant to adjournment at 9:10 a.m., Speaker Rants in the chair.

Prayer was offered by the Honorable John Whitaker, state representative from Van Buren County.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Speaker Rants.

The Journal of Thursday, April 15, 2004 was approved.

The House stood at ease at 9:12 a.m., until the fall of the gavel.

The House resumed session at 12:33 p.m., Speaker Rants in the chair.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 16, 2004, passed the following bill in which the concurrence of the Senate was asked:

[House File 2571](#), a bill for an act relating to agriculture by providing for reporting requirements.

Also: That the Senate has on April 16, 2004, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

[Senate File 2275](#), a bill for an act relating to criminal sentencing practice and procedure.

MICHAEL E. MARSHALL, Secretary

QUORUM CALL

A non-record roll call was requested to determine that a quorum was present. The vote revealed eighty-one members present, nineteen absent.

ADOPTION OF [HOUSE RESOLUTION 158](#)

Mertz of Kossuth called up for consideration [House Resolution 158](#), a resolution honoring the city of Algona on its sesquicentennial anniversary year, and moved its adoption.

The motion prevailed and the resolution was adopted.

Ways and Means Calendar

[Senate Joint Resolution 2010](#), a joint resolution proposing an amendment to the Constitution of the State of Iowa to require approval by vote of the people before certain tax or fee increases take effect.

BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. The following amendment to the Constitution of the State of Iowa is proposed:

The Constitution of the State of Iowa is amended by adding the following new sections to new Article XIII:

ARTICLE XIII

PEOPLE'S RIGHT TO VOTE ON TAX OR FEE INCREASES

PEOPLE'S RIGHT TO VOTE ON TAX OR FEE INCREASES.

SECTION 1

If all tax and fee increases adopted in a fiscal year would produce new annual revenue exceeding one percent of total state general fund revenue received in the preceding fiscal year, excluding transfers from other state funds, the increases shall be submitted to the electors, starting with the largest increase and including increases in descending order, except the remaining increases that total one percent or less. All increases of any one tax or fee shall together be regarded as one increase. An adopted tax or fee increase required by this article to be submitted to the electors shall take effect only if submitted to the electors at the next state general election and approved by a majority of the electors voting thereon.

APPLICATION. SEC. 2. In this article:

1. "Local governments" includes all political subdivisions.
2. "Increase" includes, but is not limited to, imposing a new tax or fee; raising a rate or amount; repealing, reducing, or delaying an exemption, deduction, credit, exclusion, reduction, or indexing requirement; or broadening the base or scope of a tax or fee in any way.
3. "Increase" includes legislation that allows or requires one or more local governments, with or without approval by local electors, to impose or increase any tax on income, sales, or property, but excludes legislation in which the only subject matter is establishment of the state percentage of growth for school foundation aid.
4. "Increase" of property tax includes legislation that has the effect of reducing total state funds transferred to all local governments in a fiscal year in comparison with the preceding fiscal year, taking into account all legislation increasing or reducing such transfers.
5. "Increase" of property tax includes legislation that has the effect of requiring local governments to incur aggregate net cost increases in a fiscal year, after deducting increased transfers of state funds for the express purpose of offsetting those cost increases. Such increased transfers shall be deducted under this subsection and not under subsection 4.
6. "New annual revenue" means the estimated net increase over the fiscal year preceding adoption in total state general fund revenue produced by the total of all tax and fee increases adopted in a fiscal year, less estimated refunds payable as a result of the increases, all as estimated for the fiscal year in which all such increases are adopted, as if all such increases and refunds were fully effective and entirely implemented for that full fiscal year. Actual amounts, if known, shall be used instead of estimates.
7. "Adopted" or "adoption" means that after 2006, a bill has been passed and all requirements of article III have been met, so that the bill would become law except for the requirements of this article.
8. This article does not apply to taxes and fees subject to article VII, sections 5 and 8.

EMERGENCY. SEC. 3. A temporary exception to the preceding requirements of this article shall be allowed only to this extent and only if all these conditions are met: (1) the Governor requests the General Assembly to adopt an emergency tax increase for only one specified fiscal year; (2) the request specifically states the nature of the emergency, the expenditures needed to respond to the emergency,

and the proposed tax increase to pay for the emergency expenditures for that year; and (3) a law declaring an emergency and providing an emergency tax increase in accordance with the Governor's specific request is passed by a vote of two-thirds of all the members elected to each branch of the General Assembly and is approved by the Governor. Such law shall not be passed more than four months prior to the fiscal year to which it applies. Such law must be enacted prior to obligating any requested emergency expenditures.

ENFORCEMENT. SEC. 4. Any citizen or taxpayer may, within two years after a tax or fee increase is adopted, bring suit to enforce compliance with this article. If no such suit is filed within the two-year period, the elector approval requirement for that tax or fee increase is negated. The Supreme Court shall have original jurisdiction of any such suit. The Supreme Court shall invalidate any increase which should have been, but was not, submitted to the electors as required by this article and shall order that the revenue collected in violation of this article be refunded or applied to reduce future taxes. A citizen or taxpayer who brings suit and prevails shall receive from the state the costs of the suit, including reasonable attorney fees.

IMPLEMENTATION. SEC. 5. This article shall be interpreted and implemented to achieve its purpose to increase the electors' control of taxes and fees. The General Assembly shall enact laws to implement this article.

Sec. 2. REFERRAL AND PUBLICATION. The foregoing proposed amendment to the Constitution of the State of Iowa is referred to the General Assembly to be chosen at the next general election for members of the General Assembly, and the Secretary of State is directed to cause it to be published for three consecutive months previous to the date of that election as provided by law.

EXPLANATION

This joint resolution proposes an amendment adding a new Article XIII to the Constitution of the State of Iowa, giving the people of Iowa the right to vote on certain adopted increases of taxes and fees, so that the increases will not take effect unless approved by majority vote at a state general election.

The amendment requires that a law or laws increasing any taxes or fees that would result in new annual revenue of more than 1 percent of total state general fund revenue received in the fiscal year preceding enactment of the law or laws must receive voter approval at a state general election. The amendment defines "new annual

revenue". The amendment also defines "increase". This definition includes legislation that allows or requires a local government to impose or increase any tax on income, sales, or property; legislation that has the effect of reducing total state funds transferred to all local governments; and legislation that requires local governments to incur aggregate net cost increases in a fiscal year.

The amendment allows the general assembly, at the governor's request and by two-thirds vote, to increase taxes in emergency situations.

The amendment allows any citizen or taxpayer to bring suit to enforce compliance with the voter approval requirement within two years of adoption of a tax or fee increase. The amendment also provides that the general assembly shall enact laws to implement the amendment.

The resolution, if adopted, will be referred to the next general assembly. If the next general assembly adopts the resolution, the amendment will be submitted to the voters for ratification, with report of committee recommending passage, was taken up for consideration.

The House stood at ease at 12:59 p.m., until the fall of the gavel.

The House resumed session at 2:06 p.m., Speaker Rants in the chair.

Fallon of Polk asked and received unanimous consent that amendment [H-8633](#) be deferred.

Murphy of Dubuque offered the following amendment [H-8634](#) filed by him, Bell of Jasper, Berry of Black Hawk, Bukta of Clinton, Cohoon of Des Moines, Connors of Polk, Dandekar of Linn, Davitt of Warren, Foege of Linn, Ford of Polk, Frevert of Palo Alto, Gaskill of Wapello, Greimann of Story, Heddens of Story, Hogg of Linn, Hunter of Polk, Huser of Polk, Jacoby of Johnson, Jochum of Dubuque, Kuhn of Floyd, Lensing of Johnson, Lykam of Scott, Mascher of Johnson, McCarthy of Polk, Mertz of Kossuth, Miller of Webster, Oldson of Polk, D. Olson of Boone, Osterhaus of Jackson, Petersen of Polk, Quirk of Chickasaw, Reasoner of Union, Shomshor of Pottawattamie, Shoultz of Black Hawk, Smith of Marshall, Stevens of Dickinson, Swaim of Davis, D. Taylor of Linn, T. Taylor of Linn, Thomas of Clayton, Wendt of Woodbury, Whitaker of Van Buren, Whitead of Woodbury, Winckler of Scott and Wise of Lee, from the floor and

moved its adoption:

[H-8634](#)

- 1 Amend [Senate Joint Resolution 2010](#), as passed by
- 2 the Senate, as follows:
- 3 1. Page 1, by striking line 6, and inserting the
- 4 following:
- 5 "THE RIGHT TO NICKEL AND DIME THE PEOPLE TO DEATH".
- 6 2. Page 1, by striking line 7, and inserting the
- 7 following:
- 8 "THE RIGHT TO NICKEL AND DIME THE PEOPLE TO DEATH.
- 9 SECTION 1."
- 10 3. Page 3, by striking lines 22 and 23, and
- 11 inserting the following: "and implemented to achieve
- 12 its purpose to nickel and dime the people of Iowa to
- 13 death. The General Assembly".

Klemme of Plymouth in the chair at 2:20 p.m.

Amendment [H-8634](#) lost.

Fallon of Polk offered the following amendment [H-8633](#), previously deferred, filed by him from the floor and moved its adoption:

[H-8633](#)

- 1 Amend [Senate Joint Resolution 2010](#), as passed by
- 2 the Senate, as follows:
- 3 1. Page 1, line 6, by inserting after the word
- 4 "INCREASES" the following: "OR REDUCTIONS".
- 5 2. Page 1, line 7, by inserting after the word
- 6 "INCREASES" the following: "OR REDUCTIONS".
- 7 3. Page 1, by inserting after line 20, the
- 8 following:
- 9 "If all tax and fee reductions adopted in a fiscal
- 10 year would reduce annual revenue exceeding one percent
- 11 of total state general fund revenue received in the
- 12 preceding fiscal year, excluding transfers from other
- 13 state funds, the reductions shall be submitted to the
- 14 electors, starting with the largest reduction and
- 15 including reductions in descending order, except the
- 16 remaining reductions that total one percent or less.
- 17 All reductions of any one tax or fee shall together be
- 18 regarded as one reduction. An adopted tax or fee
- 19 reduction required by this article to be submitted to
- 20 the electors shall take effect only if submitted to
- 21 the electors at the next state general election and

22 approved by a majority of the electors voting
23 thereon."
24 4. Page 2, by inserting after line 11, the
25 following:
26 "____. "Reduction" includes, but is not limited to,
27 reducing a rate or amount; adopting or increasing an
28 exemption, deduction, credit, exclusion, reduction, or
29 indexing requirement; or narrowing the base or scope
30 of a tax or fee in any way."
31 5. Page 2, by inserting after line 20, the
32 following:
33 "____. "Reduce annual revenue" means the estimated
34 net reduction over the fiscal year preceding adoption
35 in total state general fund revenue produced by the
36 total of all tax and fee reductions adopted in a
37 fiscal year, plus estimated refunds payable as a
38 result of the reductions, all as estimated for the
39 fiscal year in which all such reductions are adopted,
40 as if all such reductions and refunds were fully
41 effective and entirely implemented for that full
42 fiscal year. Actual amounts, if known, shall be used
43 instead of estimates."
44 6. Page 2, line 28, by inserting after the word
45 "article" the following: "relating to tax increases".
46 7. Page 3, line 9, by inserting after the word
47 "increase" the following: "or reduction".
48 8. Page 3, line 12, by inserting after the word
49 "increase" the following: "or reduction".
50 9. Page 3, line 14, by inserting after the word

Page 2

1 "increase" the following: "or reduction".
2 10. Page 3, by striking lines 16 through 18, and
3 inserting the following: "required by this article.
4 A citizen or taxpayer who brings suit".
5 11. Title page, line 3, by inserting after the
6 word "increases" the following: "or reductions".
7 12. By renumbering as necessary.

Speaker Rants in the chair at 3:47 p.m.

Boguess of Page in the chair at 4:07 p.m.

Speaker Rants in the chair at 4:20 p.m.

Amendment [H-8633](#) lost.

Paulsen of Linn moved that the joint resolution be read a last time now and placed upon its adoption and the joint resolution was read a last time.

On the question "Shall the joint resolution be adopted and agreed to?" ([S.J.R. 2010](#))

The yeas were, 51:

Alons	Arnold	Boal	Boddicker
Carroll	Chambers	De Boef	Dennis
Dix	Dolecheck	Drake	Eichhorn
Elgin	Freeman	Gipp	Granzow
Greiner	Hahn	Hanson	Hoffman
Horbach	Huseman	Huser	Jacobs
Jenkins	Jones	Klemme	Kramer
Kurtenbach	Lalk	Lukan	Maddox
Manternach	Mertz	Olson, S.	Paulsen
Raecker	Rasmussen	Rayhons	Sands
Schickel	Struyk	Tjepkes	Tymeson
Upmeyer	Van Engelenhoven	Van Fossen, J.K.	Van Fossen, J.R.
Watts	Wilderdyke	Mr. Speaker	
		Rants	

The nays were, 48:

Bell	Berry	Boggess	Bukta
Cohoon	Connors	Dandekar	Davitt
Fallon	Foege	Ford	Frevert
Gaskill	Greimann	Heaton	Heddens
Hogg	Hunter	Hutter	Jacoby
Jochum	Kuhn	Lensing	Lykam
Mascher	McCarthy	Miller	Murphy
Oldson	Olson, D.	Osterhaus	Petersen
Quirk	Reasoner	Roberts	Shomshor
Shoultz	Smith	Stevens	Swaim
Taylor, D.	Taylor, T.	Thomas	Wendt
Whitaker	Whitead	Winckler	Wise

Absent or not voting, 1:

Baudler

The joint resolution having received a constitutional majority was declared to have been adopted and agreed to by the House.

IMMEDIATE MESSAGE

Gipp of Winneshiek asked and received unanimous consent that [Senate Joint Resolution 2010](#) be immediately messaged to the Senate.

Gipp of Winneshiek asked and received unanimous consent that the Friday, April 16, 2004, blue daily debate calendar be the same calendar for Monday, April 19, 2004.

BILL SIGNED BY THE GOVERNOR

A communication was received from the Governor announcing that on April 15, 2004, he approved and transmitted to the Secretary of State the following bill:

[House File 2553](#), an Act relating to technical and substantive changes regarding the Iowa Educational Savings Plan Trust and the establishment of an additional optional program by a specified date, and providing an effective date.

RESOLUTION FILED

[HR 169](#), by Freeman and Shoultz, a resolution requesting the establishment of an interim study committee to examine issues relating to renewable energy.

Laid over under **Rule 25**.

AMENDMENTS FILED

H-8628	H.F. 2577	Heaton of Henry Smith of Marshall
H-8632	S.F. 2305	Jochum of Dubuque Winckler of Scott

On motion by Gipp of Winneshiek the House adjourned at 4:50 p.m., until 10:00 a.m., Monday, April 19, 2004.