

Reprinted 2/14

FILED JAN 27 1976

SENATE FILE 1062

BY COMMITTEE ON WAYS AND MEANS

Passed Senate, Date 2-15-76 (432) Passed House, Date 2/19/95'
Vote: Ayes 30 Nays 16 Vote: Ayes 52 Nays 47
Approved April 26

A BILL FOR

1 An Act to provide budget limitations for certain political
2 subdivisions of the state.

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

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S-5036

1 Amend Senate File 1062 as follows:
2 1. Page 3, line 10, by inserting after the word
3 "governor" the words ", subject to confirmation by the
4 senate".

S-5036 FILED - *Adopted 2/5 (p.266)* BY COMMITTEE ON STATE GOVERNMENT
JANUARY 28, 1976 EUGENE M. HILL, Chairperson

1 Section 1. DEFINITIONS.

2 1. "Base year" means the preceding fiscal year.

3 2. "Political subdivision" means any county, city having
4 a population of more than five hundred persons or other public
5 body or corporation that has the power to levy or certify
6 a property tax or sum of money to be collected by property
7 taxation.

8 3. "Limited budget" means the budget including amend-
9 ments for all funds of a political subdivision of this state
10 excluding the amount of anticipated receipts to and expendi-
11 tures from these funds from federal moneys, the amount of
12 any moneys collected or received from property taxes and other
13 sources for the paying of interest and principal on any indebt-
14 edness authorized by law, the amount of any moneys collected
15 or received from property taxes and other sources to pay the
16 obligations of the political subdivision for public officers'
17 or employees' pension or retirement systems and the United
18 States Social Security Act, the amount of money for a fund
19 or program collected from a property tax levy authorized by
20 a vote of the electorate after the effective date of this
21 Act and that part of the budget of a school corporation subject
22 to limitation under chapter four hundred forty-two (442) of
23 the Code.

24 4. "Allowable growth" means a maximum increase in the
25 proposed expenditures in the budget of a political subdivision
26 for a fiscal year equal to six percent of the proposed expend-
27 itures in the certified budget of such political subdivision
28 for the base year or a maximum increase in such proposed ex-
29 penditures authorized under the property tax levy limitations
30 otherwise provided by law, whichever increase is less.

31 Sec. 2. RESTRICTIONS ON EXPENDITURES - ALLOWABLE GROWTH.

32 The proposed expenditures in the certified limited budget
33 of a political subdivision, for the fiscal years beginning
34 July 1, 1976 and July 1, 1977, shall not exceed the proposed
35 expenditures in the certified limited budget of that political

1 subdivision for the base year, plus the allowable growth for
2 that political subdivision and the unspent balance from the
3 base year's certified limited budget unless the allowable
4 growth for a political subdivision is modified by the
5 appropriate budget review committee as provided in section
6 three (3) of this Act.

7 Sec. 3. MODIFICATION OF ALLOWABLE GROWTH.

8 1. If a political subdivision has unusual circumstances,
9 creating a need for additional budget expenditures, including
10 but not limited to the following circumstances, the appropriate
11 budget review committee as designated in section five (5)
12 of this Act may establish a modified allowable growth for
13 such political subdivision.

14 a. Any unusual increase in population as determined by
15 the preceding certified federal census.

16 b. Natural disasters or other emergencies.

17 c. Unusual problems relating to major new functions re-
18 quired by state law.

19 d. Unusual staffing problems.

20 e. Unusual necessity for additional funds to permit contin-
21 uance of a program which provides substantial benefit to resi-
22 dents.

23 2. A political subdivision not having a certified budget
24 for the base year shall submit its proposed budget to the
25 appropriate budget review committee for its approval.

26 3. All decisions by a budget review committee under this
27 Act shall be made in accordance with reasonable and uniform
28 policies which shall be consistent to carry out the provisions
29 of this Act. The committee shall take into account the intent
30 of this Act to provide property tax relief and to provide
31 reasonable control of costs of the political subdivisions
32 of the state.

33 4. Failure by any political subdivision to provide infor-
34 mation or appear before a budget review committee as requested
35 for the accomplishment of review or hearing shall constitute

1 justification for the committee to instruct the state comptrol-
2 ler to withhold any state payments to that political subdivi-
3 sion until the committee's inquiries are satisfied completely
4 or to deny a request for a modified allowable growth.

5 Sec. 4. COUNTY BUDGET REVIEW COMMITTEE. There is created
6 a county budget review committee consisting of the following
7 five members:

8 1. The state comptroller or his designee who shall serve
9 as chairperson.

10 2. Three county officers appointed by the governor, one
11 member selected from a county having an assessed valuation
12 of:

13 a. Less than ninety-six million three hundred thousand
14 dollars.

15 b. Ninety-six million three hundred thousand dollars or
16 more but less than one hundred eighteen million five hundred
17 twenty thouand dollars.

18 c. One hundred eighteen million five hundred twenty
19 thousand dollars or more.

20 3. The certified public accountant appointed to the city
21 finance committee under section three hundred eighty-four
22 point thirteen (384.13) of the Code.

23 In addition to the circumstances creating a vacancy under
24 section sixty-nine point two (69.2) of the Code, a vacancy
25 shall exist when a county officer appointed under subsection
26 two (2) of this section no longer holds a county office which
27 qualifies such officer for appointment to this committee.

28 The county budget review committee shall meet at the call
29 of the chairperson and adopt its own rules of procedure.

30 The committee may hold public hearings. Actions taken or
31 rules promulgated by the committee shall be subject to the
32 provisions of chapter seventeen A (17A) of the Code.

33 The committee members, except the state comptroller and
34 county officers who are full-time public officers, are entitled
35 to a per diem of forty dollars for each day spent in the per-

1 formance of committee duties and each member is entitled
2 to reimbursement for his actual and necessary expenses incurred
3 in performance of committee duties. The per diem and expenses
4 shall be paid from funds appropriated to the state comptroller.

5 Sec. 5. DESIGNATED BUDGET REVIEW COMMITTEES. The appro-
6 priate budget review committee to which a political subdivision
7 may petition for a modified allowable growth is:

8 1. The city finance committee created under section three
9 hundred eighty-four point thirteen (384.13) of the Code for
10 any city subject to the provisions of this Act.

11 2. The school budget review committee created under sec-
12 tion four hundred forty-two point twelve (442.12) of the Code
13 for the following political subdivision:

14 a. A merged area school created under chapter two hun-
15 dred eighty A (280A) of the Code.

16 b. A school corporation created under chapter two hun-
17 dred seventy-four (274) of the Code for that part of its bud-
18 get which is not subject to limitation under chapter four
19 hundred forty-two (442) of the Code.

20 3. The county budget review committee for any other poli-
21 tical subdivision subject to provisions of this Act.

22 Sec. 6. ADJUSTMENT FOR MUNICIPAL UTILITY. The allowable
23 growth provided in section two (2) of this Act for a political
24 subdivision shall be applicable to a municipal utility except
25 as provided in this section. A municipal utility may adjust
26 its rates under this Act where the product which it distributes
27 to the public for compensation is produced or supplied by
28 an investor-owned utility, cooperative, other private supplier,
29 or public agency and the rates paid by the municipal utility
30 are adjusted. A municipal utility which produces the heat
31 or electric power which it distributes to the public for
32 compensation may adjust its rates if the fossil fuels which
33 it purchases to produce the electrical energy which it
34 distributes to the public for compensation are increased.

35 The municipal utility may adjust its rates upon the filing

1 of a notice of the proposed adjustment with the city finance
2 committee. The notice to the committee shall state the pre-
3 sent rates and fuel costs and the new rates and new fuel
4 costs.

5 For the purposes of this section, "municipal utility" means
6 all or part of a waterworks, gasworks, electric light and
7 power plant and system, or heating plant any of which are
8 owned by a city, including all land, easements, rights-of-
9 way, fixtures, equipment, accessories, improvements,
10 appurtenances, and other property necessary or useful for
11 the operation of the utility.

12 Sec. 7. SPECIAL CHARTERED CITIES. It is the intention
13 of the general assembly that the provisions of this Act shall
14 apply to special chartered cities. The city finance committee
15 may adopt rules, consistent with the provisions of this Act,
16 establishing procedures and forms applicable to special char-
17 tered cities as deemed necessary by the committee.

18 Sec. 8. This Act, being deemed of immediate importance,
19 shall take effect and be in force from and after its publi-
20 cation in the Dallas County News, a newspaper published in
21 Adel, Iowa, and in The Fremont Gazette, a newspaper published
22 in Fremont, Iowa.

23 EXPLANATION

24 This bill provides a maximum allowable growth limit for
25 the budgets of all political subdivisions of this state except
26 for cities having a population of five hundred persons or
27 less. The following parts of the budget of a political
28 subdivision are not subject to the maximum allowable growth:

- 29 1. Receipts and expenditures of federal funds.
- 30 2. Receipts and expenditures for debt service.
- 31 3. Receipts and expenditures for pensions, retirement,
32 and social security.
- 33 4. Receipts and expenditures from a fund authorized by
34 a vote of the electorate after the effective date of this
35 Act.

1 5. That part of the budget of a school corporation which
2 is subject to limitation under chapter 442 of the Code.

3 6. Receipts and expenditures of a municipal utility re-
4 quired because of increase fuel costs or costs of purchasing
5 water, gas, heat, or electrical power where the municipal
6 utility owns and maintains only a distribution system.

7 This bill creates a county budget review committee which,
8 with the existing city finance committee and the existing
9 school budget review committee, may hear and grant petitions
10 from the political subdivisions under their respective jurisdic-
11 tions for a modified allowable growth if justified by un-
12 usual financial circumstances.

13 The provisions of this bill are applicable to the budgets
of political subdivisions for the fiscal years beginning July

FISCAL NOTE

Date prepared February 5, 1976

Requested by: Senator Gluba

Prepared in regard to Senate File 1062, Amendment S-5073, An
Act to provide budget limitations for certain political subdivisions
of the state.

Following is the fiscal effect in dollars of the legislative
proposal as required by Joint Rule 16.

The projected fiscal effect would be the distribution of the following
amounts of sales tax receipts:

| Projected Sales Tax Collections | Distributed As Of | Distributed to Cities & Towns | Distributed to Counties | Total Distribution |
|------------------------------------|----------------------|----------------------------------|----------------------------|-----------------------|
| '76 FY | 12 - 76 | \$13,114,157 | \$ 4,371,386 | \$ 17,485,543 |
| '77 FY | 12 - 77 | 28,326,580 | 9,442,194 | 37,768,774 |
| '78 FY | 12 - 78 | 45,889,059 | 15,296,353 | 61,185,412 |
| '79 FY | 12 - 79 | 66,080,219 | 22,026,776 | 88,106,995 |
| '80 FY | 12 - 80 | 86,147,233 | 28,715,744 | 114,862,977 |

Based on 1975 Fiscal Year Gross Sales Tax collected of \$242,854.769
and an 8% annual increment in collections

FILED
EBRUARY 5, 1976

BY GERRY D. RANKIN
LEGISLATIVE FISCAL DIRECTOR

SENATE FILE 1062

S-5138

1 Amend the Robinson-Kelly amendment S-5137 to
2 Senate File 1062 as follows:
3 1. Page 10, by inserting after line 30 the
4 following unnumbered paragraph:
5 "The budget growth permitted by this Act shall
6 not allow any political subdivision to levy a tax
7 exceeding any of the maximum tax levies set by the
8 Code for that political subdivision."

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S-~~1038~~ FILED - *Last 2/12 (p. 422)*
FEBRUARY 12, 1976

BY CLOYD ROBINSON

SENATE FILE 1062

S-5139

1 Amend the amendment, S-5102, to Senate File 1062
2 as follows:
3 1. Page 1, by striking lines 4 and 5, and inserting
4 in lieu thereof the following:
5 "2. Page 4, by inserting after line 21 the
6 following:"
7 2. Page 1, by striking lines 38 through 43, and
8 inserting in lieu thereof the following:
9 "2. The provisions of this section shall not
10 preclude a political subdivision from requesting and
11 obtaining a modified allowable growth from the
12 appropriate budget review board if natural disaster
13 or unusual circumstance requiring the need for
14 additional expenditures occurs after the local
15 referendum."

S-5139 FILED & ADOPTED (*p. 421*)
FEBRUARY 13, 1976

BY CALVIN O. HULTMAN
RICHARD J. NORPEL
RAY TAYLOR

SENATE FILE 1062

S-5140

1 Amend the Robinson-Kelly amendment, S-5137, to
2 Senate File 1062 as follows:
3 1. Page 7, line 26, by striking the words "exceeds"
4 and inserting in lieu thereof "requires a levy in excess
5 of".
6 2. Page 8, line 15, by striking the words "has ex-
7 ceeded" and insert in lieu thereof "requires a levy in
8 excess of".

S-5140 FILED & ADOPTED (*p. 422*)
FEBRUARY 13, 1976

BY CLOYD E. ROBINSON
E. KEVIN KELLY

SENATE FILE 1062

S-5130

1 Amend the Hansen-Ramsey amendment S-5123
2 to Senate File 1062 as follows:

3 1. Page 2, by striking lines 19 through 31.
4 and by inserting in lieu thereof the following:

5 "Sec. 3. MUNICIPAL ENTERPRISES. The provisions
6 of this Act shall not apply to expenditures of a city
7 utility, a city enterprise, a public agency, or a
8 county public hospital, except with respect to
9 transfers of surplus funds of a city utility or city
10 enterprise pursuant to section three hundred eighty-
11 four point eighty-nine (384.89) of the Code to any
12 fund of the city included in the limited budget as
13 defined in section one (1), subsection three (3),
14 of this Act and such transfers shall be subject to
15 the allowable growth provided in section two (2) of
16 this Act.

17 For purposes of this section, "city utility" means
18 a city utility as defined in section three hundred
19 sixty-two point two (362.2), subsection twenty-two
20 (22), of the Code, "city enterprise" means a city
21 enterprise as defined in section three hundred eighty-
22 four point twenty-four (384.24) of the Code and
23 includes combined utility systems and combined city
24 enterprises as defined in section three hundred eighty-
25 four point eighty (384.80) of the Code, and "public
26 agency" means a public agency as defined in sections
27 twenty-eight E point two (28E.2) of the Code for provid-
28 ing joint services and facilities under chapter
29 twenty-eight E (28E) of the Code and twenty-eight
30 F point two (28F.2) of the Code for the joint financing of
31 works and facilities authorized under chapter
32 twenty-eight F (28F) of the Code".

S-5130 FILED - *Adopted 2/12 (p. 396)* BY CALVIN O. HULTMAN
FEBRUARY 12, 1976 WILLARD R. HANSEN
CLIFTON C. LAMBORN

S-5136

1 Amend the Norpel amendment S-5102 to Senate File
2 1062 as follows:

3 1. Page 1, by inserting after line 43 the
4 following unnumbered paragraph:

5 "The budget growth permitted by this Act shall
6 not allow any political subdivision to levy a tax
7 exceeding any of the maximum tax levies set by the
8 Code for that political subdivision."

S-5136 FILED & ADOPTED (*p. 400*)
FEBRUARY 12, 1976

BY RAY TAYLOR

S-5129

1 Amend the Hansen & Ramsey amendment S-5123 to
2 Senate File 1062 as follows:

3 1. Page 3, by inserting after line 29 the
4 following:

5 "Section _____. It is hereby designated to be the
6 intent of this Act that the public interest demands that
7 the governor research and analyze matters pertaining to
8 local government services and funding sources and to
9 report the findings and recommendations to the general
10 assembly by September 15, 1977.

11 Sec. _____. The suggested matters that follow are
12 for reference and are not in order of priority and does
13 not necessarily include all matters that can be pro-
14 perly included in the research and analysis helpful in
15 fulfilling the intent of this Act. The reference
16 matters are:

- 17 - the nature of local government services.
- 18 - which level of government should provide what
19 services
- 20 - who should pay for these services
- 21 - how should different types and kinds of pro-
22 perty be valued and equalized for assessment
23 purposes.
- 24 - what, if any, budget limitations should be
25 posed.
- 26 - which, if any, local services should be financed
27 by state aid.
- 28 - the economics and effectiveness of the delivery
29 of services to people.
- 30 - the merits of local option taxation.
- 31 - the budgeting procedures and mechanisms of local
32 governments-----

33 Sec. _____. The governor shall transmit the recom-
34 mendations of the task force accompanied by proposed
35 legislation necessary to carry out the recommendations
36 of the Sixty-seventh General Assembly no later than
37 September 15, 1977. Copies of the recommendations and
38 of the recommended legislation shall be transmitted to
39 the president of the senate and speaker of the house of
40 representatives whereupon the respective presiding
41 officer shall within ten (10) legislative days after the
42 date of receipts, assign the proposed legislation to the
43 appropriate standing committee for committee consider-
44 ation.

45 Sec. _____. The governor is hereby authorized to
46 employ such professional, technical, and administrative
47 assistance as shall be necessary to accomplish the
48 purpose of this Act.

49 Sec. _____. There is hereby created a task force
50 composed of twelve members, who are interested and

S-5129
PAGE 2

1 knowledgeable in affairs of local government. All
2 members shall be appointed by the governor to serve
3 at his pleasure. No member shall hold any other
4 state position. Any vacancy in the membership of
5 the task force shall be filled by appointment in the
6 same manner and ratio as the original appointments.
7 The members of the task force shall receive their
3 actual and necessary expenses to be audited by the
9 comptroller."

S-5129 FILED - *Adopted 2/12 (p. 394)*
FEBRUARY 12, 1976

BY WILLARD R. HANSEN
RICHARD R. RAMSEY

S-5131

1 Amend the Hansen-Ramsey amendment S-5123 to
2 Senate File 1062 as follows:
3 1. Page 2, lines 33 and 34 by striking the
4 words "It is the intention of the general assembly
5 that".
6 2. Page 2, line 34 by striking the word "the"
7 and inserting in lieu thereof the word "The".

S-5131 FILED & LOST (*p. 396*)
FEBRUARY 12, 1976

BY W. R. RABEDEAUX

S-5132

1 Amend Senate File 1062 as follows:
2 1. Page 1, line 11, by inserting after the
3 words "moneys," the words "the amount of moneys paid
4 by any political subdivision for the cost of insurance
5 premiums and for the cost of energy provided by pri-
6 vate, investor-owned utilities,".

S-5132 FILED - *Lost 2/13 18-28 (p. 424)*
FEBRUARY 12, 1976

BY ROBERT M. CARR

S-5143

1 Amend Senate File 1062 as follows:

2 1. Page 5, by inserting after line 11 the following
3 sections:

4 "Sec. 7. NEW SECTION. In every county that has
5 established a unified law enforcement district pursuant
6 to chapter twenty-eight E (28E) of the Code, the board
7 of supervisors may, and upon receipt of a petition
8 signed by five percent of the qualified electors
9 residing in the unified law enforcement district
10 shall, submit a proposition to the county electorate
11 residing in the unified law enforcement district at
12 any countywide election providing for the establishment
13 of a public safety fund and the levy of a tax on
14 taxable property located in the unified law enforcement
15 district at a rate not exceeding the rate specified
16 in section eight (8) of this Act for the purpose of
17 providing moneys for the operation of the unified
18 law enforcement district. Such moneys shall be in
19 addition to other moneys available for law enforcement
20 purposes to the county and cities located in the
21 unified law enforcement district.

22 If a majority of the qualified electors voting
23 on the proposition approve the proposition, the board
24 of supervisors shall levy the tax as provided in
25 section eight (8) of this Act.

26 Sec. 8. NEW SECTION. The auditor of each county
27 in which a unified law enforcement district is located
28 shall, in conjunction with the county sheriff, on
29 or before January tenth of each year make an estimate
30 of the amount of revenue deemed necessary for the
31 operation of the unified law enforcement district.
32 The auditor of each such county shall then transmit
33 the budget estimate in dollars to the county board
34 of supervisors and to the city councils located within
35 the unified law enforcement district.

36 The county board of supervisors and the council
37 of each city located within the unified law enforcement
38 district shall review the proposed budget and
39 anticipated revenue and certify a tax levy to the
40 county auditor on the assessed value of the taxable
41 property in the unified law enforcement district,
42 but the tax levy shall not exceed one dollar and
43 sixty-two cents per thousand dollars of assessed value
44 of the taxable property in the unified law enforcement
45 district. The taxes collected pursuant to the tax
46 levy and other funds available to the unified law
47 enforcement district shall be placed in the public
48 safety fund and used only for unified law enforcement
49 purposes."

50 2. By renumbering sections and correcting internal

PAGE 2

1 references to conform to this amendment.

2 3. Amend the title, line 1, by inserting after
3 the word "to" the words "authorize the imposition
4 of a tax levy and".

SENATE FILE 1062

S-5141

1 Amend the Norpel amendment S-5102 to Senate
2 File 1062 as follows:
3 1. Page 1, lines 11 and 12 by striking the
4 words "conduct a special election within 10 days
5 after the date of publication" and inserting in lieu
6 thereof the following: "cause to be placed on the
7 ballot at each regular city election in the case
8 of a city and on the ballot at each general election
9 in the case of any other political subdivision the
10 question set out below."

S-5141 FILED & LOST *25-24 (p. 423)*
FEBRUARY 13, 1976

BY WILLARD R. HANSEN
NORMAN RODGERS
ROGER SHAFF

SENATE FILE 1062

S-5142

1 Amend the Robinson-Kelly amendment S-5137
2 to Senate File 1062 as follows:
3 1. Page 14, by striking lines 17 through
4 20 and inserting in lieu thereof the words "and
5 after its publication in The Cedar Rapids Gazette,
6 a newspaper published in Cedar Rapids, Iowa, and
7 in The Sioux City Journal, a newspaper published in
8 Sioux City, Iowa."

S-5142 FILED & RULED OUT OF ORDER
FEBRUARY 13, 1976 *upon withdrawal of* By CLOYD ROBINSON
5137 (430)

SENATE FILE 1062

S-5144

1 Amend the Norpel amendment S-5102 to Senate
2 File 1062 as follows:
3 1. Page 1, line 12 by striking the word
4 "ten" and inserting in lieu there of the word
5 "twenty".

S-5144 FILED & ADOPTED (*p. 423*)
FEBRUARY 13, 1976

BY C. JOSEPH COLEMAN

SENATE FILE 1062

S-5146

1 Amend the Taylor amendment S-5056 to Senate
2 File 1062 as follows:
3 1. Page 1, line 5, by inserting after the
4 word "resolution" the words "passed after the
5 effective date of this Act, except a legalizing
6 act or resolution,".

S-5146 FILED & ADOPTED (*p. 431*)
FEBRUARY 13, 1976

By CHARLES P. MILLER

S-5137

1 Amend Senate File 1062 as follows:

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

4 "Section 1. CITY LEVY LIMITS. The maximum amount
5 in dollars which may be levied by a city with a
6 population of more than five hundred for the fiscal
7 years beginning July 1, 1976 and July 1, 1977 over
8 the amount in dollars levied for the previous fiscal
9 year shall be limited to an increase of six percent
10 for each of the following designated property tax
11 levies except as otherwise provided by this Act:

12 1. The general fund levy authorized pursuant to
13 section three hundred eighty-four point one (384.1)
14 of the Code.

15 2. The tax levy for the support of a municipal
16 band authorized pursuant to section three hundred
17 eighty-four point twelve (384.12), subsection eight
18 (8), of the Code.

19 3. The tax levy for development, operation, and
20 maintenance of a memorial building or monument
21 authorized pursuant to section three hundred eighty-
22 four point twelve (384.12), subsection two (2), of
23 the Code.

24 4. The tax levy for the support of a symphony
25 orchestra authorized pursuant to section three hundred
26 eighty-four point twelve (384.12), subsection three
27 (3), of the Code.

28 5. The tax levy for the operation of cultural
29 and scientific facilities authorized pursuant to
30 section three hundred eighty-four point twelve
31 (384.12), subsection four (4), of the Code.

32 6. The tax levy to aid in the construction of
33 a county bridge authorized pursuant to section three
34 hundred eighty-four point twelve (384.12), subsection
35 five (5), of the Code.

36 7. The tax levy to aid a company incorporated
37 under the laws of this state in the construction of
38 a highway or combination bridge across any navigable
39 river of this state, commencing or terminating in
40 the city and suitable for use as highway, or for both
41 highway and railway purposes authorized pursuant to
42 section three hundred eighty-four point twelve
43 (384.12), subsection six (6), of the Code.

44 8. The tax levy for the purpose of purchasing
45 a bridge authorized pursuant to section three hundred
46 eighty-four point twelve (384.12), subsection seven
47 (7), of the Code.

48 9. The tax levy for aid to a public transportation
49 company authorized pursuant to section three hundred
50 eighty-four point twelve (384.12), subsection nine

1 (9), of the Code.

2 10. The tax levy for the operation and maintenance
3 of a municipal transit system and for the creation
4 of a reserve fund for the system authorized pursuant
5 to section three hundred eighty-four point twelve
6 (384.12), subsection ten (10), of the Code.

7 11. The tax levy for the lease of a building or
8 complex of buildings to be operated as a civic center
9 authorized pursuant to section three hundred eighty-
10 four point twelve (384.12), subsection eleven (11),
11 of the Code.

12 12. The tax levy for operating and maintaining
13 a civic center owned by a city authorized pursuant
14 to section three hundred eighty-four point twelve
15 (384.12), subsection twelve (12), of the Code.

16 13. The tax levy for planning a sanitary disposal
17 system authorized pursuant to section three hundred
18 eighty-four point twelve (384.12), subsection thirteen
19 (13), of the Code.

20 14. The tax levy for an aviation authority
21 authorized pursuant to section three hundred eighty-
22 four point twelve (384.12), subsection fourteen (14),
23 of the Code.

24 15. The tax levy for an authority for a joint
25 city-county building authorized pursuant to section
26 three hundred eighty-four point twelve (384.12),
27 subsection fifteen (15), of the Code.

28 16. The tax levy for a levee improvement fund
29 authorized pursuant to section three hundred eighty-
30 four point twelve (384.12), subsection sixteen (16),
31 of the Code.

32 17. The tax levy to aid a railway authorized
33 pursuant to section three hundred eighty-four point
34 twelve (384.12), subsection seventeen (17), of the
35 Code.

36 18. The tax levy to maintain an institution
37 received by gift or devise authorized pursuant to
38 section three hundred eighty-four point twelve
39 (384.12), subsection eighteen (18), of the Code.

40 19. The tax levy to pay the premium costs on tort
41 liability insurance authorized pursuant to section
42 three hundred eighty-four point twelve (384.12),
43 subsection nineteen (19), of the Code.

44 20. The tax levy authorized pursuant to section
45 three hundred forty-six point twenty-six (346.26)
46 of the Code.

47 21. The tax levy for the emergency fund authorized
48 pursuant to section three hundred eighty-four point
49 eight (384.8) of the Code.

50 22. The tax levy for the purpose of paying the

1 costs of operating, maintaining, and managing a zoo
2 or zoological garden authorized pursuant to section
3 three hundred ninety-four point three (394.3) of the
4 Code.

5 23. The tax levy for the use of a zoo or zoological
6 garden authorized pursuant to section three hundred
7 ninety-four point four (394.4) of the Code.

8 Sec. 2. COUNTY LEVY LIMITS. The maximum amount
9 in dollars which may be levied by a county for the
10 fiscal years beginning July 1, 1976 and July 1, 1977
11 over the amount in dollars levied for the previous
12 fiscal year shall be limited to an increase of six
13 percent for each of the following designated property
14 tax levies except as otherwise provided by this Act:

15 1. The tax levy for the emergency fund authorized
16 pursuant to section twenty-four point six (24.6) of
17 the Code.

18 2. The tax levy for the development, operation,
19 and maintenance of a memorial building or monument
20 authorized pursuant to section thirty-seven point
21 eight (37.8) of the Code.

22 3. The tax levy for the purchase of voting machines
23 authorized pursuant to section fifty-two point three
24 (52.3) of the Code.

25 4. The tax levy for the county conservation board
26 authorized pursuant to section one hundred eleven
27 A point six (111A.6) of the Code.

28 5. The tax levy for indemnity payments and the
29 inspection and testing program relating to bovine
30 brucellosis eradication authorized pursuant to section
31 one hundred sixty-four point twenty-three (164.23)
32 of the Code.

33 6. The tax levy for the bovine brucellosis
34 eradication fund authorized pursuant to section one
35 hundred sixty-five point eighteen (165.18) of the
36 Code.

37 7. The tax levy for the fairground fund authorized
38 pursuant to sections one hundred seventy-four point
39 thirteen (174.13) and one hundred seventy-four point
40 seventeen (174.17) of the Code.

41 8. The tax levy for the purpose of maintaining
42 a county or multicounty juvenile home authorized
43 pursuant to section two hundred thirty-two point
44 twenty-two (232.22) of the Code.

45 9. The tax levy for the veteran affairs fund
46 authorized pursuant to section two hundred fifty point
47 one (250.1) of the Code.

48 10. The tax levy for the poor fund authorized
49 pursuant to sections two hundred fifty-two point
50 forty-three (252.43) through two hundred fifty-two

- 1 point forty-five (252.45) of the Code.
- 2 11. The tax levy for secondary road construction
3 and maintenance authorized pursuant to section three
4 hundred nine point seven (309.7) of the Code.
- 5 12. The tax levy for the road clearing fund
6 authorized pursuant to section three hundred seventeen
7 point nineteen (317.19) of the Code.
- 8 13. The tax levy for the purchase of weed
9 eradicating equipment and materials authorized pursuant
10 to section three hundred seventeen point twenty
11 (317.20) of the Code.
- 12 14. The tax levy for an aviation authority
13 authorized pursuant to section three hundred thirty
14 A point fifteen (330A.15) of the Code.
- 15 15. The tax levy for the maintenance and
16 improvement of cemeteries in the county authorized
17 pursuant to section three hundred thirty-two point
18 three (332.3) of the Code.
- 19 16. The tax levy for public disposal grounds
20 authorized pursuant to section three hundred thirty-
21 two point thirty-two (332.32) of the Code.
- 22 17. The tax levy for the county indemnification
23 fund authorized pursuant to section three hundred
24 thirty-two point thirty-eight (332.38) of the Code.
- 25 18. The tax levy for the operation, control,
26 maintenance, and management of health centers
27 authorized pursuant to section three hundred forty-
28 six A point two (346A.2) of the Code.
- 29 19. The tax levy for the payment of claims for
30 bounties on wild animals authorized pursuant to section
31 three hundred fifty point eight (350.8) of the Code.
- 32 20. The tax levy for the maintenance of a county
33 library authorized pursuant to section three hundred
34 fifty-eight B point thirteen (358B.13) of the Code.
- 35 21. The tax levy for the entering of contracts
36 for the use of city libraries authorized pursuant
37 to section three hundred fifty-eight B point eighteen
38 (358B.18) of the Code.
- 39 22. The tax levy for ordinary county revenue and
40 the election expense fund authorized pursuant to
41 section four hundred forty-four point nine (444.9)
42 of the Code.
- 43 23. The tax levy for the court expense fund
44 authorized pursuant to section four hundred forty-
45 four point ten (444.10) of the Code.
- 46 24. The tax levy for the county orphan fund
47 authorized pursuant to section four hundred forty-
48 four point eleven (444.11) of the Code.
- 49 25. The tax levy for the purpose of planning a
50 sanitary disposal project or of paying interest and

1 principal on bonds issued pursuant to section three
2 hundred forty-six point twenty-three (346.23) of the
3 Code which levy is authorized pursuant to section
4 four hundred fifty-five B point eighty-one (455B.81)
5 of the Code.

6 26. The tax levy for flood and erosion control
7 projects authorized pursuant to section four hundred
8 sixty-seven B point nine (467B.9) of the Code.

9 27. The tax levy for the maintenance of property
10 received by a county by gift or devise authorized
11 pursuant to section five hundred sixty-five point
12 eight (565.8) of the Code.

13 Sec. 3. SPECIAL PURPOSE DISTRICTS LEVY LIMITS.
14 The maximum amount in dollars which may be levied
15 by a special purpose district for the fiscal years
16 beginning July 1, 1976 and July 1, 1977 over the
17 amount in dollars levied for the previous fiscal year
18 shall be limited to an increase of six percent for
19 each of the following designated property tax levies
20 except as otherwise provided by this Act:

21 1. The tax levy by a benefited water district
22 for the maintenance of the water system authorized
23 pursuant to section three hundred fifty-seven point
24 twenty-five (357.25) of the Code.

25 2. The tax levy by a benefited fire district to
26 provide fire protection within the district authorized
27 pursuant to section three hundred fifty-seven B point
28 three (357B.3) of the Code and the levy authorized
29 pursuant to section three hundred fifty-seven B point
30 five (357B.5) of the Code which permits the county
31 board of supervisors to continue the levy upon
32 dissolution of the district until all debts and obliga-
33 tions of the dissolved district are paid.

34 3. The tax levy by a benefited street lighting
35 district authorized pursuant to section three hundred
36 fifty-seven C point seven (357C.7) and three hundred
37 fifty-seven C point eleven (357C.11) of the Code.

38 4. The tax levy authorized pursuant to section
39 four hundred sixty-six point four (466.4) of the Code
40 permitting a levy sufficient to raise the amount
41 necessary for maintenance of a system to provide
42 internal drainage necessary by the construction of
43 a levee along a navigable stream forming a part of
44 the boundary of the state.

45 5. The tax levy for a soil conservation district
46 authorized pursuant to section four hundred sixty-
47 seven A point twenty (467A.20) of the Code.

48 6. The tax levy authorized pursuant to section
49 four hundred eighty-three point one (483.1) of the
50 Code to provide aid to railroads.

1 Sec. 4. PUBLIC HOSPITAL LEVY LIMITS. The maximum
2 amount in dollars which may be levied by a public
3 hospital for the fiscal years beginning July 1, 1976
4 and July 1, 1977 over the amount in dollars levied
5 for the previous fiscal year shall be limited to an
6 increase of six percent for each of the following
7 designated property tax levies except as otherwise
8 provided by this Act:

9 1. The emergency tax levy authorized pursuant
10 to section twenty-four point six (24.6) of the Code.

11 2. The tax levy for the operation, equipping,
12 maintenance, improvement, and replacement of a county
13 public hospital authorized pursuant to sections three
14 hundred forty-seven point seven (347.7) and three
15 hundred forty-seven point twenty-seven (347.27) of
16 the Code.

17 3. The tax levy for the operation and maintenance
18 of a county hospital authorized pursuant to section
19 three hundred forty-seven A point three (347A.3) of
20 the Code.

21 Sec. 5. COUNTY AGRICULTURAL EXTENSION EDUCATION
22 LEVY LIMIT. The maximum amount in dollars which may
23 be levied for the county agricultural extension
24 education program authorized pursuant to section one
25 hundred seventy-six A point ten (176A.10) of the Code
26 for the fiscal years beginning July 1, 1976 and July
27 1, 1977 over the amount in dollars levied for the
28 previous fiscal year shall be limited to an increase
29 of six percent except as otherwise provided by this
30 Act.

31 Sec. 6. MERGED AREA SCHOOL LEVY LIMITS. The
32 maximum amount in dollars which may be levied by a
33 merged area school for general operations authorized
34 pursuant to section two hundred eighty A point
35 seventeen (280A.17) of the Code for the fiscal year
36 beginning July 1, 1976 and July 1, 1977 over the
37 amount in dollars levied for the previous fiscal year
38 shall be limited to an increase of six percent except
39 as otherwise provided by this Act.

40 Sec. 7. BUDGET PROCESS--NOTICE AND PUBLIC HEARING.
41 In addition to the requirements of chapters twenty-
42 four (24) and three hundred eighty-four (384), division
43 two (II), of the Code relating to the publication
44 of notice and public hearing on a budget of a political
45 subdivision, the public notice of a hearing on a
46 budget shall include the following information:

47 1. The percentage and the dollar amount increase
48 or decrease for the total budget of the political
49 subdivision.

50 2. The percentage and the dollar amount increase

1 or decrease of each fund included in the proposed
2 budget.

3 3. A statement showing the allowable growth
4 established by the general assembly and the dollar
5 amount of increase represented by such guideline for
6 the proposed budget of the political subdivision.

7 4. A statement of the major reasons for the
8 proposed increases in the budget.

9 5. A comparison of the percentages and dollar
10 amounts proposed to be expended with the percentages
11 and dollar amounts expended during the preceding
12 fiscal year.

13 The provisions of this section shall not apply
14 to publication of notice for a hearing on a budget
15 for the fiscal year beginning July 1, 1976 required
16 under section twenty-four point nine (24.9) or three
17 hundred eighty-four point sixteen (384.16) of the
18 Code if the notice of hearing has been published
19 before the effective date of this Act, but this sec-
20 tion shall apply to any other notice for a hearing
21 on a budget or amendment to a budget required by this
22 Act or other provision of law for the fiscal years
23 beginning July 1, 1976 and July 1, 1977.

24 Sec. 8. ALLOWABLE GROWTH EXCEEDED--ADDITIONAL
25 PUBLIC HEARING. If a political subdivision approves
26 a budget which exceeds the allowable growth allowed
27 under the provisions of sections one (1) through six
28 (6) of this Act but which does not exceed nine percent
29 following the public hearing required under chapter
30 twenty-four (24) or three hundred eighty-four (384),
31 division two (II), of the Code, the governing body
32 of such political subdivision shall withhold
33 certification of such budget to the county auditor
34 for at least seven days following such approval.
35 If, during the seven days following approval of the
36 budget, a valid petition signed by at least five
37 persons who are affected by the budget of a political
38 subdivision having a population of one hundred persons
39 or less, at least ten persons who are affected by
40 the budget of a political subdivision having a
41 population of more than one hundred but not more than
42 five hundred persons, or at least twenty-five persons
43 who are affected by the budget of a political
44 subdivision having a population of more than five
45 hundred persons, is filed with the governing body
46 of a political subdivision requesting another public
47 hearing, the governing body shall publish notice of
48 and conduct such public hearing not later than April
49 fifth. The date, time and location of the public
50 hearing and the information required to be published

1 under section seven (7) of the Act, shall be published
2 in a newspaper having general circulation throughout
3 the political subdivision not less than five days
4 before the date specified for such hearing.
5 Thereafter, the budget shall be approved and certified,
6 with or without changes that may be made after the
7 hearings, to the county auditor not later than April
8 fifth.

9 Sec. 9. EXCEPTION TO DATES FOR BUDGET APPEAL.

10 Notwithstanding sections twenty-four point twenty-
11 seven (24.27) through twenty-four point thirty-two
12 (24.32), inclusive, and three hundred eighty-four
13 point nineteen (384.19) of the Code, persons affected
14 by a certified budget of a political subdivision
15 which has exceeded the allowable growth, shall have
16 ten days following certification of such budget to
17 file a petition to appeal to the state appeal board.
18 All other time limitations or dates specified in
19 sections twenty-four point twenty-seven (24.27) through
20 twenty-four point thirty-two (24.32), inclusive, and
21 three hundred eighty-four point nineteen (384.19)
22 of the Code shall be correspondingly changed or
23 extended to allow the same amount of time for the
24 protest hearing and the decision of the state board
25 that would exist had the appeal to the state appeal
26 board been filed as provided in section twenty-four
27 point twenty-seven (24.27) or three hundred eighty-
28 four point nineteen (384.19) of the Code.

29 Sec. 10. APPEAL TO BUDGET REVIEW COMMITTEE. A
30 political subdivision of the state subject to the
31 provisions of this Act which has approved a budget
32 which exceeds nine percent may initiate an appeal
33 with the appropriate budget review committee as
34 designated in section twelve (12) of this Act, based
35 upon a natural disaster or any unusual circumstances,
36 which creates the need for additional funds. The
37 appropriate budget review committee may waive the
38 maximum amount of dollars which may be levied under
39 the provisions of this Act or the levy limitations
40 provided by law or grant supplemental assistance to
41 the political subdivision of the state from any funds
42 appropriated for this purpose.

43 Sec. 11. COUNTY BUDGET REVIEW COMMITTEE. There
44 is created a county budget review committee consisting
45 of the following five members:

46 1. The state comptroller or his designee who shall
47 serve as chairperson.

48 2. Three county officers appointed by the governor,
49 one member selected from a county having an assessed
50 valuation of:

1 a. Less than ninety-six million three hundred
2 thousand dollars.

3 b. Ninety-six million three hundred thousand
4 dollars or more but less than one hundred eighteen
5 million five hundred twenty thousand dollars.

6 c. One hundred eighteen million five hundred
7 twenty thousand dollars or more.

8 3. The certified public accountant appointed to
9 the city finance committee under section three hundred
10 eighty-four point thirteen (384.13) of the Code.

11 In addition to the circumstances creating a vacancy
12 under section sixty-nine point two (69.2) of the Code,
13 a vacancy shall exist when a county officer appointed
14 under subsection two (2) of this section no longer
15 holds a county office which qualifies such officer
16 for appointment to this committee.

17 The county budget review committee shall meet at
18 the call of the chairperson and adopt its own rules
19 of procedure. The committee may hold public hearings.
20 Actions taken or rules promulgated by the committee
21 shall be subject to the provisions of chapter seventeen
22 A (17A) of the Code.

23 The committee members, except the state comptroller
24 and county officers who are full-time public officers,
25 are entitled to a per diem of forty dollars for each
26 day spent in the performance of committee duties and
27 each member is entitled to reimbursement for his
28 actual and necessary expenses incurred in performance
29 of committee duties. The per diem and expenses shall
30 be paid from funds appropriated to the state
31 comptroller.

32 Sec. 12. APPROPRIATE BUDGET REVIEW COMMITTEE.
33 The appropriate budget review committee to which a
34 political subdivision may appeal is as follows:

35 1. The city finance committee created under section
36 three hundred eighty-four point thirteen (384.13)
37 of the Code for any city subject to the provisions
38 of this Act.

39 2. The school budget review committee created
40 under section four hundred forty-two point twelve
41 (442.12) of the Code for a merged area school created
42 under chapter two hundred eighty A (280A) of the Code.

43 3. The county budget review committee for any
44 other political subdivision of the state subject to
45 provisions of this Act.

46 Sec. 13. REFERENDUM.

47 1. For the fiscal year beginning July 1, 1977,
48 if the governing body of a political subdivision which
49 certifies or levies a property tax on a citywide or
50 countywide basis as applicable, wishes to levy more

1 than the amount authorized under the tax levy
2 limitations provided in sections one (1) through six
3 (6) of this Act, the governing body may direct the
4 county commissioner of elections to publish notice
5 of and conduct a special election on the question
6 not later than February fifteenth of the base year.
7 In addition to any other requirements of law for a
8 city or county election, the notice of election shall
9 contain a comparison of estimated revenues and
10 expenditures for the certified budget of the preceding
11 fiscal year and the proposed budget, the dollar amount
12 and percentage increase of the proposed budget over
13 the preceding fiscal year's budget, the amount of
14 dollars needed above the limitations provided in
15 sections one (1) through six (6) of this Act, and
16 an explanation of the major reasons for the need to
17 exceed such limitations. If a majority of the
18 qualified electors voting on the question favor
19 expenditures in excess of the tax limitations under
20 sections one (1) through six (6) of this Act, the
21 amount so approved may be included in the certified
22 budget of the political subdivision for the fiscal
23 year beginning July 1, 1977.

24 2. The amount approved in excess of the amount
25 authorized under sections one (1) through six (6)
26 of this Act shall be raised by a combination of one-
27 half from a property tax levy and one-half from an
28 income surtax within such city or county if other
29 revenues are not available to meet such proposed
30 expenditures.

31 3. A political subdivision subject to this section
32 shall be exempt from the provisions of sections one
33 (1) through twelve (12) of this Act for its budget
34 for the fiscal year beginning July 1, 1977 except
35 that if the referendum is defeated, the political
36 subdivision may appeal to the appropriate review board
37 for authority to levy an amount in excess of the limi-
38 tations imposed under sections one (1) through six
39 (6) of this Act for expenditures necessitated by the
40 occurrence of a natural disaster or any other unusual
41 circumstances.

42 Sec. 14. COMPUTATION OF EXCESS AMOUNT. If a
43 majority of those voting in an election approves the
44 additional amount under section thirteen (13) of this
45 Act, the governing body shall certify to the state
46 comptroller that the required procedures have been
47 carried out, and the state comptroller shall establish
48 the amount of additional property tax to be levied
49 and the amount of income surtax to be imposed for
50 fiscal year for which the additional amount is

1 authorized. The state comptroller shall determine
2 these amounts based upon the most recent figures
3 available for the political subdivision's valuation
4 of taxable property, individual state income tax paid
5 and shall certify to the political subdivision's
6 county auditor the amount of property tax, and to
7 the director of revenue the amount of income surtax
8 to be imposed.

9 The income surtax shall be imposed on the state
10 individual income tax for the calendar year during
11 which the budget year begins, or for a taxpayer's
12 fiscal year ending during the second half of that
13 calendar year or the first half of the succeeding
14 calendar year, and shall be imposed on all individuals
15 residing in the political subdivision on the last
16 day of the applicable tax year. As used in this
17 section, "state individual income tax" means the tax
18 computed under section four hundred twenty-two point
19 five (422.5) of the Code, less the deductions allowed
20 in section four hundred twenty-two point twelve
21 (422.12) of the Code.

22 Sec. 15. INCOME SURTAX PROCEDURES.

23 1. The director of revenue shall administer any
24 political subdivision income surtax imposed under
25 this Act, and all the provisions of sections four
26 hundred twenty-two point twenty (422.20), four hundred
27 twenty-two point twenty-two (422.22) to four hundred
28 twenty-two point thirty-one (422.31), four hundred
29 twenty-two point sixty-eight (422.68), and four hundred
30 twenty-two point seventy-two (422.72) to four hundred
31 twenty-two point seventy-five (422.75) of the Code,
32 shall apply in respect to administration of such
33 income surtax.

34 2. The political subdivision income surtax shall
35 be made a part of the Iowa individual income tax
36 return subject to the conditions and restrictions
37 set forth in section four hundred twenty-two point
38 twenty-one (422.21) of the Code.

39 3. The director of revenue shall deposit all
40 moneys received as income surtax under this Act to
41 the credit of each political subdivision from which
42 the moneys are received, in a "political subdivision
43 income surtax fund" which is established in the office
44 of the treasurer of state.

45 4. On or before October twentieth, the director
46 of revenue shall make an accounting of such income
47 surtax collected under this Act applicable to tax
48 returns for the last preceding calendar year, or for
49 fiscal year taxpayers, on the last day of their tax
50 year ending during that calendar year and after the

1 date of the election approving the surtax, from
2 taxpayers in each political subdivision in the state
3 which has imposed a surtax, and shall certify to the
4 state comptroller the amount of total political
5 subdivision income surtax credited from the taxpayers
6 of each political subdivision. Additional returns
7 in process, if any, at the time of certification shall
8 be completed and the additional amount of income
9 surtax reported to the state comptroller for
10 distribution back to the political subdivision when
11 such processing is completed.

12 5. The state comptroller shall draw warrants in
13 payment of the amount of surtax payable to each of
14 the political subdivisions in two installments to
15 be paid on approximately the first day of December
16 and the first day of February, and shall cause the
17 warrants to be delivered to the respective political
18 subdivisions.

19 Sec. 16. APPEAL TO STATE BOARD. Nothing in this
20 Act shall be construed to prevent an appeal of a
21 decision made by a budget review committee designated
22 in section twelve (12) of this Act to the state ap-
23 peal board.

24 Sec. 17. LEGISLATIVE INTENT. It is the intent
25 of this Act that the public interest demands the
26 research and analysis of matters pertaining to local
27 government services and finances by a task force and
28 the reporting of findings and recommendations to the
29 general assembly by September 15, 1977.

30 Sec. 18. SUGGESTED STUDY GUIDELINES. The following
31 suggested study guidelines are listed for reference
32 only and should not be considered in order of priority
33 or inclusive of all matters that can be properly
34 included in the research and analysis necessary to
35 fulfill the intent of this Act:

- 36 1. The nature of local government services.
- 37 2. Which level of government should provide what
38 services?
- 39 3. Who should pay for these services?
- 40 4. How should different types and kinds of property
41 be valued and equalized for assessment purposes?
- 42 5. What budget limitations, if any, should be
43 imposed?
- 44 6. Which local services, if any, should be financed
45 by state aid?
- 46 7. The economics and effectiveness of the delivery
47 of services to people.
- 48 8. The merits of local option taxation.
- 49 9. The budgeting procedures and mechanisms of
50 local governments.

1 **Sec. 19. REPORT OF TASK FORCE.** The governor shall
2 transmit the recommendations of the task force
3 accompanied by proposed legislation necessary to carry
4 out the recommendations to the Sixty-seventh General
5 Assembly no later than September 15, 1977. Copies
6 of the recommendations and of the recommended
7 legislation shall be transmitted to the president
8 of the senate and the speaker of the house of
9 representatives who shall, within ten days after the
10 date of receipt, assign the proposed legislation
11 to the appropriate standing committee.

12 **Sec. 20. APPOINTMENT OF PERSONNEL.** The governor
13 is hereby authorized to employ such professional,
14 technical, and administrative assistance as shall
15 be necessary to accomplish the purpose of this Act.

16 **Sec. 21. TASK FORCE CREATED.** There is created
17 a task force composed of twelve members, who are
18 interested and knowledgeable in affairs of local
19 government. All members shall be appointed by the
20 governor to serve at his pleasure. No member shall
21 hold any other state elected or appointed office.
22 Any vacancy in the membership of the task force shall
23 be filled by appointment in the same manner as the
24 original appointments.

25 The members of the task force shall receive their
26 actual and necessary expenses to be audited by the
27 state comptroller.

28 **Sec. 22.** There is appropriated from the general
29 fund of the state to the office of the governor the
30 sum of two hundred thousand (200,000) dollars, or
31 so much thereof as may be necessary, for the fiscal
32 year beginning July 1, 1976 and ending June 30, 1977,
33 for the purpose of the employment of such professional,
34 technical and administrative staff and assistance
35 on such basis as shall be determined by the governor
36 and for such other expenses as shall be necessary
37 to accomplish the purpose of this Act, including
38 actual expenses and per diem incurred by task force
39 members as provided in section five (5) of this Act.

40 **Sec. 23.** There is appropriated from the general
41 fund of the state to the county budget review committee
42 established in this Act for the fiscal year beginning
43 July 1, 1976 and ending June 30, 1977, the sum of
44 one million (1,000,000) dollars, or so much thereof
45 as may be necessary, to be used to provide financial
46 assistance to counties who in the judgment of the
47 county budget review committee have meritorious and
48 unusual needs beyond their reasonable capacity to
49 fund.

50 **Sec. 24.** There is appropriated from the general

1 fund of the state to the city finance committee
2 established in chapter three hundred eighty-four point
3 thirteen (384.13) of the Code for the fiscal year
4 beginning July 1, 1976 and ending June 30, 1977, the
5 sum of one million (1,000,000) dollars, or so much
6 thereof as may be necessary, to be used to provide
7 financial assistance to cities who in the judgement
8 of the city finance committee have meritorious and
9 unusual needs beyond their reasonable capacity to
10 fund.

11 Sec. 25. BUDGETS AFFECTED. The provisions of
12 this Act shall apply to the budgets of a political
13 subdivision for the fiscal years beginning July 1,
14 1976 and July 1, 1977.

15 Sec. 26. This Act, being deemed of immediate
16 importance, shall take effect and be in force from
17 and after its publication in _____,
18 a newspaper published in _____, Iowa, and
19 in _____, a newspaper published
20 in _____, Iowa."

21 2. Amend the title, line 2, by inserting after
22 the word "state" the words ", providing procedures
23 for exceeding the budget limitations, providing for
24 the imposition of an income surtax for certain budget
25 expenditures, creating a county budget review committee
26 and a task force to study local budgets, and making
27 an appropriation".
28

S-5137 FILED - *Withdrawn 2/13 (p. 730)*
FEBRUARY 12, 1976

BY CLOYD E. ROBINSON
E. KEVIN KELLY

S-5128

1 Amend the Hansen-Ramsey amendment S-5123 to
2 Senate File 1062 as follows:

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

5 "3. The amount approved in excess of the amount
6 of allowable growth authorized under section two (2)
7 of this Act shall be raised by a combination of one-
8 half from a property tax levy and one-half from an
9 income surtax within such city or county if other
10 revenues are not available to meet such proposed
11 expenditures.

12 Sec. ____, COMPUTATION OF EXCESS AMOUNT. If a
13 majority of those voting in an election approves the
14 additional amount under section ____ () of this Act,
15 the governing body shall certify to the state
16 comptroller that the required procedures have been
17 carried out, and the state comptroller shall establish
18 the amount of additional property tax to be levied
19 and the amount of income surtax to be imposed for
20 fiscal year for which the additional amount is
21 authorized. The state comptroller shall determine
22 these amounts based upon the most recent figures
23 available for the political subdivision's valuation
24 of taxable property, individual state income tax paid
25 and shall certify to the political subdivision's
26 county auditor the amount of property tax, and to
27 the director of revenue the amount of income surtax
28 to be imposed.

29 The income surtax shall be imposed on the state
30 individual income tax for the calendar year during
31 which the budget year begins, or for a taxpayer's
32 fiscal year ending during the second half of that
33 calendar year or the first half of the succeeding
34 calendar year, and shall be imposed on all individuals
35 residing in the political subdivision on the last
36 day of the applicable tax year. As used in this
37 section, "state individual income tax" means the tax
38 computed under section four hundred twenty-two point
39 five (422.5) of the Code, less the deductions allowed
40 in section four hundred twenty-two point twelve
41 (422.12) of the Code.

42 Sec. ____, INCOME SURTAX PROCEDURES.

43 1. The director of revenue shall administer any
44 political subdivision income surtax imposed under
45 this Act, and all the provisions of sections four
46 hundred twenty-two point twenty (422.20), four hundred
47 twenty-two point twenty-two (422.22) to four hundred
48 twenty-two point thirty-one (422.31), four hundred
49 twenty-two point sixty-eight (422.68), and four hundred
50 twenty-two point seventy-two (422.72) to four hundred

1 twenty-two point seventy-five (422.75) of the Code,
2 shall apply in respect to administration of such
3 income surtax.

4 2. The political subdivision income surtax shall
5 be made a part of the Iowa individual income tax
6 return subject to the conditions and restrictions
7 set forth in section four hundred twenty-two point
8 twenty-one (422.21) of the Code.

9 3. The director of revenue shall deposit all
10 moneys received as income surtax under this Act to
11 the credit of each political subdivision from which
12 the moneys are received, in a "political subdivision
13 income surtax fund" which is established in the office
14 of the treasurer of state.

15 4. On or before October twentieth, the director
16 of revenue shall make an accounting of such income
17 surtax collected under this Act applicable to tax
18 returns for the last preceding calendar year, or for
19 fiscal year taxpayers, on the last day of their tax
20 year ending during that calendar year and after the
21 date of the election approving the surtax, from
22 taxpayers in each political subdivision in the state
23 which has imposed a surtax, and shall certify to the
24 state comptroller the amount of total political
25 subdivision income surtax credited from the taxpayers
26 of each political subdivision. Additional returns
27 in process, if any, at the time of certification shall
28 be completed and the additional amount of income
29 surtax reported to the state comptroller for
30 distribution back to the political subdivision when
31 such processing is completed.

32 5. The state comptroller shall draw warrants in
33 payment of the amount of surtax payable to each of
34 the political subdivisions in two installments to
35 be paid on approximately the first day of December
36 and the first day of February, and shall cause the
37 warrants to be delivered to the respective political
38 subdivisions."

39 2. Amend the title, line 2, by inserting after
40 the word "state" the words "and to impose an income
41 surtax by referendum for certain budget expenditures".

S-5128 FILED & LOST 11-38 (p. 392)
FEBRUARY 12, 1976

BY RAY TAYLOR
JOHN N. NYSTROM

S-5123

1 Amend Senate File 1062 as follows:

2 1. Page 1, line 1, by inserting after the number
3 "1." the words "NEW SECTION."

4 2. Page 1, lines 3 and 4, by striking the words
5 "having a population of more than five hundred
6 persons".

7 3. Page 1, by striking line 31 and inserting in
8 lieu thereof the words "Sec. 2. TEMPORARY BUDGET
9 LIMITATIONS."

10 4. Page 1, line 33, by striking the words
11 "political subdivision," and inserting in lieu thereof
12 the word "city".

13 5. Page 1, line 34, by inserting after the figures
14 "1977," the words "and of any other political
15 subdivision for the fiscal year beginning July 1,
16 1976,".

17 6. By striking page 4, line 22 through page 5,
18 line 11, and inserting in lieu thereof the following:
19 "Sec. 6. NEW SECTION. ALLOWABLE GROWTH REFERENDUM.

20 1. The county commissioner of elections shall
21 publish notice of and place on the ballot at each
22 regular city election in the case of a city and on
23 the ballot at each general election in the case of
24 any other political subdivision the following
25 proposition: "Shall the annual increase of the city
26 (name of other political subdivision) limited budget
27 for each of the two succeeding fiscal years be limited
28 to an allowable growth equivalent to the percentage
29 increase in the consumer price index as computed by
30 the state comptroller?" If a majority of the electors
31 of the respective political subdivisions, voting for
32 or against the proposition, favors the proposition,
33 the allowable growth for the certified limited budget
34 for such political subdivision for each of the two
35 succeeding fiscal years shall be limited as provided
36 in section seven (7) of this Act, which limit shall
37 be in lieu of any property tax levy limitation
38 otherwise provided by law. If a majority of such
39 voters does not favor such limitation, the budget
40 shall not be subject to the limitation provided in
41 section seven (7) of this Act for the two succeeding
42 fiscal years.

43 2. The governing body of a political subdivision
44 shall publish notice of and conduct a public hearing
45 on the preliminary budget estimates for the following
46 two fiscal years not later than ten days before the
47 respective regular city election or the general
48 election. Notice of the time, date and location of
49 the hearing and a summary of the preliminary budget
50 shall be published at least seven days before such

1 hearing.

2 Sec. 7. NEW SECTION. ALLOWABLE GROWTH LIMITATION.

3 1. The proposed expenditures in the certified
4 limited budget of a political subdivision for each
5 fiscal year during which such political subdivision
6 is subject to the provisions of this Act, shall not
7 exceed the proposed expenditures in the certified
8 limited budget of that political subdivision for the
9 base year, plus the allowable growth equivalent of
10 the consumer price index.

11 2. If the governing body of a political subdivision
12 which is subject to the provisions of this Act
13 certifies a limited budget to the county auditor,
14 in excess of the limitation provided for in this Act,
15 the county auditor shall reduce the amount of the
16 proposed expenditures in such budget to the maximum
17 amount allowed under this Act and give written notice
18 to the political subdivision, certifying the amount.

19 Sec. 8. NEW SECTION. MUNICIPAL UTILITIES. The
20 allowable growth provided in this Act for a political
21 subdivision shall be applicable to the amount of funds
22 transferred by a municipal utility to the city in
23 which it is located.

24 For the purposes of this section, "municipal
25 utility" means all or part of a waterworks, gasworks,
26 electric light and power plant and system, or heating
27 plant any of which are owned by a city, including
28 all land, easements, rights-of-way, fixtures,
29 equipment, accessories, improvements, appurtenances,
30 and other property necessary or useful for the
31 operation of the utility.

32 Sec. 9. NEW SECTION. STATE BUDGET LIMITATIONS.

33 1. It is the intention of the general assembly
34 that the provisions of this Act shall apply to state
35 administrative costs paid from the general fund of
36 the state. To determine the total administrative
37 costs of the state to which the allowable growth
38 guideline shall apply, there shall be subtracted from
39 the total state budget the direct and indirect state
40 grants or aids made to local governments of the state
41 and payments made directly to individuals. The state
42 comptroller shall prepare the necessary working papers,
43 defining the state administrative costs subject to
44 limitation, and such working papers shall be filed
45 with the legislative fiscal director by October first
46 of each year.

47 2. If the state administrative costs subject to
48 limitation exceed the allowable growth as provided
49 in this Act, the budget of any political subdivision
50 may exceed the allowable growth by the same percentage.

1 3. The provisions of this section shall apply
2 to the budgets prepared for the fiscal year beginning
3 July 1, 1977 and each fiscal year thereafter.

4 Sec. 10. Section twenty-four point three (24.3),
5 subsection four (4), Code 1975, is amended to read
6 as follows:

7 4. ~~A comparison of such-amounts-so-proposed-to~~
8 ~~be-expended-with-the-amounts-expended-for-like-purposes~~
9 ~~for-the-two-preceding-years~~ of the estimated revenue
10 and proposed expenditure with estimated revenue and
11 expenditure of the current budget and with the actual
12 revenue and expenditure for the most recently completed
13 fiscal year.

14 Sec. 11. Section three hundred eighty-four point
15 sixteen (384.16), subsection three (3), Code 1975,
16 as amended by Acts of the Sixty-sixth General Assembly,
17 1975 Session, chapter two hundred three (203), section
18 thirty (30), is amended to read as follows:

19 3. The council shall set a time and place for
20 public hearing on the budget before the final
21 certification date and shall publish notice before
22 the hearing as provided in section 362.3. A summary
23 of the proposed budget shall be included in the notice.
24 The summary shall include a comparison of estimated
25 revenues and proposed expenditures with estimated
26 revenues and expenditures of the current budget and
27 with actual revenues and expenditures for the most
28 recently completed fiscal year. Proof of publication
29 must be filed with the county auditor."

30 7. By renumbering sections and internal references
31 to sections to conform to this amendment.

32 8. Amend the title, line 1, by inserting after
33 the word "for" the words "the state and".

S-5123 FILED - *amended by 5/29, 5/30 and*
FEBRUARY 11, 1976 *Lost 2/12 (p. 396-7)* BY WILLARD R. HANSEN
21-28 RICHARD R. RAMSEY

SENATE FILE 1062

S-5125

1 Amend Senate File 1062, page 1, line 18, by
2 inserting after the word "Act," the words "the amount
3 of money collected or received from property taxes
4 and other sources to pay expenses pertaining to the
5 operation and maintenance of the court as provided
6 in section four hundred forty-four point ten (444.10)
7 of the Code,".

8
S-5125 FILED - *Lost 2/12 21-28 (p. 395)*
FEBRUARY 11, 1976

BY EARL M. WILLITS
LUCAS J. DE KOSTER
PHILIP B. HILL

S-5126

1 Amend the Priebe-Scott amendment, S-5103, to
2 Senate File 1062 as follows:
3 1. Page 2, line 43, by striking the words
4 "two million (2,000,000)" and inserting in lieu
5 thereof the words "three million (3,000,000)".

FILED - *Adopted 2/12 (p.398)*

FEBRUARY 11, 1976

By BERL E. PRIEBE

S-5127

1 Amend Senate File 1062, page 1, line 21, by
2 inserting after the word "Act" the words ", the amount
3 of money collected or received from property taxes
4 and other sources to pay expenses pertaining to court-
5 appointed attorneys as provided in section four hundred
6 forty-four point ten (444.10) of the Code".

FILED - *Lost 2/12 (p.397)*

FEBRUARY 11, 1976

By JAMES REDMOND

SENATE FILE 1062

S-5120

1 Amend Senate File 1062 as follows:
2 1. Page 5, after line 11, by inserting the
3 following new paragraph.
4 "Sec. ____ . FEE SCHEDULES. Fee schedules shall
5 not be reduced by a governing body during the two
6 year period covered by this Act except by approval
7 of the appropriate budget review committee."

S-5120 FILED - *Lost 2/13 (426) 15-29*
FEBRUARY 11, 1976

ROGER J. SHAFF

S-5119

1 Amend Senate File 1062, page 1, line 18, by
2 inserting after the word "Act," the words "the
3 amount of money collected or received from pro-
4 perty taxes and other sources to pay expenses
5 pertaining to the mental health and institutional
6 fund as provided in section four hundred forty-
7 four point twelve (444.12) of the Code and the
8 expenses pertaining to voter registration and the
9 cost of elections as provided in section four
10 hundred forty-four point nine (444.9), subsection
11 three(3), of the Code,".

S-5119 FILED - *Adopted 25-24 2/11 (p.358)*
FEBRUARY 11, 1976 *Motion to reconsider filed 2/12 (401)*
withdrawn 2/13 (431) BY CALVIN O. HULTMAN

S-5122

1 Amend the Norpel amendment S-5102 to Senate
2 File 1062 as follows:

3 1. Page 1, by inserting after line 43 the
4 following:

5 "3. The amount approved in excess of the amount
6 of allowable growth authorized under section two (2)
7 of this Act shall be raised by a combination of one-
8 half from a property tax levy and one-half from an
9 income surtax within such city or county if other
10 revenues are not available to meet such proposed
11 expenditures.

12 Sec. ____ . COMPUTATION OF EXCESS AMOUNT. If a
13 majority of those voting in an election approves the
14 additional amount under section six (6) of this Act,
15 the governing body shall certify to the state
16 comptroller that the required procedures have been
17 carried out, and the state comptroller shall establish
18 the amount of additional property tax to be levied
19 and the amount of income surtax to be imposed for
20 fiscal year for which the additional amount is
21 authorized. The state comptroller shall determine
22 these amounts based upon the most recent figures
23 available for the political subdivision's valuation
24 of taxable property, individual state income tax paid
25 and shall certify to the political subdivision's
26 county auditor the amount of property tax, and to
27 the director of revenue the amount of income surtax
28 to be imposed.

29 The income surtax shall be imposed on the state
30 individual income tax for the calendar year during
31 which the budget year begins, or for a taxpayer's
32 fiscal year ending during the second half of that
33 calendar year or the first half of the succeeding
34 calendar year, and shall be imposed on all individuals
35 residing in the political subdivision on the last
36 day of the applicable tax year. As used in this
37 section, "state individual income tax" means the tax
38 computed under section four hundred twenty-two point
39 five (422.5) of the Code, less the deductions allowed
40 in section four hundred twenty-two point twelve
41 (422.12) of the Code.

42 Sec. ____ . INCOME SURTAX PROCEDURES.

43 1. The director of revenue shall administer any
44 political subdivision income surtax imposed under
45 this Act, and all the provisions of sections four
46 hundred twenty-two point twenty (422.20), four hundred
47 twenty-two point twenty-two (422.22) to four hundred
48 twenty-two point thirty-one (422.31), four hundred
49 twenty-two point sixty-eight (422.68), and four hundred
50 twenty-two point seventy-two (422.72) to four hundred

1 twenty-two point seventy-five (422.75) of the Code,
2 shall apply in respect to administration of such
3 income surtax.
4 2. The political subdivision income surtax shall
5 be made a part of the Iowa individual income tax
6 return subject to the conditions and restrictions
7 set forth in section four hundred twenty-two point
8 twenty-one (422.21) of the Code.
9 3. The director of revenue shall deposit all
10 moneys received as income surtax under this Act to
11 the credit of each political subdivision from which
12 the moneys are received, in a "political subdivision
13 income surtax fund" which is established in the office
14 of the treasurer of state.
15 4. On or before October twentieth, the director
16 of revenue shall make an accounting of such income
17 surtax collected under this Act applicable to tax
18 returns for the last preceding calendar year, or for
19 fiscal year taxpayers, on the last day of their tax
20 year ending during that calendar year and after the
21 date of the election approving the surtax, from
22 taxpayers in each political subdivision in the state
23 which has imposed a surtax, and shall certify to the
24 state comptroller the amount of total political
25 subdivision income surtax credited from the taxpayers
26 of each political subdivision. Additional returns
27 in process, if any, at the time of certification shall
28 be completed and the additional amount of income
29 surtax reported to the state comptroller for
30 distribution back to the political subdivision when
31 such processing is completed.
32 5. The state comptroller shall draw warrants in
33 payment of the amount of surtax payable to each of
34 the political subdivisions in two installments to
35 be paid on approximately the first day of December
36 and the first day of February, and shall cause the
37 warrants to be delivered to the respective political
38 subdivisions."
39 2. Amend the title, line 2, by inserting after
40 the word "state" the words "and to impose an income
41 surtax by referendum for certain budget expenditures".

S-5122 FILED - *Adopted 2/12 (p. 400) 25-22*
FEBRUARY 11, 1976

BY RAY TAYLOR

JOHN N. NYSTROM

RICHARD J. NORPEL

S-5114

1 Amend Senate File 1062 as follows:
2 1. Page 2, by striking lines 33 through 35.
3 2. Page 3, by striking lines 1 through 4.

S-5114 FILED - *Adopted 2/13 27-17 (p. 425)*
FEBRUARY 11, 1976

BY EARL M. WILLITS

E. KEVIN KELLY

CLOYD E. ROBINSON

LOWELL L. JUNKINS

SENATE FILE 1062

S-5103

1 Amend Senate File 1062 as follows:

2 1. Page 2, lines 4 and 5, by striking the words
3 "modified by the appropriate budget review committee"
4 and inserting in lieu thereof the word "increased".

5 2. By striking page 2, line 7 through page 4,
6 line 21, inclusive, and inserting in lieu thereof
7 the following:

8 "Sec. 3. ALLOWABLE GROWTH EXCEEDED--ADDITIONAL
9 PUBLIC HEARING. If a political subdivision wishes
10 to adopt a limited budget which exceeds the allowable
11 growth provided in section two (2) of this Act fol-
12 lowing the public hearing required under chapter
13 twenty-four (24) or three hundred eighty-four (384),
14 division two (II), of the Code, the governing body
15 shall withhold certification of such budget to the
16 county auditor and publish notice of and conduct an
17 additional public hearing not later than April fifth.
18 The date, time and location of the public hearing
19 and the information required to be published by law
20 shall be published in a newspaper having general
21 circulation throughout the political subdivision not
22 less than five days before the date specified for
23 such hearing.

24 Sec. 4. LOCAL REFERENDUM ON ALLOWABLE GROWTH.

25 1. If, after the second public hearing, the
26 governing body of a political subdivision wishes to
27 exceed the allowable growth established by this Act,
28 the governing body shall direct the county commissioner
29 of elections to publish notice of and conduct a special
30 election within ten days after the date of publication.
31 The notice shall be published as provided in section
32 forty-nine point fifty-three (49.53) of the Code and
33 shall include a comparison of the dollar amount and
34 percentage of allowable growth established by this
35 Act and the dollar amount and percentage of allowable
36 growth requested for the proposed limited budget of
37 the political subdivision. The question to be voted
38 on by the qualified electors of the political
39 subdivision shall be stated as follows: "Shall the
40 certified limited budget of (name of the political
41 subdivision) for the fiscal year beginning July 1,
42 19__ and ending June 30, 19__ be limited to not more
43 than the allowable growth established by the general
44 assembly?" If a majority of the votes cast for and
45 against the proposition favors the allowable growth
46 limitation established by the general assembly, the
47 proposed limited budget of the political subdivision
48 shall be so limited. If a majority of such votes
49 cast does not favor the allowable growth established
50 by the general assembly, the political subdivision

1 may increase its proposed limited budget by the amount
2 of allowable growth requested and printed in the
3 notice of election. Thereafter, the proposed limited
4 budget shall be certified to the county auditor.

5 2. If an allowable growth in excess of the pro-
6 visions of section two (2) of this Act is approved
7 by the electorate, property tax limitations other-
8 wise provided by law shall not apply to such proposed
9 limited budget and such proposed limited budget shall
10 not be subject to appeal to the state appeal board.

11 Sec. 5. ADJUSTMENT OF PROPERTY VALUATION. Notwith-
12 standing the provisions of section four hundred forty-
13 one point twenty-one (441.21) of the Code, all
14 residential and agricultural property subject to
15 taxation shall be valued at its actual value and shall
16 be assessed at seventy-eight percent of the actual
17 value and the value so assessed shall be taken and
18 considered as the assessed value and taxable value
19 of such property upon which the levy shall be made.
20 The assessed value provided by this section shall
21 be applicable for the 1975 assessment year and each
22 assessment year thereafter until the industrial
23 property has been revalued in each assessing
24 jurisdiction in the state. For the assessment year
25 following the assessment year in which all industrial
26 property is revalued, and each succeeding assessment
27 year, the provisions of section four hundred forty-
28 one point twenty-one (441.21) of the Code shall apply
29 in determining the assessed value of all property."

30 3. Page 5, by inserting after line 17 the follow-
31 ing new sections:

32 "Sec. _____. The provisions of section five (5)
33 of this Act shall be retroactive to January 1, 1975,
34 and to this extent the provisions of this Act are
35 retroactive.

36 Sec. _____. APPLICABILITY OF ACT. This Act shall
37 apply when the proposed limited budget of any political
38 subdivision exceeds one percent of the base year's
39 budget of such political subdivision.

40 Sec. _____. There is appropriated from the gen-
41 eral fund of the state to the state comptroller for
42 the fiscal year beginning July 1, 1976 and ending
43 June 30, 1977, the sum of two million (2,000,000)
44 dollars, or so much thereof as may be necessary, to
45 be used to provide financial assistance to those
46 political subdivisions which, as a result of the
47 provisions of section five (5) of this Act, will
48 receive less property tax dollars for their budgets
49 for the fiscal year beginning July 1, 1976. Each
50 political subdivision affected shall receive from

1 the state comptroller an amount equal to the difference
2 between the amount of property tax dollars collected
3 for the fiscal year beginning July 1, 1975 plus six
4 percent and the amount of property tax dollars levied
5 and to be collected for the fiscal year beginning
6 July 1, 1976. The state comptroller shall prepare
7 and supply such forms as necessary to facilitate
8 application for such financial assistance. If the
9 funds appropriated by this Act are not sufficient
10 to pay the entire property tax deficiency determined
11 under this section, the state comptroller shall
12 distribute a pro rata share of the funds among the
13 eligible political subdivisions. For the purpose
14 of this section, political subdivision means any local
15 public body or corporation that has the power to levy
16 or certify a property tax or sum of money to be col-
17 lected by property taxation."

18 4. Renumber sections and correct internal
19 references as necessary in accordance with this
20 amendment.

21 5. Amend the title, line 2, by inserting after
22 the word "state" the words "and adjusting property
23 valuations, making certain provisions of the Act
24 retroactive, and making an appropriation".

S-5103 FILED - Amended by 5/16 and 5/26
FEBRUARY 10, 1976 and Lost 2/12
(p. 398) BY BERL E. PRIEBE
KENNETH D. SCOTT

S-5113

1 Amend Senate File 1062 as follows:
2 1. Page 1, line 11, by inserting after the
3 word, "federal" the words, "and state".

S-5113 FILED & LOST (23-25 p. 357)
FEBRUARY 11, 1976

BY EARL M. WILLITS
LOWELL L. JUNKINS

S-5112

1 Amend Senate File 1062 as follows:
2 1. Page 2, line 2, by inserting before the word
3 "unspent" the words "encumbered and".

S-5112 FILED - Adopted 2/12 p. 397)
FEBRUARY 11, 1976

BY EARL M. WILLITS
LOWELL L. JUNKINS

S-5106

1 Amend Senate File 1062 as follows:

2 1. Page 5, by inserting after line 17 the
3 following:

4 "Sec. ____ . STATE BUDGET LIMITATIONS.

5 1. It is the intention of the general assembly
6 that the provisions of this Act shall apply to state
7 administrative costs paid from the general fund of
8 the state. To determine the total administrative
9 costs of the state to which the allowable growth
10 guideline shall apply, there shall be subtracted
11 from the total state budget the direct and indirect
12 state grants or aids made to local governments of
13 the state and payments made directly to individuals.
14 The state comptroller shall prepare the necessary
15 working papers, defining the state administrative
16 costs subject to limitation, and such working papers
17 shall be filed with the legislative fiscal director
18 by October 1, 1976.

19 2. If the state administrative costs subject to
20 limitation exceed the allowable growth guideline as
21 provided in this Act, the budget of any political
22 subdivision may exceed the allowable growth guideline
23 by the same percentage and such political subdivision
24 shall be exempt from the provisions of section three
25 (3) of this Act if its budget's percentage growth
26 does not exceed the percentage growth of the state
27 administrative costs.

28 3. The provisions of this section shall apply
29 to the budgets prepared for the fiscal year beginning
30 July 1, 1977."

31 2. Amend the title, line 1, by inserting after
32 the word "for" the words "the state and".

S-5106 FILED - *Revised out of order 2/13 (p. 427)*
FEBRUARY 10, 1976

BY RICHARD R. RAMSEY

S-5116

1 Amend the amendment, S-5103, to Senate File 1062
2 as follows:

3 1. Page 2, line 22, by striking the words "the
4 industrial" and inserting in lieu thereof the words
5 "all taxable".

6 2. Page 2, line 25, by striking the word "in-
7 dustrial" and inserting in lieu thereof the word
8 "taxable".

S-5116 FILED - *Adopted 2/12 (p. 398)*
FEBRUARY 11, 1976

BY BERL E. PRIEBE

S-5092

1 Amend Senate File 1062 as follows:

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

4 "Section 1. NEW SECTION. AUTHORIZATION--ELECTION--
5 -IMPOSITION.

6 1. A city or a county may impose local taxes
7 authorized by this Act, subject to this section.

8 2. A local tax may be imposed originally or after
9 a period of discontinuance, only after an election
10 at which a majority of those voting on the question
11 favors imposition, and shall then be imposed for a
12 minimum period of two years.

13 3. Subject to subsection four (4) of this section,
14 a city council may direct the county commissioner
15 of elections to submit at the next general election
16 the question of imposition of an authorized local
17 tax to the qualified electors of the city on its own
18 motion, and shall do so within sixty days from the
19 date of receipt of a petition signed by qualified
20 electors of the city equal in number to ten percent
21 or more of the persons who voted at the last preceding
22 regular city election, which requests imposition of
23 a specified type and rate of authorized local tax.
24 However, a city council which submits the question
25 on its own motion must do so not later than ninety
26 days before the date of a general election, and a
27 petition must be filed with the council not later
28 than one hundred twenty days before the date of a
29 general election.

30 4. Before a city council submits the question
31 of imposition of a local tax, it shall send written
32 notice by regular mail to the board of supervisors
33 of the county in which the city is located, or the
34 county in which the largest portion of its population
35 resides, describing the type and rate of tax proposed.
36 Within thirty days of the date of mailing the notice,
37 the board of supervisors may supersede city action
38 by directing the county commissioner of elections
39 to submit at the next general election the question
40 of imposition of the same type and rate of tax
41 countywide.

42 5. A county board of supervisors may direct the
43 county commissioner of elections to submit at the
44 next general election the question of imposition of
45 an authorized local tax to the qualified electors
46 of the county on its own motion, and shall do so
47 within thirty days from the date of receipt of a
48 petition signed by qualified electors of the county
49 equal in number to ten percent or more of the persons
50 who voted in the county at the last preceding general

1 election, which requests countywide imposition of
2 a specified type and rate of authorized local tax.
3 However, a county board which submits the question
4 on its own motion must do so not later than sixty
5 days before the date of a general election, and a
6 petition must be filed with the board not later than
7 ninety days before the date of a general election.

8 6. Subsequent to a period during which a local
9 tax has been imposed following an election:

10 a. A city council or board of supervisors which
11 has imposed a local tax may continue to impose the
12 same type and rate of tax for two-year periods, may
13 discontinue the tax, or may direct the county com-
14 missioner of elections to resubmit the question to
15 the qualified electors of the city or county, as
16 applicable.

17 b. A city council or board of supervisors which
18 has imposed a local tax shall direct the county
19 commissioner of elections to resubmit the question
20 upon receipt of a petition which meets the requirements
21 of subsections four (4) or five (5) of this section,
22 as applicable.

23 c. If a local tax has been imposed by one or more
24 cities within a county and not by the county, the
25 county may proceed to submit the question of the same
26 type of local tax on a countywide basis, or shall
27 proceed upon petition, as provided in subsection five
28 (5) of this section, at a subsequent general election,
29 and the countywide tax, if it receives a favorable
30 vote, supersedes the same type of local tax which
31 has been imposed in one or more cities within the
32 county.

33 7. The county commissioner of elections shall
34 submit the question of imposition of a local tax only
35 at a general election.

36 8. In a city election, if a majority of those
37 voting in the city favors imposition of a local tax,
38 the council of that city shall impose the tax.

39 9. In a countywide election:

40 a. If a majority of those voting in the entire
41 county favors imposition of a local tax, the board
42 of supervisors shall impose the tax in the entire
43 county, including all cities in the county.

44 b. If a majority of those voting in the entire
45 county does not favor imposition of the tax, but a
46 majority of those voting in the unincorporated area
47 of the county favors imposition, the board of
48 supervisors shall impose the tax only in the
49 unincorporated area of the county.

50 c. If a majority of those voting in the entire

1 county does not favor imposition of the tax, but a
2 majority of those voting in any city in the county
3 favors imposition, the council of that city shall
4 impose the tax in that city.

5 d. If a city is located in more than one county,
6 it shall be deemed to be in the county in which the
7 largest portion of its population resides, for purposes
8 of a countywide election and imposition of a countywide
9 tax.

10 10. A local tax shall be imposed or discontinued
11 only by ordinance of a city council or by resolution
12 of a board of supervisors.

13 11. If a majority of those voting in a city
14 election does not favor imposition of a local tax,
15 the city council shall not direct submission of the
16 question of imposition of the same type of local tax
17 before the next general election, and if a majority
18 of those voting in a countywide election does not
19 favor the imposition of a local tax, the board of
20 supervisors shall not submit the question of imposition
21 of the same type of local tax countywide before the
22 next general election. If a countywide election
23 fails, the city council of any city in which a majority
24 of those voting did not favor the tax shall not direct
25 submission of the question of the same type of local
26 tax before the next general election.

27 12. Not more than one of the authorized local
28 taxes may be submitted at a single election.

29 13. Except when a tax is imposed countywide, if
30 a majority of those voting in a city or in the
31 unincorporated area of a county votes against a local
32 tax, that city or unincorporated area is not entitled
33 to any property tax reduction or other benefit which
34 may otherwise be extended to a city or unincorporated
35 area in which a majority of those voting favors the
36 imposition of that local tax.

37 Sec. 2. NEW SECTION. LOCAL INCOME TAX. An annual
38 local income tax may be imposed on every individual
39 resident taxpayer at a rate not to exceed ten percent
40 of the taxpayer's computed state individual income
41 tax for the tax year.

42 Sec. 3. NEW SECTION. LOCAL SALES, SERVICES AND
43 USE TAX. A local sales, services and use tax at a
44 rate of one percent may be imposed by a city or county
45 on the gross receipts taxed by the state under chapter
46 four hundred twenty-two (422), division four (IV),
47 of the Code, and the uses taxed under chapter four
48 hundred twenty-three (423) of the Code. A local
49 sales, services and use tax shall be imposed on the
50 same basis as the state sales, services and use tax

1 and may not be imposed on the sale or use of any
2 property or on any service not taxed by the state.
3 A local sales, services and use tax is applicable
4 only to transactions within the territorial limits
5 of the city, unincorporated area of the county, or
6 county imposing it, and shall be collected by all
7 persons required to collect state gross receipts or
8 use taxes.

9 The amount of the sale, for purposes of determining
10 the amount of the local sales, services and use tax,
11 does not include the amount of any state gross receipts
12 or use taxes.

13 No tax permit other than the state tax permit
14 required under section four hundred twenty-two point
15 fifty-three (422.53) of the Code may be required by
16 local authorities.

17 Sec. 4. NEW SECTION. ADMINISTRATION. A local
18 sales, services and use tax shall be imposed either
19 January first or July first following a favorable
20 election and a local income tax shall be imposed
21 January first following a favorable election.

22 The director of revenue shall administer the
23 provisions of a local income tax, or sales, services
24 and use tax as nearly as possible in conjunction
25 with the administration of state income tax laws,
26 or state gross receipts and use tax laws. He shall
27 provide appropriate forms, or provide on the regular
28 state tax forms, for reporting local income tax, or
29 sales, services and use tax liability.

30 An ordinance of a city council or resolution of
31 a county board of supervisors imposing a local income
32 tax, or sales, services and use tax shall adopt by
33 reference the applicable provisions of the appropriate
34 sections of chapter four hundred twenty-two (422),
35 divisions one (I) and two (II) of the Code for a local
36 income tax, or chapter four hundred twenty-two (422),
37 division four (IV) and chapter four hundred twenty-
38 three (423) of the Code for a local sales, services
39 and use tax, and all powers of the director and
40 requirements of the director in administering the
41 state income tax law, or the state gross receipts
42 and use tax law are applicable to his administration
43 of a local income tax, or sales, services and use
44 tax law, as applicable, including but not limited
45 to powers to impose interest and penalties, and
46 requirements for hearing and appeal. Local officials
47 shall confer with the director of revenue and obtain
48 his assistance in drafting the ordinance or resolution
49 imposing a local income tax, or sales, services and
50 use tax. A certified copy of the ordinance or

1 resolution imposing a local income tax, or sales,
2 services and use tax shall be filed with the director
3 as soon as possible after passage.

4 The director, in consultation with local officials,
5 shall collect and account for a local income tax,
6 or sales, services and use tax. The director shall
7 retain for the use of the department of revenue one
8 percent of all local income tax, or sales, services
9 and use tax receipts, to cover administrative expense,
10 and shall credit remaining local income tax, or sales,
11 services and use tax receipts to a "local tax fund"
12 hereby established in the office of the treasurer
13 of state.

14 Sec. 5. NEW SECTION. PAYMENT TO LOCAL GOVERNMENTS.

15 The treasurer of state shall remit quarterly to the
16 cities and counties which have imposed a local income
17 tax, or sales, services and use tax, and which have
18 qualified under sections six (6) or seven (7) of this
19 Act, their share of the balance in the local tax fund.
20 The local tax fund is appropriated for this purpose.

21 Sec. 6. NEW SECTION. CITY PROPERTY TAX RELIEF.

22 All local income tax, or sales, services and use tax
23 moneys received by a city shall be deposited in the
24 general fund of the city and may be expended for any
25 lawful city purpose. However, the city treasurer,
26 or another city official designated by the council,
27 shall credit one-half of all local income tax, or
28 sales, services and use tax moneys received to a
29 special account for property tax relief. Before the
30 levies authorized under section three hundred eighty-
31 four point one (384.1) of the Code are certified
32 to the county auditor, the certifying official shall
33 subtract from the total amount computed in dollars,
34 as provided in section four hundred forty-four point
35 two (444.2) of the Code, an amount equal to the amount
36 credited to the special account for property tax
37 relief during the last preceding twelve-month period,
38 and shall certify only the net amount to the county
39 auditor and board of supervisors. The limit on a
40 city's tax levy for the general fund, as stated in
41 section three hundred eighty-four point one (384.1)
42 of the Code, shall be reduced each year by the levy
43 which would be necessary to replace the amount credited
44 to the special account for property tax relief during
45 the last preceding twelve-month period. The county
46 auditor shall base the levies authorized under section
47 four hundred forty-four point three (444.3) of the
48 Code upon the net amount so computed. In order for
49 a city to be qualified to receive remittances from
50 the treasurer of state under this Act, the city clerk,

1 before July fifteenth of each year, shall certify
2 to the treasurer of state that the required reduction
3 in the amount certified to the county auditor and
4 board of supervisors for city taxes has been made.

5 Sec. 7. NEW SECTION. COUNTY PROPERTY TAX RELIEF.
6 All local income tax, or sales, services and use tax
7 moneys received by a county may be expended for any
8 lawful county government purpose applicable to the
9 unincorporated area of the county. However, the
10 county treasurer shall credit one-half of all local
11 income tax, or sales, services and use tax moneys
12 received to a special account for property tax relief.
13 Before the levies authorized under section four hundred
14 forty-four point nine (444.9) of the Code are made,
15 the board of supervisors shall subtract from the total
16 amount computed in dollars, as provided in section
17 four hundred forty-four point two (444.2) of the Code,
18 an amount equal to the amount credited to the special
19 account for property tax relief during the last
20 preceding twelve-month period, and shall base the
21 levies authorized under section four hundred forty-
22 four point nine (444.9) of the Code upon the net
23 amount so computed. In order for a county to be
24 qualified to receive remittances from the treasurer
25 of state under this Act, the board of supervisors,
26 before July fifteenth of each year, shall certify
27 to the treasurer of state that the required reduction
28 has been made.

29 Sec. 8. NEW SECTION. COUNTYWIDE SHARES. If an
30 authorized local tax is imposed countywide, the
31 treasurer of state shall credit the receipts to a
32 joint account in the local tax fund, and shall remit
33 to each qualified city in the county a pro rata share
34 of the joint account, based upon the percentage of
35 its population residing in the county to the total
36 population of the county, and to the board of
37 supervisors, when the county is qualified, a pro rata
38 share of the joint account based upon the percentage
39 of population in the county outside of cities, all
40 according to the population determined by the last
41 preceding certified federal census.

42 Sec. 9. Section four hundred twenty-two point
43 seventy-two (422.72), subsection one (1), Code 1975,
44 is amended to read as follows:

45 1. It shall be unlawful for the director, or any
46 person having an administrative duty under this
47 chapter, to divulge or to make known in any manner
48 whatever, the business affairs, operations, or
49 information obtained by an investigation of records
50 and equipment of any person or corporation visited

1 or examined in the discharge of official duty, or
2 the amount or source of income, profits, losses,
3 expenditures or any particular thereof, set forth
4 or disclosed in any return, or to permit any return
5 or copy thereof or any book containing any abstract
6 or particulars thereof to be seen or examined by any
7 person except as provided by law; provided, however,
8 that the director may authorize examination of such
9 returns by other state officers, by Iowa city or
10 county officials if the city or county has imposed
11 a local tax, or, if a reciprocal arrangement exists,
12 by tax officers of another state, or the federal
13 government. This subsection shall prevail over the
14 provisions of any general law of this state relating
15 to public records.

16 This Act shall apply only to a city or
17 county whose budget exceeds six (6) per cent of the
18 preceding fiscal year's budget for that political
19 subdivision."

20 2. Amending the title by striking everything after
21 the word "Act" in line 1 and inserting in lieu thereof
22 the words "authorizing cities and counties to impose
23 local income taxes, and sales, services and use taxes,
24 appropriating the proceeds, providing property tax
25 relief, and making the taxes subject to applicable
26 provisions of the Code, including penalties."

S-5102

1 Amend Senate File 1062 as follows:
 2 1. Page 1, line 26, by striking the word "six" 1
 3 and inserting in lieu thereof the word "seven".
 4 2. By striking page 2, line 7, through page 4,
 5 line 21, and inserting in lieu thereof the following: B
 6 Sec. LOCAL REFERENDUM ON ALLOWABLE GROWTH.
 7 1. If the governing body of a political sub-
 8 division wishes to exceed the allowable growth es-
 9 tablished by this Act, the governing body shall
 10 direct the county commissioner of elections to
 11 publish notice of and conduct a special election
 12 within ten days after the date of publication.
 13 The notice shall be published as provided in
 14 section forty-nine point fifty-three (49.53) of the
 15 Code and shall include a comparison of the dollar
 16 amount and percentage of allowable growth estab-
 17 lished by this Act and the dollar amount and percen-
 18 tage of allowable growth requested for the proposed
 19 limited budget of the political subdivision. The
 20 question to be voted on by the qualified electors
 21 of the political subdivision shall be stated as
 22 follows: "Shall the certified limited budget of
 23 (name of political subdivision) for the fiscal
 24 year beginning July 1, 19__ and ending June 30,
 25 19__ be limited to not more than the allowable
 26 growth established by the general assembly?" If a
 27 majority of the votes cast for and against the
 28 proposition favors the allowable growth limitation
 29 established by the general assembly, the proposed
 30 limited budget of the political subdivision shall be
 31 so limited. If a majority of such votes cast does
 32 not favor the allowable growth established by the
 33 general assembly, the political subdivision may
 34 increase its proposed limited budget by the amount
 35 of allowable growth requested and printed in the
 36 notice of election. Thereafter, the proposed limited
 37 budget shall be certified to the county auditor.
 38 2. If an allowable growth in excess of the
 39 provisions of section two (2) of this Act is approved
 40 by the electorate, property tax limitations otherwise
 41 provided by law shall not apply to such proposed
 42 limited budget and such proposed limited budget shall
 43 not be subject to appeal to the state appeal board."
 44 3. By renumbering the sections.

S-5102 FILED - A - Withdrawn 2/12 (p. 399)
 B - Amended by 5/22 and 5/26 2/12 (p. 400)
 FEBRUARY 10, 1976 5/39 & 144 2/13 (4213) BY RICHARD J. NORPEL, SR.
 B. Adopted 2/13 35-9 (423)

S-5088

1 Amend the Junkins et. al. amendment S-5054 to
2 Senate File 1062 as follows:

3 1. Page 3, by inserting after line 16 the follow-
4 ing:

5 "Section — Section four hundred twenty-two point
6 sixty-nine (422.69), Code 1975, is amended by adding
7 the following new subsection:

8 NEW SUBSECTION. During the last quarter of each
9 fiscal year the amounts specified in this subsection
10 from the gross receipts from the sales tax collected
11 under division four (IV) of this chapter for the
12 fiscal year shall be transferred to the local tax
13 fund hereby created in the office of the treasurer
14 of state. The remainder of the net receipts from
15 the sales tax shall be credited to the general fund
16 of the state.

17 a. For the fiscal year beginning July 1, 1975,
18 an amount equal to twenty percent of the net receipts
19 from one-third of the sales tax.

20 b. For the fiscal year beginning July 1, 1976,
21 an amount equal to forty percent of the net receipts
22 from one-third of the sales tax.

23 c. For the fiscal year beginning July 1, 1977,
24 an amount equal to sixty percent of the net receipts
25 from one-third of the sales tax.

26 d. For the fiscal year beginning July 1, 1978,
27 an amount equal to eighty percent of the net receipts
28 from one-third of the sales tax.

29 e. For the fiscal year beginning July 1, 1979
30 and each succeeding fiscal year, an amount equal to
31 one-third of the sales tax.

32 Annually, the treasurer of state shall transfer
33 three-fourths of the funds in the local tax fund to
34 the ~~municipal assistance fund created by section four~~
35 hundred five point one (405.1) of the Code. The
36 remainder of the funds in the local tax fund shall
37 be transferred to the county government assistance
38 fund.
39

40 Sec. — NEW SECTION. There is created a "county
41 government assistance fund" in the office of the
42 treasurer of state. The moneys appropriated to such
43 fund shall be used to provide financial assistance
44 to counties.

45 On or before December fifteenth of each year, the
46 state comptroller shall distribute the funds in the
47 county government assistance fund to each county in
48 the state in the proportion that the population
49 residing in the unincorporated area of each county
50 is to the total population residing in unincorporated

1 areas of all of the counties.

2 For purposes of this section "population" shall
3 be based on the most recent federal census.

4 Sec. _____ NEW SECTION. CITY PROPERTY TAX RELIEF.

5 All moneys received by a city under the provisions of
6 this Act shall be deposited in the general fund of the
7 city and may be expended for any lawful city purpose.
8 However, the city treasurer, or another city official,
9 designated by the council, shall credit one-fourth of
10 the moneys received to a special account for property
11 tax relief. Before the levies authorized under
12 section three hundred eighty-four point one (384.1) of
13 the Code are certified to the county auditor, the
14 certifying official shall subtract from the total
15 amount computed in dollars, as provided in section
16 four hundred forty-four point two (444.2) of the Code,
17 an amount equal to the amount credited to the special
18 account for property tax relief during the last pre-
19 ceding twelve-month period, and shall certify only the
20 net amount to the county auditor and board of super-
21 visors. The limit on a city's tax levy for the
22 general fund, as stated in section three hundred eight-
23 four point one (384.1) of the Code, shall be reduced
24 each year by the levy which would be necessary to
25 replace the amount credited to the special account for
26 property tax relief during the last preceding twelve-
27 month period. The county auditor shall base the levies
28 authorized under section four hundred forty-four point
29 three (444.3) of the Code upon the net amount so
30 computed. In order for a city to be qualified to
31 receive remittances in succeeding fiscal years from
32 the treasurer of state under this Act, the city clerk,
33 before July 15, 1977, and July fifteenth of each
34 succeeding year, shall certify to the treasurer of
35 state that the required reduction in the amount certi-
36 fied to the county auditor and board of supervisors
37 for city taxes has been made.

38 Moneys which become available in any succeeding
39 fiscal year because a city has failed to comply with
40 the provisions of this Act shall be apportioned among
41 the other cities in the manner provided in this Act.

42 Sec. _____ NEW SECTION. COUNTY PROPERTY TAX RE-

43 LIEF. All moneys received by a county under the
44 provisions of this Act may be expended for any law-
45 ful county government purpose. However, the county
46 treasurer shall credit one-fourth of the moneys
47 received to a special account for property tax relief.
48 Before the levies authorized under section four
49 hundred forty-four point nine (444.9) of the Code are
50 made, the board of supervisors shall subtract from

1 ' the total amount computed in dollars, as provided in
 2 section four hundred forty-four point two (444.2) of
 3 the Code, an amount equal to the amount credited to
 4 the special account for property tax relief during
 5 the last preceding twelve-month period, and shall
 6 base the levies authorized under section four
 7 hundred forty-four point nine (444.9) of the Code
 8 upon the net amount so computed. In order for a
 9 county to be qualified to receive remittances in
 10 succeeding fiscal years from the treasurer of state
 11 under this Act, the board of supervisors, before
 12 July fifteenth of each year, shall certify to the
 13 treasurer of state that the required reduction has
 14 been made.

15 Moneys which become available in any succeeding
 16 fiscal year because a county has failed to comply
 17 with the provisions of this Act shall be apportioned
 18 among the remaining counties in the manner provided
 19 in this Act.

20 Sec. — NEW SECTION. This Act shall apply when
 21 the proposed budget of any city or county exceeds
 22 one (1) per cent of the preceding fiscal year's budget
 23 of any city or county subject to the provisions of
 24 this Act."

25 2. Page 3, by striking line 22 and inserting
 26 in lieu thereof the words "lines and financial assist-
 27 ance".

S-5088 FILED - *Lost 2/5 (13-36 p. 282)*
 FEBRUARY 5, 1976

BY WILLIAM E. GLUBA
 JAMES W. GRIFFIN, SR.
 LOWELL JUNKINS

S-5091

1 Amend the Taylor amendment, S-5052, to Senate File
 2 1062 as follows:

3 1. Page 1, by striking line 10 and inserting in
 4 lieu thereof the following: "guideline after a second
 5 public hearing as provided in section three (3) of
 6 this Act,".

7 2. Page 1, line 22, by striking the word "limita-
 8 tion" and inserting in lieu thereof the word "guide-
 9 line".

10 3. Page 1, line 27, by striking the word "limita-
 11 tion" and inserting in lieu thereof the word "guide-
 12 line".

13 4. Page 1, by striking line 31 and inserting in
 14 lieu thereof the words "of allowable growth guideline
 15 authorized by section three (3)".

16 5. Page 1, by striking lines 37 through 40.

S-5091 FILED - *Withdrawn 2/13 (p. 426)*
 FEBRUARY 5, 1976

BY RAY TAYLOR

SENATE FILE 1062

S-5107

1 Amend Senate File 1062 as follows:

2 1. Page 5, by inserting after line 17 the following
3 new sections:

4 "Sec. 8. NEW SECTION. In every county that has
5 established a unified law enforcement district pursuant
6 to chapter twenty-eight E (28E) of the Code, the board
7 of supervisors may submit a proposition to the county
8 electorate at any countywide election providing for
9 the creation of a public safety fund and the levy
10 of a property tax at a rate not exceeding the rate
11 specified in section nine (9) of this Act for the
12 purpose of providing necessary moneys for the operation
13 of a unified law enforcement district.

14 If a majority of the voters voting on the
15 proposition approve the proposition, the board of
16 supervisors may levy the tax as provided in section
17 nine (9) of this Act.

18 Sec. 9. NEW SECTION. The board of supervisors
19 and the council of each city composing the unified
20 law enforcement district shall review the proposed
21 budget and certify the tax levy to the county auditor,
22 but the tax levy shall not exceed eighty-one cents
23 per thousand dollars of assessed value of the taxable
24 property in the district.

25 The auditor of each county shall in conjunction
26 with the county sheriff on or before January tenth
27 of each year make an estimate of the amount of funds
28 deemed necessary for the operation of a unified law
29 enforcement district. The auditor of each county
30 shall then transmit the estimate in dollars to the
31 county board of supervisors and to the city councils
32 within the district participating in a unified law
33 enforcement district."

34 2. By renumbering sections and correcting internal
35 references to conform to this amendment.

36 3. Amend the title, line 1, by inserting after
37 the word "to" the words "authorize the imposition
38 of a tax levy and".

S-5107 FILED - *Withdrawn 2/13 (p. 426)*
FEBRUARY 10, 1976

BY RICHARD R. RAMSEY

S-5090

1 Amend Senate File 1062 as follows:

2 1. Title page by striking line 3.

S-5090 FILED - *Withdrawn 2/11/76 (p. 354)*
FEBRUARY 5, 1976

BY W. R. RABEDEAUX

1 Amend S-5073, by Gluba, to Senate File 1062 as
2 follows:

3 1. Page 2, by striking lines 2 through 6, and
4 inserting in lieu thereof the following:

5 "Sec. _____ NEW SECTION. CITY PROPERTY TAX RELIEF.

6 All moneys received by a city under the provisions of
7 this Act shall be deposited in the general fund of the
8 city and may be expended for any lawful city purpose.
9 However, the city treasurer, or another city official
10 designated by the council, shall credit one-fourth of
11 the moneys received to a special account for property
12 tax relief. Before the levies authorized under
13 section three hundred eighty-four point one (384.1) of
14 the Code are certified to the county auditor, the
15 certifying official shall subtract from the total
16 amount computed in dollars, as provided in section
17 four hundred forty-four point two (444.2) of the Code,
18 an amount equal to the amount credited to the special
19 account for property tax relief during the last pre-
20 ceding twelve-month period, and shall certify only the
21 net amount to the county auditor and board of super-
22 visors. The limit on a city's tax levy for the
23 general fund, as stated in section three hundred eight-
24 four point one (384.1) of the Code, shall be reduced
25 each year by the levy which would be necessary to
26 replace the amount credited to the special account for
27 property tax relief during the last preceding twelve-
28 month period. The county auditor shall base the levies
29 authorized under section four hundred forty-four point
30 three (444.3) of the Code upon the net amount so
31 computed. In order for a city to be qualified to
32 receive remittances in succeeding fiscal years from
33 the treasurer of state under this Act, the city clerk,
34 before July 15, 1977, and July fifteenth of each
35 succeeding year, shall certify to the treasurer of
36 state that the required reduction in the amount certi-
37 fied to the county auditor and board of supervisors
38 for city taxes has been made.

39 Moneys which become available in any succeeding
40 fiscal year because a city has failed to comply with
41 the provisions of this Act shall be apportioned among
42 the other cities in the manner provided in this Act.

43 Sec. _____. NEW SECTION. COUNTY PROPERTY TAX RE-
44 LIEF. All moneys received by a county under the
45 provisions of this Act may be expended for any law-
46 ful county government purpose. However, the county
47 treasurer shall credit one-fourth of the moneys
48 received to a special account for property tax relief.
49 Before the levies authorized under section four
50

FEBRUARY 6, 1976

S-5078

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1 hundred forty-four point nine (444.9) of the Code are
2 made, the board of supervisors shall subtract from
3 the total amount computed in dollars, as provided in
4 section four hundred forty-four point two (444.2) of
5 the Code, an amount equal to the amount credited to
6 the special account for property tax relief during
7 the last preceding twelve-month period, and shall
8 base the levies authorized under section four
9 hundred forty-four point nine (444.9) of the Code
10 upon the net amount so computed. In order for a
11 county to be qualified to receive remittances in
12 succeeding fiscal years from the treasurer of state
13 under this Act, the board of supervisors, before
14 July fifteenth of each year, shall certify to the
15 treasurer of state that the required reduction has
16 been made.

17 Moneys which become available in any succeeding
18 fiscal year because a county has failed to comply
19 with the provisions of this Act shall be apportioned
20 among the remaining counties in the manner provided
in this Act."

S-5078 FILED - *Filed out of order with withdrawal of 5073*
FEBRUARY 5, 1976

BY JAMES W. GRIFFIN, SR.
WILLIAM E. GLUBA

S-5079

1 Amend Senate File 1062 as follows:
2 1. Title page by striking line 3.

S-5079 FILED & WITHDRAWN *(p. 274)*
FEBRUARY 5, 1976

BY W. R. RABEDEAUX

S-5080

1 Amend the amendment, S-5054, to Senate File 1062,
2 by striking page 2, line 2 through page 3, line 4.

S-5080 FILED & WITHDRAWN *2/5 (p. 278)*
FEBRUARY 5, 1976

BY RICHARD R. RAMSEY

S-5082

1 Amend Senate File 1062 as follows:
2 1. Page 3, line 7, by striking the word "five"
3 and inserting in lieu thereof the word "seven".
4 2. Page 3, by inserting after line 22 the
5 following new subsection:
6 "4. Two members appointed by the governor to
7 represent the public."

S-5082 FILED - *Adopted 2/13 (426)*
FEBRUARY 5, 1976

BY EUGENE M. HILL
RAY TAYLOR

1 Amend Senate File 1062 as follows:

2 1. Page 5, by inserting after line 11 the
3 following:

4 "Sec. _____. Section four hundred twenty-two point
5 sixty-nine (422.69), Code 1975, is amended by adding
6 the following new subsection:

7 NEW SUBSECTION. During the last quarter of each
8 fiscal year the amounts specified in this subsection
9 from the gross receipts from the sales tax collected
10 under division four (IV) of this chapter for the
11 fiscal year shall be transferred to the local tax
12 fund hereby created in the office of the treasurer
13 of state. The remainder of the net receipts from
14 the sales tax shall be credited to the general fund
15 of the state.

16 a. For the fiscal year beginning July 1, 1975,
17 an amount equal to twenty percent of the net receipts
18 from one-third of the sales tax.

19 b. For the fiscal year beginning July 1, 1976,
20 an amount equal to forty percent of the net receipts
21 from one-third of the sales tax.

22 c. For the fiscal year beginning July 1, 1977,
23 an amount equal to sixty percent of the net receipts
24 from one-third of the sales tax.

25 d. For the fiscal year beginning July 1, 1978,
26 an amount equal to eighty percent of the net receipts
27 from one-third of the sales tax.

28 e. For the fiscal year beginning July 1, 1979
29 and each succeeding fiscal year, an amount equal to
30 one-third of the sales tax.

31 Annually, the treasurer of state shall transfer
32 three-fourths of the funds in the local tax fund to
33 the municipal assistance fund created by section four
34 hundred five point one (405.1) of the Code. The
35 remainder of the funds in the local tax fund shall
36 be transferred to the county government assistance
37 fund.

38 Sec. _____. NEW SECTION. There is created a "county
39 government assistance fund" in the office of the
40 treasurer of state. The moneys appropriated to such
41 fund shall be used to provide financial assistance
42 to counties.

43 On or before December fifteenth of each year, the
44 state comptroller shall distribute the funds in the
45 county government assistance fund to each county in
46 the state in the proportion that the population
47 residing in the unincorporated area of each county
48 is to the total population residing in unincorporated
49 areas of all of the counties.

50 For purposes of this section "population" shall

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1 be based on the most recent federal census.

2 Sec. _____. NEW SECTION. It is the intent of the
3 general assembly that cities and counties use funds
4 received under this Act to replace property tax dollars
5 to provide property tax relief for persons residing
6 within the city or county."

7 2. Amend the title, line 1, by inserting after
8 the word "limitations" the words "and financial
9 assistance".

1 Amend the amendment, S-5054, to Senate File 1062,
 2 page 3, by inserting after line 4 the following:
 3 "Sec. ____ . TAX LEVY APPORTIONED. Notwithstand-
 4 ing the provisions of chapters four hundred forty-
 5 three (443) and four hundred forty-four (444) of the
 6 Code, a class of property subject to taxation within
 7 a county shall not pay a dollar amount of property
 8 tax for the fiscal years beginning July 1, 1976 and
 9 July 1, 1977, which is less than the dollar amount
 10 of property tax paid in the base year plus a dollar
 11 amount of property tax equivalent to percentage of
 12 growth in the budgets of the political subdivisions
 13 to be derived from property taxation. The county
 14 auditor shall apportion the amount of property tax
 15 dollars to be collected among the classes of taxable
 16 property in the manner provided for in this section
 17 and the consolidated tax rate for each class of
 18 property so determined shall be levied and collected."

S-5081 FILED & RULED NOT GERMANE (p. 278)
 FEBRUARY 5, 1976

BY BERL E. PRIEBE
 KENNETH D. SCOTT

SENATE FILE 1062

1 Amend the Junkins et. al. amendment, S-5054, to
 2 Senate File 1062 as follows:
 3 1. Page 3, by inserting after line 5 the
 4 following:
 5 "Sec. 5. PROPERTY TAX CARRYOVER. Political
 6 subdivisions adopting a budget for the base fis-
 7 cal year July 1, 1976 and ending June 30, 1977'
 8 which does not cause the property tax levy com-
 9 puted in dollars to exceed the allowable growth
 10 guidelines established by this Act may levy pro-
 11 perty taxes for the succeeding fiscal year in ex-
 12 cess of the allowable growth guideline and be exempt
 13 from the provisions of section three (3), of this
 14 Act. This exemption shall be applicable only if
 15 the additional property tax levy does not raise
 16 in dollars an amount that exceeds the allowable
 17 growth guideline for the succeeding fiscal year
 18 and the difference between the amount in dollars
 19 which the political subdivision levied during the
 20 base fiscal year and the amount in dollars which
 21 the political subdivision could have levied and
 22 not exceed the allowable growth guideline."

S-5083 FILED & WITHDRAWN (p. 278)
 FEBRUARY 5, 1976

BY JAMES M. REDMOND

S-5077

1 Amend the amendment, S-5054, to Senate File 1062
2 as follows:

3 1. By striking page 2, line 35 through page 3,
4 line 10, and inserting in lieu thereof the following:

5 "Sec. 4. LOCAL BUDGET REVIEW BOARD. There is
6 created in each county a local budget review board
7 which shall be composed of five members who are
8 residents of the county. The members of the board
9 shall be selected as follows:

10 1. One member shall be a mayor of an incorporated
11 city located within the county selected by a con-
12 vention of the mayors of all incorporated cities
13 located within the county.

14 2. One member shall be a member of a board of
15 directors of a school district located within the
16 county selected by a convention of the members of
17 the boards of directors of all school districts located
18 within the county.

19 3. One member shall be an elector of the county
20 representing the general public selected by the members
21 of the board of supervisors.

22 4. One member shall be a person representing the
23 general public selected by a convention of the members
24 of the boards of directors of all school districts
25 located within the county.

26 5. One member shall be a person representing the
27 general public selected by a convention of the mayors
28 of all incorporated cities located within the county.

29 A member of the county compensation board selected
30 to represent the general public pursuant to subsections
31 three (3), four (4) and five (5) of this section shall
32 not be an employee or officer of a state government,
33 or a political subdivision of a state, or related
34 within the third degree of consanguinity to any such
35 governmental employee or officer.

36 Sec. 5. CONVENTIONS CALLED. The county auditor
37 shall convene the conventions of the mayors and the
38 boards of directors of the school districts as soon
39 as possible after the effective date of this Act,
40 by written notice stating the date, time and location
41 of each convention meeting to each person eligible
42 to attend the convention. When a vacancy exists which
43 must be filled by a convention, the county auditor
44 shall convene a special meeting of such convention
45 within ten days after the county auditor becomes aware
46 of the vacancy.

47 If the boundaries of a school district or a city
48 extend into more than one county, a member of the
49 board of directors of such school district or the
50 mayor of such city shall be a member of the convention

1 of the boards of directors or the mayors in the county
2 of the director's or mayor's residence only.

3 Sec. 6. CONVENTION ORGANIZED. Each convention
4 of the boards of directors or mayors shall organize
5 by electing a chairperson and such other officers
6 as deemed necessary from among its membership. Each
7 member of the local budget review board to be selected
8 by the convention shall be elected by a majority vote
9 of the members of such convention.

10 Sec. 7. BOARD ORGANIZATION--EXPENSES. The local
11 budget review board shall elect a chairperson and
12 vice chairperson annually from among its membership.
13 The board shall meet at the call of the chairperson
14 or upon written request of a majority of its
15 membership. The concurrence of a majority of the
16 members of the board shall determine any matter
17 relating to its duties.

18 The board of supervisors shall provide the necessary
19 office facilities and the technical and clerical
20 assistance requested by the board to accomplish the
21 purposes of this Act.

22 In addition to any circumstance which constitutes
23 a vacancy under section sixty-nine point two (69.2)
24 of the Code, a vacancy shall exist on the board if
25 any member who is also an elective public officer
26 ceases to hold the elective office under which such
27 officer originally qualified for membership or if
28 any member of such board who is selected under
29 subsections three (3), four (4) and five (5) of section
30 four (4) of this Act becomes an employee or officer
31 of a state government or a political subdivision of
32 a state or is related within the third degree of
33 consanguinity of any such governmental employee or
34 officer.

35 The members of the board shall receive no
36 compensation but they shall be reimbursed for their
37 actual and necessary expenses incurred in the
38 performance of their official duties.

39 Sec. 8. EXPENSE OF BOARD. The expenses of the
40 local budget review board members, the salaries and
41 expenses of any technical and clerical assistance,
42 and the cost of providing any facilities shall be
43 paid from the general fund of the county.

44 Sec. 9. DUTIES OF BOARD. If the certified budget
45 of a political subdivision exceeds the allowable
46 growth guideline, a number of persons in any political
47 subdivision equal to one-fourth of one percent of
48 those voting for the office of president of the United
49 States or governor, as the case may be, at the last
50 general election in such political subdivision, but

1 in no event less than ten, who are affected by the
 2 budget, may appeal from any decision of the governing
 3 board of the political subdivision by filing with
 4 the county auditor of the county in which the political
 5 subdivision is located, a written protest setting
 6 forth their objections to such budget and the grounds
 7 for such objections within ten days after the budget
 8 is certified. Upon the filing of such protest, the
 9 county auditor shall immediately prepare a true and
 10 complete copy of the written protest and transmit
 11 such copy and a copy of the budget to the local budget
 12 review board. The local budget review board shall
 13 fix a date for a hearing on the protest and notify
 14 the governing body of the political subdivision and
 15 the first ten persons whose names appear on the
 16 protest. At such hearing, the burden shall be upon
 17 the protestors with reference to any proposed item
 18 in the budget which was included in the budget of
 19 the preceding year and which such protestors propose
 20 to reduce or exclude, but the burden shall be upon
 21 the governing body of the political subdivision to
 22 show that any new item in the budget or any increase
 23 in any item of the budget is necessary, reasonable,
 24 and in the interest of the public welfare. The appeal
 25 shall be decided by the board within two weeks after
 26 the date of hearing. The decision on the appeal shall
 27 be certified to the county auditor or auditors in
 28 which the political subdivision is located and the
 29 decision shall be final.

30 The appeal to the budget of a political subdivision
 31 which is located in more than one county shall be
 32 taken to the local budget review board of the county
 33 in which the largest portion of the territory of such
 34 political subdivision is located.

35 Sec. 10. APPEAL TO STATE APPEAL BOARD NOT
 36 APPLICABLE. The provisions of sections twenty-four
 37 point twenty-seven.(24.27) through twenty-four point
 38 thirty-two (24.32) of the Code shall not apply to
 39 budgets of political subdivisions of this state for
 40 the fiscal years beginning July 1, 1976 and July 1,
 41 1977."

42 2. By renumbering sections and internal references
 43 to sections to conform to this amendment.

S-5077 FILED & WITHDRAWN (p. 270)
 FEBRUARY 5, 1976

BY WARREN E. CURTIS

S-5084

1 Amend Senate File 1062 as follows:
 2 1. Page 1, by striking from lines 8 and 9 the
 3 words "including amendments" and inserting in lieu
 4 thereof the words "as originally certified or as
 5 amended by January 1, 1976".

S-5084 FILED - adopted 2/11 (p. 356)
 FEBRUARY 5, 1976 *Motion to reconsider filed 2/11 (p. 352)*
called up and by BY ROGER J. SHAFF
 2/13(431)

S-5087

1 Amend Senate File 1062, as follows:

2 1. Page 2, by striking lines 14 and 15, and
3 inserting in lieu thereof the following: "a. In
4 the case of unusual population increases the appro-
5 priate budget review committee shall provide an ad-
6 ditional allowable growth percentage as follows:

- | | | |
|----|----------------------------|------|
| 7 | 1. Zero to 2.9% Increase | -0- |
| 8 | 2. 3.0% to 5.9% Increase | 1.0% |
| 9 | 3. 6.0% to 8.9% Increase | 2.0% |
| 10 | 4. 9.0% to 11.9% Increase | 3.0% |
| 11 | 5. 12.0% to 15.0% Increase | 4.0% |
| 12 | 6. Over 15.0% Increase | 5.0% |

13 The foregoing shall be regarded as guide-
14 lines and not absolute limitations. The appropriate
15 budget review committee may in its discretion allow
16 additional budget increases if by reason of popula-
17 tion growth or other factors such increases are just-
18 ified."

S-5087 FILED - *Adopted 2/13 23-22 (p. 425)*
FEBRUARY 5, 1976

BY CLIFTON C. LAMBORN

SENATE FILE 1062

S-5085

1 Amend Senate File 1062 as follows:

2 1. Page 5, after line 11, by inserting the
3 following new paragraph.

4 "Sec. ____ . FEE SCHEDULES."

S-5085 FILED - *Withdrawn 2/13 (p. 426)*
FEBRUARY 5, 1976

BY ROGER J. SHAFF

Amend the Junkins et al. amendment S-5054, as

follows:

1. Page 3, by adding after line 16 the following:

"5. Page 4, by adding after line 21 the following:

"Section _____. It is hereby designated to be the

intent of this Act that the public interest demands that the governor research and analyze matters pertaining to local government services and funding sources and to report the findings and recommendations to the general assembly by September 15, 1977.

Sec. _____. The suggested matters that follow are for reference and are not in order of priority and does not necessarily include all matters that can be properly included in the research and analysis helpful in fulfilling the intent of this Act. The reference matters are:

- the nature of local government services.
- which level of government should provide what services
- who should pay for these services
- how should different types and kinds of property be valued and equalized for assessment purposes.
- what, if any, budget limitations should be posed.
- which, if any, local services should be financed by state aid.
- the economics and effectiveness of the delivery of services to people.
- the merits of local option taxation.
- the budgeting procedures and mechanisms of local governments

Sec. _____. The governor shall transmit the recommendations of the task force accompanied by proposed legislation necessary to carry out the recommendations of the Sixty-seventh General Assembly no later than September 15, 1977. Copies of the recommendations and of the recommended legislation shall be transmitted to the president of the senate and speaker of the house of representatives whereupon the respective presiding officer shall within ten (10) legislative days after the date of receipts, assign the proposed legislation to the appropriate standing committee for committee consideration.

Sec. _____. The governor is hereby authorized to employ such professional, technical, and administrative assistance as shall be necessary to accomplish the purpose of this Act.

Sec. _____. There is hereby created a task force

1 composed of twelve members, who are interested and
2 knowledgeable in affairs of local government. All
3 members shall be appointed by the governor to serve
4 at his pleasure. No member shall hold any other
5 state position. Any vacancy in the membership of
6 the task force shall be filled by appointment in the
7 same manner and ratio as the original appointments.

8 The members of the task force shall receive their
9 actual and necessary expenses to be audited by the
10 comptroller.""

11 2. Page 3, line 17, by striking the figure "5.",
12 and inserting in lieu thereof the figure "6."

3. Page 3, line 19, by striking the figure "6.",
and inserting in lieu thereof the figure "7."

S-5074 FILED - *Adopted 48-3 2/5 (p. 278)*
FEBRUARY 4, 1976

BY CLOYD E. ROBINSON
NORMAN RODGERS
FORREST V. SCHWENGELS

S-5076

1 Amend the Committee on Ways and Means
2 Amendment, S-5064, to Senate File 1062 as follows:
3 1. Page 1, line 26, by inserting after the
4 figure "(28E.2)" the words "of the Code for provid-
5 ing joint services and facilities under chapter
6 twenty-eight E (28E) of the Code".
7 2. Page 1, line 27, by inserting after the
8 word "Code" the words "for the joint financing of
9 works and facilities authorized under chapter
10 twenty-eight F (28F) of the Code".

S-5076 FILED - *Adopted 2/11 (p. 356)*
FEBRUARY 5, 1976

BY NORMAN RODGERS

S-5073

Amend Senate File 1062 as follows:

1. By striking everything after the enacting clause and inserting in lieu thereof the following:
"Section 1. Section four hundred twenty-two point sixty-nine (422.69), Code 1975, is amended by adding the following new subsection:

NEW SUBSECTION. During the last quarter of each fiscal year the amounts specified in this subsection from the gross receipts from the sales tax collected under division four (IV) of this chapter for the fiscal year shall be transferred to the local tax fund hereby created in the office of the treasurer of state. The remainder of the net receipts from the sales tax shall be credited to the general fund of the state.

a. For the fiscal year beginning July 1, 1975, an amount equal to twenty percent of the net receipts from one-third of the sales tax.

b. For the fiscal year beginning July 1, 1976, an amount equal to forty percent of the net receipts from one-third of the sales tax.

c. For the fiscal year beginning July 1, 1977, an amount equal to sixty percent of the net receipts from one-third of the sales tax.

d. For the fiscal year beginning July 1, 1978, an amount equal to eighty percent of the net receipts from one-third of the sales tax.

e. For the fiscal year beginning July 1, 1979 and each succeeding fiscal year, an amount equal to one-third of the sales tax.

Annually, the treasurer of state shall transfer three-fourths of the funds in the local tax fund to the ~~municipal assistance fund created by section four-~~ hundred five point one (405.1) of the Code. The remainder of the funds in the local tax fund shall be transferred to the county government assistance fund.

Sec. 2. NEW SECTION. There is created a "county government assistance fund" in the office of the treasurer of state. The moneys appropriated to such fund shall be used to provide financial assistance to counties.

On or before December fifteenth of each year, the state comptroller shall distribute the funds in the county government assistance fund to each county in the state in the proportion that the population residing in the unincorporated area of each county is to the total population residing in unincorporated areas of all of the counties.

For purposes of this section "population" shall

S-5073
PAGE 2

1 be based on the most recent federal census.

2 Sec. 3. NEW SECTION. It is the intent of the
3 general assembly that cities and counties use funds
4 received under this Act to replace property tax dollars
5 to provide property tax relief for persons residing
6 within the city or county.

7 Sec. 4. NEW SECTION. This Act shall apply when
8 the proposed budget of any city or county exceeds
9 one (1) per cent of the preceding fiscal year's budget
10 of any city or county subject to the provisions of
11 this Act."

12 2. Amend the title, line 1, by striking the words
13 "budget limitations" and inserting in lieu thereof
the words "financial assistance".

S-5073 FILED. *Withdrawn 2/11 (p. 354)*
FEBRUARY 4, 1976

BY WILLIAM E. GLUBA

S-5067

1 Amend the Junkins et al amendment, S-5054, to
2 Senate File 1062 as follows:

3 1. Page 3, after line 16 by inserting the
4 following new paragraph:

5 "5. Page 5, by inserting before line 18 the
6 following:

7 "Sec. _____. DECREASED LEVY. If a political
8 subdivision decides after a second hearing to
9 exceed the allowable growth guidelines established
10 by this Act, the maximum levy allowed for each fund
11 in the proposed budget of the political subdivision
12 as provided by law shall be decreased by twenty
13 percent.""

S-5067 FILED. *Withdrawn 2/5 (p. 274)*
FEBRUARY 4, 1976

BY ROGER J. SHAFF

S-5069

1 Amend the amendment, S-5054, to Senate File 1062
2 as follows:

3 1. Page 1, by striking lines 24 through 29 and
4 inserting in lieu thereof the following:

5 "1. The percentage and the dollar amount of increase
6 or decrease over the current total budget
7 appropriations as amended to the date of the hearing
8 or proposed to be amended by that date resulting from
9 the total proposed budget of the political subdivision.

10 2. The percentage and the dollar amount of increase
11 or decrease for each fund included in the proposed
12 budget, over current year appropriations to each fund,
13 as amended to date or proposed to be amended by that
14 date."

15 2. Page 1, line 36, after the word "increases"
16 by inserting the words "or decreases".

17 3. Page 1, by inserting after line 40 the
18 following:

19 "6. A comparison of the percentages and dollar
20 amounts proposed to be raised by property taxes with
21 the percentages and dollar amounts raised during
22 the preceding fiscal year."

23 4. Page 2, line 13, by striking the words "affected
24 by the budget" and inserting in lieu thereof the word
25 "residents".

26 5. Page 2, lines 15 and 16, by striking the words
27 "affected by the budget" and inserting in lieu thereof
the word "residents".

28 6. Page 2, line 19, by striking the words "affected
29 by the budget" and inserting in lieu thereof the word
30 "residents".

31 7. Page 3, line 5, by striking the number "6"
32 and inserting in lieu thereof the number "5".

33 8. Page 3, by inserting after line 16 the
34 following:

35 "Sec. _____. The state comptroller shall provide
36 within one week of the effective date of this Act
37 instructions and the applicable standard form of
38 notice to be used for compliance with this Act to
39 each clerk, secretary, or auditor of each political
40 subdivision.
41 subdivision.

42 5. Page 5, by striking lines 12 through 17 and
43 inserting in lieu thereof the following:

44 Sec. _____. SPECIAL CHARTERED CITIES. It is the
45 intention of the general assembly that the provisions
46 of this Act shall apply to special chartered cities.
47 The state appeal board may adopt such rules relating
48 to budget forms and procedures as the state appeal
49 board deems necessary to carry out the provisions
50 of this Act regarding special chartered cities."

PAGE 2

9. By renumbering sections to comply with this
amendment.

S-5069 FILED - *Adopted 2/5 (p. 270)*
FEBRUARY 4, 1976

BY NORMAN G. RODGERS
LOWELL L. JUNKINS

1 Amend the amendment, S-5054, to Senate File 1062
2 as follows:

3 1. Page 3, by inserting after line 16 the
4 following:

5 "Sec. ____ . STATE BUDGET LIMITATIONS.

6 1. It is the intention of the general assembly
7 that the provisions of this Act shall apply to state
8 administrative costs paid from the general fund of
9 the state. To determine the total administrative
10 costs of the state to which the allowable growth
11 guideline shall apply, there shall be subtracted
12 from the total state budget the direct and indirect
13 state grants or aids made to local governments of
14 the state and payments made directly to individuals.
15 The state comptroller shall prepare the necessary
16 working papers, defining the state administrative
17 costs subject to limitation, and such working papers
18 shall be filed with the legislative fiscal director
19 by October 1, 1976.

20 2. If the state administrative costs subject to
21 limitation exceed the allowable growth guideline as
22 provided in this Act, the budget of any political
23 subdivision may exceed the allowable growth guideline
24 by the same percentage and such political subdivision
25 shall be exempt from the provisions of section three
26 (3) of this Act if its budget's percentage growth
27 does not exceed the percentage growth of the state
28 administrative costs.

29 3. The provisions of this section shall apply
30 to the budgets prepared for the fiscal year beginning
31 July 1, 1977."

32 2. Page 3, by striking lines 19 through 22, and
33 inserting in lieu thereof the following:

34 "6. Amend the title, line 1, by inserting after
35 the word "for" the words "the state and".

36 3. By renumbering sections to conform to this
37 amendment.

S-5072 FILED - *Adopted 34-14 2/5 (p. 276)*
FEBRUARY 4, 1976

BY RICHARD R. RAMSEY

S-5063

1 Amend Senate File 1062 as follows:

2 1. Page 2, by striking lines 14 and 15, and in-
3 serting in lieu thereof the following: "a. In the
4 case of unusual population increases the appropriate
5 budget review committee shall provide an additional
6 allowable growth percentage as follows:

| | | |
|----|----------------------------|-------|
| 7 | 1. Zero to 2.9% Increase | -0- |
| 8 | 2. 3.0% to 5.9% Increase | 1.0% |
| 9 | 3. 6.0% to 8.9% Increase | 2.0% |
| 10 | 4. 9.0% to 11.9% Increase | 3.0% |
| 11 | 5. 12.0% to 15.0% Increase | 4.0% |
| 12 | 6. Over 15.0% Increase | 5.0%" |

S-5063 FILED - *Withdrawn 2/13 (p. 424)*
FEBRUARY 4, 1976

BY CLIFTON C. LAMBORN

1 Amend the amendment, S-5053, to Senate File 1062
2 as follows:

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

5 "Section 1. NEW SECTION. ALLOWABLE GROWTH
6 REFERENDUM.

7 1. The county commissioner of elections shall
8 publish notice of and place on the ballot at each
9 regular city election in the case of a city and on
10 the ballot at each general election in the case of
11 a county the following proposition: "Shall the annual
12 increase of the city (county) limited budget for each
13 of the two succeeding fiscal years be limited to an
14 allowable growth equivalent to the percentage increase
15 in the consumer price index as computed by the state
16 comptroller?" If a majority of the electors of the
17 respective political subdivisions, voting for or
18 against the proposition, favor the proposition, the
19 allowable growth for the certified limited budget
20 for such political subdivision for each of the two
21 succeeding fiscal years shall be limited as provided
22 in section two (2) of this Act, which limit shall
23 be in lieu of any property tax levy limitation
4 otherwise provided by law.

25 2. The city council and the board of supervisors
26 shall publish notice of and conduct a public hearing
27 on the preliminary budget estimates for the following
two fiscal years not later than ten days before the
respective regular city election or the general
30 election. Notice of the time, date and location of
31 the hearing and a summary of the preliminary budget
32 shall be published at least seven days before such
33 hearing.

34 Sec. 2. NEW SECTION. ALLOWABLE GROWTH LIMITATION.

35 1. The proposed expenditures in the certified
36 limited budget of a political subdivision for each
37 fiscal year during which such political subdivision
38 is subject to the provisions of this Act, shall not
39 exceed the proposed expenditures in the certified
40 limited budget of that political subdivision for the
41 base year, plus the allowable growth for that political
42 subdivision.

43 2. If the governing body of a political subdivision
44 which is subject to the provisions of this Act
45 certifies a limited budget to the county auditor,
46 in excess of the limitation provided for in this Act,
47 the county auditor shall reduce the amount of the
48 proposed expenditures in such budget to the maximum
49 amount allowed under this Act and give written notice
50 to the political subdivision, certifying the amount

1 allowed.

2 Sec. 3. NEW SECTION. SPECIAL CHARTERED CITIES.

3 It is the intention of the general assembly that the
4 provisions of this Act shall apply to special chartered
5 cities. The state appeal board may adopt rules,
6 consistent with the provisions of this Act,
7 establishing procedures and forms applicable to special
8 chartered cities as deemed necessary by the board.

9 Sec. 4. Section twenty-four point three (24.3),
10 subsection four (4), Code 1975, is amended to read
11 as follows:

12 4. ~~A comparison of such-amounts-so-proposed-to~~
13 ~~be-expended-with-the-amounts-expended-for-like-purposes~~
14 ~~for-the-two-preceding-years~~ of the estimated revenue
15 and proposed expenditure with estimated revenue and
16 expenditure of the current budget and with the actual
17 revenue and expenditure for the most recently completed
18 fiscal year.

19 Sec. 5. Section three hundred eighty-four point
20 sixteen (384.16), subsection three (3), Code 1975,
21 as amended by Acts of the Sixty-sixth General Assembly,
22 1975 Session, chapter two hundred three (203), section
23 thirty (30), is amended to read as follows:

24 3. The council shall set a time and place for
25 public hearing on the budget before the final
26 certification date and shall publish notice before
27 the hearing as provided in section 362.3. A summary
28 of the proposed budget shall be included in the notice.
29 The summary shall include a comparison of estimated
30 revenues and proposed expenditures with estimated
31 revenues and expenditures of the current budget and
32 with actual revenues and expenditures for the most
33 recently completed fiscal year. Proof of publication
34 must be filed with the county auditor."

35 2. Page 1, by striking line 4 and inserting in
36 lieu thereof the following:

37 "Sec. 6. TEMPORARY BUDGET LIMITATION FOR CITIES.
38 The maximum amount in dollars which".

39 3. Page 3, by striking line 7 and inserting in
40 lieu thereof the following:

41 "Sec. 7. TEMPORARY BUDGET LIMITATIONS FOR COUNTIES.
42 The maximum amount in dollars which may".

43 4. Page 5, by striking line 11 and inserting in
44 lieu thereof the following:

45 "Sec. 8. TEMPORARY BUDGET LIMITATIONS FOR SPECIAL
46 PURPOSE DISTRICTS. The maximum amount in dollars
47 which may".

48 5. Page 5, by striking line 48 and inserting in
49 lieu thereof the following:

0 "Sec. 9. TEMPORARY BUDGET LIMITATIONS FOR PUBLIC

- 1 HOSPITALS. The maximum amount in dollars which may".
2 6. Page 6, by striking line 16 and inserting in
3 lieu thereof the following:
4 "Sec. 10. TEMPORARY BUDGET LIMITATIONS FOR COUNTY
5 AGRICULTURAL EDUCATION EXTENSION. The maximum amount
6 in dollars which may".
7 7. Page 6, by striking line 24 and inserting in
8 lieu thereof the following:
9 "Sec. 11. TEMPORARY BUDGET LIMITATIONS FOR MERGED
10 AREA SCHOOLS. The maximum amount in dollars which
11 may".
12 8. Page 6, line 33, by striking the words "subject
13 to the provisions of" and inserting in lieu thereof
14 the words "with a budget limited by an allowable
growth rate established in accordance with".
15 9. By renumbering sections and internal references
16 to sections to conform to this amendment.
17

S-5066 FILED & LOST ^{2/4 (p. 244)}
FEBRUARY 4, 1976

BY WILLARD R. HANSEN

S-5064

- 1 Amend Senate File 1062 as follows:
2 1. Page 4, by striking lines 22 through 35 and
3 inserting in lieu thereof the following:
4 "Sec. ____ . MUNICIPAL ENTERPRISES. The provisions
5 of this Act shall not apply to expenditures of a city
6 utility, a city enterprise, a public agency, or a
7 county public hospital, except with respect to
8 transfers of surplus funds of a city utility or city
9 enterprise pursuant to section three hundred eighty-
10 four point eighty-nine (384.89) of the Code to any
11 fund of the city included in the limited budget as
12 defined in section one (1), subsection three (3),
13 of this Act and such transfers shall be subject to
14 the allowable growth provided in section two (2) of
15 this Act.
16 For purposes of this section, "city utility" means
17 a city utility as defined in section three hundred
18 sixty-two point two (362.2), subsection twenty-two
19 (22), of the Code, "city enterprise" means a city
20 enterprise as defined in section three hundred eighty-
21 four point twenty-four (384.24) of the Code and
22 includes combined utility systems and combined city
23 enterprises as defined in section three hundred eighty-
24 four point eighty (384.80) of the Code, and "public
25 agency" means a public agency as defined in sections
26 twenty-eight E point two (28E.2) and twenty-eight
27 F point two (28F.2) of the Code."
28 2. Page 5, by striking lines 1 through 11.

S-5064 FILED - *Adopted 2/12, 36-12*
FEBRUARY 4, 1976 *p. 390*

BY COMMITTEE ON WAYS AND MEANS
NORMAN RODGERS, Chairperson

Amend Senate File 1062 as follows:

1. By striking everything after the enacting clause and inserting in lieu thereof the following:
 "Section 1. Section four hundred twenty-two point sixty-nine (422.69), Code 1975, is amended by adding the following new subsection:

NEW SUBSECTION. During the last quarter of each fiscal year the amounts specified in this subsection from the gross receipts from the sales tax collected under division four (IV) of this chapter for the fiscal year shall be transferred to the local tax fund hereby created in the office of the treasurer of state. The remainder of the net receipts from the sales tax shall be credited to the general fund of the state.

a. For the fiscal year beginning July 1, 1975, an amount equal to twenty percent of the net receipts from one-third of the sales tax.

b. For the fiscal year beginning July 1, 1976, an amount equal to forty percent of the net receipts from one-third of the sales tax.

c. For the fiscal year beginning July 1, 1977, an amount equal to sixty percent of the net receipts from one-third of the sales tax.

d. For the fiscal year beginning July 1, 1978, an amount equal to eighty percent of the net receipts from one-third of the sales tax.

e. For the fiscal year beginning July 1, 1979 and each succeeding fiscal year, an amount equal to one-third of the sales tax.

Annually, the treasurer of state shall transfer three-fourths of the funds in the local tax fund to the municipal assistance fund created by section four hundred five point one (405.1) of the Code. The remainder of the funds in the local tax fund shall be transferred to the county government assistance fund.

Sec. 2. NEW SECTION. There is created a "county government assistance fund" in the office of the treasurer of state. The moneys appropriated to such fund shall be used to provide financial assistance to counties.

On or before December fifteenth of each year, the state comptroller shall distribute the funds in the county government assistance fund to each county in the state in the proportion that the population residing in the unincorporated area of each county is to the total population residing in unincorporated areas of all of the counties.

For purposes of this section "population" shall

Page 2

1 be based on the most recent federal census.

2 Sec. 3. NEW SECTION. It is the intent of the
 3 general assembly that cities and counties use funds
 4 received under this Act to replace property tax dollars
 to provide property tax relief for persons residing
 within the city or county."

7 2. Amend the title, line 1, by striking the words
 8 "budget limitations" and inserting in lieu thereof
 9 the words "financial assistance".

S-5057

Amend Senate File 1062 as follows:

1. Page 5, by inserting after line 11 the following:

"Sec. _____. Section four hundred twenty-two point forty-three (422.43), unnumbered paragraphs one (1), two (2), seven (7), and eight (8), Code 1975, are amended to read as follows:

There is hereby imposed a tax of three four per cent upon the gross receipts from all sales of tangible personal property, consisting of goods, wares, or merchandise, except as otherwise provided in this division, sold at retail in the state to consumers or users; a like rate of tax upon the gross receipts from the sales, furnishing or service of gas, electricity, water, heat, and communication service, including the gross receipts from such sales by any municipal corporation furnishing gas, electricity, water, heat, and communication service to the public in its proprietary capacity, except as otherwise provided in this division, when sold at retail in the state to consumers or users; and a like rate of tax upon the gross receipts from all sales of tickets or admissions to places of amusement, athletic events including those of educational institutions, fairs; and a like rate of tax upon that part of private club membership fees or charges paid for the privilege of participating in any athletic sports provided club members.

There is hereby imposed a tax of three four per cent upon the gross receipts derived from the operation of all forms of amusement devices and games of skill, games of chance, raffles and bingo games as defined in chapter 99B, and commercial amusement enterprises operated or conducted within the state of Iowa, such tax to be collected from the operator in the same manner as is provided for the collection of taxes upon the gross receipts of tickets or admission as provided in this section.

The tax herein levied shall be computed and collected as hereinafter provided. The tax herein imposed shall be at the rate of three four percent.

There is hereby imposed, a tax of three four per cent upon the gross receipts from the rendering, furnishing, or performing of services as defined in section 422.42.

Sec. _____. Section four hundred twenty-two point sixty-nine (422.69), Code 1975, is amended by adding the following new subsection:

NEW SUBSECTION. During the last quarter of the fiscal year beginning July 1, 1976, and for each

1 succeeding fiscal year, an amount equal to one-fourth
2 of the net receipts from the sales tax collected under
3 division four (IV) of this chapter and the use tax
4 collected under chapter four hundred twenty-three
5 (423) of the Code for the fiscal year shall be
6 transferred to the "local tax fund" hereby created
7 in the office of the treasurer of state. The remainder
8 of the net receipts from the sales tax shall be
9 credited to the general fund of the state.

10 Sec. ____ Section four hundred twenty-three point
11 two (423.2), Code 1975, is amended to read as follows:

12 423.2 IMPOSITION OF TAX. An excise tax is hereby
13 imposed on the use in this state of tangible personal
14 property purchased for use in this state, at the rate
15 of ~~three~~ four percent of the purchase price of such
16 property. Said tax is hereby imposed upon every per-
17 son using such property within this state until such
18 tax has been paid directly to the county treasurer
19 or department of public safety to a retailer, or to
20 the department as hereinafter provided. An excise
21 tax is hereby imposed on the use in this state of
22 services enumerated in section 422.43 at the rate
23 of ~~three~~ four percent. Said tax shall be applicable
24 where services are rendered, furnished, or performed
25 in this state or where the product or result of such
26 service is used in this state. Such tax is imposed
27 on every person using such services or the product
28 of such services in this state until such user has
29 paid such tax either to an Iowa use tax permit holder
30 or has paid such tax to the department of revenue.

31 Sec. ____ NEW SECTION. The treasurer of state shall
32 allocate to the municipal assistance fund that portion
33 of the moneys in the local tax fund which is in the
34 same proportion that the population of all of the
35 cities in the state is to the total population of
36 the state. The remaining funds in the local tax fund
37 shall be allocated to the county government assistance
38 fund.

39 Sec. ____ NEW SECTION. On or before December 15,
40 1976, and December fifteenth of each succeeding year
41 the state comptroller shall distribute the funds in
42 the county government assistance fund to each county
43 in the state in the proportion that the population
44 residing in the unincorporated area of each county
45 is to the total population residing in unincorporated
46 areas of all of the counties except as otherwise
47 provided in section eight (8) of this Act.

48 For purposes of this section "population" shall
49 be based on the most recent federal census.

50 Sec. ____ NEW SECTION. Moneys allocated to the

1 municipal assistance fund under section four (4) of
2 this Act shall be apportioned in the manner provided
3 in chapter four hundred five (405) of the Code except
4 as otherwise provided in section seven (7) of this
5 Act.

6 Sec. NEW SECTION. CITY PROPERTY TAX RELIEF.
7 All moneys received by a city under the provisions
8 of this Act shall be deposited in the general fund
9 of the city and may be expended for any lawful city
10 purpose. However, the city treasurer, or another
11 city official designated by the council, shall credit
12 one-half of the moneys received to a special account
13 for property tax relief. Before the levies authorized
14 under section three hundred eighty-four point one
15 (384.1) of the Code are certified to the county
16 auditor, the certifying official shall subtract from
17 the total amount computed in dollars, as provided
18 in section four hundred forty-four point two (444.2)
19 of the Code, an amount equal to the amount credited
20 to the special account for property tax relief during
21 the last preceding twelve-month period, and shall
22 certify only the net amount to the county auditor
23 and board of supervisors. The limit on a city's tax
24 levy for the general fund, as stated in section three
25 hundred eight-four point one (384.1) of the Code,
26 shall be reduced each year by the levy which would
27 be necessary to replace the amount credited to the
28 special account for property tax relief during the
29 last preceding twelve-month period. The county auditor
30 shall base the levies authorized under section four
31 hundred forty-four point three (444.3) of the Code
32 upon the net amount so computed. In order for a city
33 to be qualified to receive remittances in succeeding
34 fiscal years from the treasurer of state under this
35 Act, the city clerk, before July 15, 1977, and July
36 fifteenth of each succeeding year, shall certify to
37 the treasurer of state that the required reduction
38 in the amount certified to the county auditor and
39 board of supervisors for city taxes has been made.

40 Moneys which become available in any succeeding
41 fiscal year because a city has failed to comply with
42 the provisions of this Act shall be apportioned among
43 the other cities in the manner provided in this Act.

44 Sec. NEW SECTION. COUNTY PROPERTY TAX RE-
45 LIEF. All moneys received by a county under the
46 provisions of this Act may be expended for any law-
47 ful county government purpose applicable to the un-
48 incorporated area of the county. However, the county
49 treasurer shall credit one-half of the moneys received
50 to a special account for property tax relief. Before

1 the levies authorized under section four hundred
 2 forty-four point nine (444.9) of the Code are made,
 3 the board of supervisors shall subtract from the total
 4 amount computed in dollars, as provided in section
 5 four hundred forty-four point two (444.2) of the Code,
 6 an amount equal to the amount credited to the special
 7 account for property tax relief during the last
 8 preceding twelve-month period, and shall base the
 9 levies authorized under section four hundred forty-
 10 four point nine (444.9) of the Code upon the net
 11 amount so computed. In order for a county to be
 12 qualified to receive remittances in succeeding fiscal
 13 years from the treasurer of state under this Act,
 14 the board of supervisors, before July fifteenth of
 15 each year, shall certify to the treasurer of state
 16 that the required reduction has been made.

17 Moneys which become available in any succeeding
 18 fiscal year because a county has failed to comply
 19 with the provisions of this Act shall be apportioned
 20 among the remaining counties in the manner provided
 21 in this Act."

22 2. Amend the title, lines 1 and 2, by inserting
 23 after the word "limitations" the words "and increasing
 the sales and use tax rate to provide property tax
 replacement funds".

S-5057 FILED - *Withdrawn 2/13 (430)*
 FEBRUARY 4, 1976

BY JAMES W. GRIFFIN, SR.

S-5058

1 Amend the Griffin amendment, S-5053, to Senate
 2 File 1062 as follows:

3 1. Page 1, lines 16 and 17, by striking the
 4 word and figure "one (1)" and inserting in lieu
 5 thereof the word and figure "eight (8)".

6 2. Page 3, line 33, by striking the word and
 7 figure "fourteen (165.14)" and inserting in lieu
 8 thereof the word and figure "eighteen (165.18)".

9 3. Page 4, lines 35 and 36, by striking the
 10 words and figure "three hundred fifty-eight A
 11 point eighteen (358A.18)" and inserting in lieu
 12 thereof the words and figure "three hundred fifty-
 13 eight B point eighteen (358B.18)".

FILED & ADOPTED (*p. 243*)
 February 4, 1976

By JAMES E. GRIFFIN

S-5060

1. Amend Senate File 1062 as follows:
 2. 1. Title page by striking line 3.

~~S-5060 FILED & WITHDRAWN~~ (*p. 243*)
 FEBRUARY 4, 1976

BY *Mr.* R. RABEDEAUX

1 Amend Senate File 1062 as follows:

2 1. Page 1, line 4, by inserting after the word
3 "other" the word "local".

4 2. Page 1, by striking lines 24 through 30, inclu-
5 sive, and inserting in lieu thereof the following:

6 "4. "Allowable growth guideline" means an increase
7 in the proposed expenditures in the budget of a
8 political subdivision for a fiscal year equal to seven
9 percent of the proposed expenditures in the certified
10 budget of such political subdivision for the base
11 year.

12 5. "Person" means eligible elector as defined
13 in section thirty-nine point three (39.3) of the
14 Code."

15 3. By striking page 1, line 31 through page 4,
16 line 21, and inserting in lieu thereof the following:

17 "Sec. 2. BUDGET PROCESS--NOTICE AND PUBLIC HEARING.

18 In addition to the requirements of chapters twenty-
19 four (24) and three hundred eighty-four (384), division
20 two (II), of the Code relating to the publication
21 of notice and public hearing on a budget of a political
22 subdivision, the public notice of a hearing on a
23 budget shall include the following information:

24 1. The percentage and the dollar amount increase
5 or decrease for the total budget of the political
6 subdivision.

27 2. The percentage and the dollar amount increase
28 or decrease of each fund included in the proposed
29 budget.

30 3. A statement showing the allowable growth
31 guideline established by the general assembly and
32 the dollar amount of increase represented by such
33 guideline for the proposed budget of the political
34 subdivision.

35 4. A statement of the major reasons for the
36 proposed increases in the budget.

37 5. A comparison of the percentages and dollar
38 amounts proposed to be expended with the percentages
39 and dollar amounts expended during the preceding
40 fiscal year.

41 The provisions of this section shall not apply
42 to publication of notice for a hearing on a budget
43 for the fiscal year beginning July 1, 1976 required
44 under section twenty-four point nine (24.9) or three
45 hundred eighty-four point sixteen (384.16) of the
46 Code if the notice of hearing has been published
47 before the effective date of this Act, but this sec-
48 tion shall apply to any other notice for a hearing
49 on a budget or amendment to a budget required by this
50 Act or other provision of law for the fiscal years

1 beginning July 1, 1976 and July 1, 1977.

2 Sec. 3. ALLOWABLE GROWTH GUIDELINE EXCEEDED--
3 ADDITIONAL PUBLIC HEARING. If a political subdivision
4 approves a budget which exceeds the allowable growth
5 guideline following the public hearing required under
6 chapter twenty-four (24) or three hundred eighty-four
7 (384), division two (II), of the Code, the governing
8 body of such political subdivision shall withhold
9 certification of such budget to the county auditor
10 for at least seven days following such approval.
11 If, during the seven days following approval of the
12 budget, a valid petition signed by at least five
13 persons who are affected by the budget of a political
14 subdivision having a population of one hundred persons
15 or less, at least ten persons who are affected by
16 the budget of a political subdivision having a
17 population of more than one hundred but not more than
18 five hundred persons, or at least twenty-five persons
19 who are affected by the budget of a political
20 subdivision having a population of more than five
21 hundred persons, is filed with the governing body
22 of a political subdivision requesting another public
23 hearing, the governing body shall publish notice of
24 and conduct such public hearing not later than April
25 fifth. The date, time and location of the public
26 hearing and the information required to be published
27 under section two (2) of the Act, shall be published
28 in a newspaper having general circulation throughout
29 the political subdivision not less than five days
30 before the date specified for such hearing.
31 Thereafter, the budget shall be approved and certified,
32 with or without changes that may be made after the
33 hearings, to the county auditor not later than April
34 fifth.

35 Sec. 4. EXCEPTION TO DATES FOR BUDGET APPEAL.
36 Notwithstanding sections twenty-four point twenty-
37 seven (24.27) through twenty-four point thirty-two
38 (24.32), inclusive, and three hundred eighty-four
39 point nineteen (384.19) of the Code, persons affected
40 by a certified budget of a political subdivision
41 which has exceeded the allowable growth guideline,
42 shall have ten days following certification of such
43 budget to file a petition to appeal to the state
44 appeal board. All other time limitations or dates
45 specified in sections twenty-four point twenty-seven
46 (24.27) through twenty-four point thirty-two (24.32),
47 inclusive, and three hundred eighty-four point nineteen
48 (384.19) of the Code shall be correspondingly changed
49 or extended to allow the same amount of time for the
50 protest hearing and the decision of the state board

1 that would exist had the appeal to the state appeal
2 board been filed as provided in section twenty-four
3 point twenty-seven (24.27) or three hundred eighty-
4 four point nineteen (384.19) of the Code.

5 Sec. 6. BUDGET APPEAL NOT AFFECTED. The provisions
6 of this Act shall not be construed to prohibit or
7 affect a protest filed with the state appeal board
8 against a budget which has not equaled or exceeded
9 the allowable growth guideline provided for in this
10 Act."

11 4. Page 5, by inserting after line 17 the
12 following:

13 "Sec. _____. BUDGETS AFFECTED. The provisions of
14 this Act shall apply to the budgets of a political
15 subdivision for the fiscal years beginning July 1,
16 1976 and July 1, 1977."

17 5. By renumbering sections to conform to this
18 amendment.

19 6. Amend the title, line 1, by striking the words
20 "limitations" and inserting in lieu thereof the words
21 "hearing procedures and budget expenditure guide-
22 lines".

S-5054 FILED - *Case 2/5 as amended by 5061, 5065, 5069, 5072, 5074*
FEBRUARY 3, 1976 *13-26 (p. 282)* BY LOWELL L. JUNKINS
Motion to reconsider filed 2/5 (283) FORREST SCHWENGELS
" withdrawn 2/13 (430) W. R. RABEDAUX
FRED NOLTING

JAMES REDMOND
JAMES BRILES
EARL M. WILLITS
JAMES W. GRIFFIN, SR.
IRVIN BERGMAN
MILO MERRITT
CALVIN HULTMAN
CHARLES P. MILLER
LEONARD ANDERSEN
WILLIAM PALMER
LOUIS CULVER
BERL PRIEBE
JAMES GALLAGHER
JOHN MURRAY
E. KEVIN KELLY
C. JOSEPH COLEMAN
JOAN ORR
RICHARD NORPEL, SR.
MINNETTE DODERER
ROBERT CARR
CLOYD ROBINSON
KARL NOLIN

- 1 Amend the amendment, S-5046, to Senate File 1062
 2 as follows:
 3 1. Page 1, by striking lines 6 and 7, and inserting
 4 in lieu thereof the following:
 5 "2. "Political subdivision" means any city, county,
 6 or other local public body or corporation that has
 7 the power to levy or certify a property tax or sum
 8 of money to be collected by property taxation."
 9 2. Page 1, line 20, by striking the word "and".
 10 3. Page 1, line 23, by inserting after the word
 11 "Act" the words "and that part of the budget of a
 12 school corporation subject to limitation under chapter
 13 four hundred forty-two (442) of the Code, but including
 14 the budget of an area education agency established
 15 under chapter two hundred seventy-three (273) of the
 16 Code".
 17 4. Page 1, line 43, by striking the words "a
 18 county" and inserting in lieu thereof the words "any
 19 other political subdivision".
 20 5. Page 1, line 44, by striking the word "(county)"
 21 and inserting in lieu thereof the words "(name of
 22 other political subdivision)".
 23 6. Page 2, line 7, by striking the words "board
 24 of supervisors" and inserting in lieu thereof the
 25 words "governing body of any other political
 26 subdivision".
 27 7. Page 3, line 33, by striking the words "a
 28 county" and inserting in lieu thereof the words "any
 29 political subdivision except a city".

S-5055 FILED - *Revised out of order* BY CALVIN O. HULTMAN
 FEBRUARY 3, 1976 *2/4 (p. 243)*

S-5056

- 1 Amend Senate File 1062 as follows:
 2 1. Page 5, by inserting after line 17 the
 3 following:
 4 "Sec. _____. FUNDING OF ADDITIONAL DUTIES OR
 5 FUNCTIONS. If an Act or resolution of the general
 6 assembly or an administrative rule promulgated by
 7 a state agency imposes a duty or function which has
 8 a fiscal impact on a local budget requiring additional
 9 expenditures upon the governing body or any officer
 10 or employee of a city, county, or any other local
 11 public body or corporation that has the power to levy
 12 or certify a property tax or sum of money to be
 13 collected by property taxation, the governing body
 14 or any officer or employee of such local governmental
 15 entity shall not be required to carry out such duty
 16 or function unless the general assembly appropriates
 17 moneys or the state agency provides a grant of moneys
 18 to such local governmental entity specifically to
 19 pay the cost of carrying out such duty or function."
 20 2. By renumbering sections to conform to this
 21 amendment.

S-5056 FILED - *Amended by 5146 and* BY RAY TAYLOR
 FEBRUARY 3, 1976 *adopted 2/13*
26-19 (p. 431)

S-5053

Amend Senate File 1062 as follows:

1. By striking everything after the enacting clause and inserting in lieu thereof the following:
"Section 1. The maximum amount in dollars which may be levied by a city with a population of more than five hundred for the fiscal years beginning July 1, 1976 and July 1, 1977 over the amount in dollars levied for the previous fiscal year shall be limited to an increase of seven percent for each of the following designated property tax levies:
 1. The general fund levy authorized pursuant to section three hundred eighty-four point one (384.1) of the Code.
 2. The tax levy for the support of a municipal band authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection one (1), of the Code.
 3. The tax levy for development, operation, and maintenance of a memorial building or monument authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection two (2), of the Code.
 4. The tax levy for the support of a symphony orchestra authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection three (3), of the Code.
 5. The tax levy for the operation of cultural and scientific facilities authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection four (4), of the Code.
 6. The tax levy to aid in the construction of a county bridge authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection five (5), of the Code.
 7. The tax levy to aid a company incorporated under the laws of this state in the construction of a highway or combination bridge across any navigable river of this state, commencing or terminating in the city and suitable for use as highway, or for both highway and railway purposes authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection six (6), of the Code.
 8. The tax levy for the purpose of purchasing a bridge authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection seven (7), of the Code.
 9. The tax levy for aid to a public transportation company authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection nine (9), of the Code.

- 1 10.. The tax levy for the operation and maintenance
2 of a municipal transit system and for the creation
3 of a reserve fund for the system authorized pursuant
4 to section three hundred eighty-four point twelve
5 (384.12), subsection ten (10), of the Code.
- 6 11. The tax levy for the lease of a building or
7 complex of buildings to be operated as a civic center
8 authorized pursuant to section three hundred eighty-
9 four point twelve (384.12), subsection eleven (11),
10 of the Code.
- 11 12. The tax levy for operating and maintaining
12 a civic center owned by a city authorized pursuant
13 to section three hundred eighty-four point twelve
14 (384.12), subsection twelve (12), of the Code.
- 15 13. The tax levy for planning a sanitary disposal
16 system authorized pursuant to section three hundred
17 eighty-four point twelve (384.12), subsection thirteen
18 (13), of the Code.
- 19 14. The tax levy for an aviation authority
20 authorized pursuant to section three hundred eighty-
21 four point twelve (384.12), subsection fourteen (14),
22 of the Code.
- 23 15. The tax levy for an authority for a joint
24 city-county building authorized pursuant to section
25 three hundred eighty-four point twelve (384.12),
26 subsection fifteen (15), of the Code.
- 27 16. The tax levy for a levee improvement fund
28 authorized pursuant to section three hundred eighty-
29 four point twelve (384.12), subsection sixteen (16),
30 of the Code.
- 31 17. The tax levy to aid a railway authorized
32 pursuant to section three hundred eighty-four point
33 twelve (384.12), subsection seventeen (17), of the
34 Code.
- 35 18. The tax levy to maintain an institution
36 received by gift or devise authorized pursuant to
37 section three hundred eighty-four point twelve
38 (384.12), subsection eighteen (18), of the Code.
- 39 19. The tax levy to pay the premium costs on tort
40 liability insurance authorized pursuant to section
41 three hundred eighty-four point twelve (384.12),
42 subsection nineteen (19), of the Code.
- 43 20. The tax levy authorized pursuant to section
44 three hundred forty-six point twenty-six (346.26)
45 of the Code.
- 46 21. The tax levy for the emergency fund authorized
47 pursuant to section three hundred eighty-four point
48 eight (384.8) of the Code.
- 49 22. The tax levy for the purpose of paying the
50 costs of operating, maintaining, and managing a zoo

1 or zoological garden authorized pursuant to section
2 three hundred ninety-four point three (394.3) of the
3 Code.

4 23. The tax levy for the use of a zoo or zoological
5 garden authorized pursuant to section three hundred
6 ninety-four point four (394.4) of the Code.

7 Sec. 2. The maximum amount in dollars which may
8 be levied by a county for the fiscal years beginning
9 July 1, 1976 and July 1, 1977 over the amount in
10 dollars levied for the previous fiscal year shall
11 be limited to an increase of seven percent for each
12 of the following designated property tax levies:

13 1. The tax levy for the emergency fund authorized
14 pursuant to section twenty-four point six (24.6) of
15 the Code.

16 2. The tax levy for the development, operation,
17 and maintenance of a memorial building or monument
18 authorized pursuant to section thirty-seven point
19 eight (37.8) of the Code.

20 3. The tax levy for the purchase of voting machines
21 authorized pursuant to section fifty-two point three
22 (52.3) of the Code.

23 4. The tax levy for the county conservation board
24 authorized pursuant to section one hundred eleven
25 A point six (111A.6) of the Code.

26 5. The tax levy for indemnity payments and the
27 inspection and testing program relating to bovine
28 brucellosis eradication authorized pursuant to section
29 one hundred sixty-four point twenty-three (164.23)
30 of the Code.

31 6. The tax levy for the bovine tuberculosis
32 eradication fund authorized pursuant to section one
33 hundred sixty-five point fourteen (165.14) of the
34 Code.

35 7. The tax levy for the fairground fund authorized
36 pursuant to sections one hundred seventy-four point
37 thirteen (174.13) and one hundred seventy-four point
38 seventeen (174.17) of the Code.

39 8. The tax levy for the purpose of maintaining
40 a county or multicounty juvenile home authorized
41 pursuant to section two hundred thirty-two point
42 twenty-two (232.22) of the Code.

43 9. The tax levy for the veteran affairs fund
44 authorized pursuant to section two hundred fifty point
45 one (250.1) of the Code.

46 10. The tax levy for the poor fund authorized
47 pursuant to sections two hundred fifty-two point
48 forty-three (252.43) through two hundred fifty-two
49 point forty-five (252.45) of the Code.

50 11. The tax levy for secondary road construction

1 and maintenance authorized pursuant to section three
2 hundred nine point seven (309.7) of the Code.

3 12. The tax levy for the road clearing fund
4 authorized pursuant to section three hundred seventeen
5 point nineteen (317.19) of the Code.

6 13. The tax levy for the purchase of weed
7 eradicating equipment and materials authorized pursuant
8 to section three hundred seventeen point twenty
9 (317.20) of the Code.

10 14. The tax levy for an aviation authority
11 authorized pursuant to section three hundred thirty
12 A point fifteen (330A.15) of the Code.

13 15. The tax levy for the maintenance and
14 improvement of cemeteries in the county authorized
15 pursuant to section three hundred thirty-two point
16 three (332.3) of the Code.

17 16. The tax levy for public disposal grounds
18 authorized pursuant to section three hundred thirty-
19 two point thirty-two (332.32) of the Code.

20 17. The tax levy for the county indemnification
21 fund authorized pursuant to section three hundred
22 thirty-two point thirty-eight (332.38) of the Code.

23 18. The tax levy for the operation, control,
24 maintenance, and management of health centers
25 authorized pursuant to section three hundred forty-
26 six A point two (346A.2) of the Code.

27 19. The tax levy for the payment of claims for
28 bounties on wild animals authorized pursuant to section
29 three hundred fifty point eight (350.8) of the Code.

30 20. The tax levy for the maintenance of a county
31 library authorized pursuant to section three hundred
32 fifty-eight B point thirteen (358 B.13) of the Code.

33 21. The tax levy for the entering of contracts
34 for the use of city libraries authorized pursuant
35 to section three hundred fifty-eight A point eighteen
36 (358A.18) of the Code.

37 22. The tax levy for ordinary county revenue and
38 the election expense fund authorized pursuant to
39 section four hundred forty-four point nine (444.9)
40 of the Code.

41 23. The tax levy for the court expense fund
42 authorized pursuant to section four hundred forty-
43 four point ten (444.10) of the Code.

44 24. The tax levy for the county orphan fund
45 authorized pursuant to section four hundred forty-
46 four point eleven (444.11) of the Code.

47 25. The tax levy for the purpose of planning a
48 sanitary disposal project or of paying interest and
49 principal on bonds issued pursuant to section three
50 hundred forty-six point twenty-three (346.23) of the

1 Code which levy is authorized pursuant to section
2 four hundred fifty-five B point eighty-one (455B.81)
3 of the Code.

4 26. The tax levy for flood and erosion control
5 projects authorized pursuant to section four hundred
6 sixty-seven B point nine (467B.9) of the Code.

7 27. The tax levy for the maintenance of property
8 received by a county by gift or devise authorized
9 pursuant to section five hundred sixty-five point
10 eight (565.8) of the Code.

11 Sec. 3. The maximum amount in dollars which may
12 be levied by a special purpose district for the fiscal
13 years beginning July 1, 1976 and July 1, 1977 over
14 the amount in dollars levied for the previous fiscal
15 year shall be limited to an increase of seven percent
16 for each of the following designated property tax
17 levies:

18 1. The tax levy by a benefited water district
19 for the maintenance of the water system authorized
20 pursuant to section three hundred fifty-seven point
21 twenty-five (357.25) of the Code.

22 2. The tax levy by a benefited fire district to
23 provide fire protection within the district authorized
24 pursuant to section three hundred fifty-seven B point
25 three (357B.3) of the Code and the levy authorized
26 pursuant to section three hundred fifty-seven B point
27 five (357B.5) of the Code which permits the county
28 board of supervisors to continue the levy upon
29 dissolution of the district until all debts and obliga-
30 tions of the dissolved district are paid.

31 3. The tax levy by a benefited street lighting
32 district authorized pursuant to section three hundred
33 fifty-seven C point seven (357C.7) and three hundred
34 fifty-seven C point eleven (357C.11) of the Code.

35 4. The tax levy authorized pursuant to section
36 four hundred sixty-six point four (466.4) of the Code
37 permitting a levy sufficient to raise the amount
38 necessary for maintenance of a system to provide
39 internal drainage necessary by the construction of
40 a levee along a navigable stream forming a part of
41 the boundary of the state.

42 5. The tax levy for a soil conservation district
43 authorized pursuant to section four hundred sixty-
44 seven A point twenty (467A.20) of the Code.

45 6. The tax levy authorized pursuant to section
46 four hundred eighty-three point one (483.1) of the
47 Code to provide aid to railroads.

48 Sec. 4. The maximum amount in dollars which may
49 be levied by a public hospital for the fiscal years
50 beginning July 1, 1976 and July 1, 1977 over the

1 amount in dollars levied for the previous fiscal year
2 shall be limited to an increase of seven percent for
3 each of the following designated property tax levies:

4 1. The emergency tax levy authorized pursuant
5 to section twenty-four point six (24.6) of the Code.

6 2. The tax levy for the operation, equipping,
7 maintenance, improvement, and replacement of a county
8 public hospital authorized pursuant to sections three
9 hundred forty-seven point seven (347.7) and three
10 hundred forty-seven point twenty-seven (347.27) of
11 the Code.

12 3. The tax levy for the operation and maintenance
13 of a county hospital authorized pursuant to section
14 three hundred forty-seven A point three (347A.3) of
15 the Code.

16 Sec. 5. The maximum amount in dollars which may
17 be levied for the county agricultural extension
18 education program authorized pursuant to section one
19 hundred seventy-six A point ten (176A.10) of the Code
20 for the fiscal years beginning July 1, 1976 and July
21 1, 1977 over the amount in dollars levied for the
22 previous fiscal year shall be limited to an increase
23 of seven percent.

24 Sec. 6. The maximum amount in dollars which may
25 be levied by a merged area school for general
26 operations authorized pursuant to section two hundred
27 eighty A point seventeen (280A.17) of the Code for
28 the fiscal year beginning July 1, 1976 and July 1,
29 1977 over the amount in dollars levied for the pre-
30 vious fiscal year shall be limited to an increase
31 of seven percent.

32 Sec. 7. A political subdivision of the state
33 subject to the provisions of this Act may initiate
34 an appeal with the appropriate budget review committee
35 as designated in section nine (9) of this Act, based
36 upon a natural disaster or any unusual circumstances,
37 which creates the need for additional funds. The
38 appropriate budget review committee may waive the
39 maximum amount of dollars which may be levied under
40 the provisions of this Act or the levy limitations
41 provided by law or grant supplemental assistance to
42 the political subdivision of the state from any funds
43 appropriated for this purpose.

44 Sec. 8. There is created a county budget review
45 committee consisting of the following five members:

46 1. The state comptroller or his designee who shall
47 serve as chairperson.

48 2. Three county officers appointed by the governor,
49 one member selected from a county having an assessed
50 valuation of:

1 a. Less than ninety-six million three hundred
2 thousand dollars.

3 b. Ninety-six million three hundred thousand
dollars or more but less than one hundred eighteen
million five hundred twenty thousand dollars.

6 c. One hundred eighteen million five hundred
7 twenty thousand dollars or more.

8 3. The certified public accountant appointed to
9 the city finance committee under section three hundred
10 eighty-four point thirteen (384.13) of the Code.

11 In addition to the circumstances creating a vacancy
12 under section sixty-nine point two (69.2) of the Code,
13 a vacancy shall exist when a county officer appointed
14 under subsection two (2) of this section no longer
15 holds a county office which qualifies such officer
16 for appointment to this committee.

17 The county budget review committee shall meet at
18 the call of the chairperson and adopt its own rules
19 of procedure. The committee may hold public hearings.
20 Actions taken or rules promulgated by the committee
21 shall be subject to the provisions of chapter seventeen
22 A (17A) of the Code.

23 The committee members, except the state comptroller
24 and county officers who are full-time public officers,
25 are entitled to a per diem of forty dollars for each
26 day spent in the performance of committee duties and
27 each member is entitled to reimbursement for his
28 actual and necessary expenses incurred in performance
of committee duties. The per diem and expenses shall
be paid from funds appropriated to the state
comptroller.

32 Sec. 9. The appropriate budget review committee
33 to which a political subdivision may appeal is as
34 follows:

35 1. The city finance committee created under section
36 three hundred eighty-four point thirteen (384.13)
37 of the Code for any city subject to the provisions
38 of this Act.

39 2. The school budget review committee created
40 under section four hundred forty-two point twelve
41 (442.12) of the Code for a merged area school created
42 under chapter two hundred eighty A (280A) of the Code.

43 3. The county budget review committee for any
44 other political subdivision of the state subject to
45 provisions of this Act.

46 Sec. 10. Nothing in this Act shall be construed
47 to prevent an appeal of a decision made by a budget
48 review committee designated in section nine (9) of
49 this Act to the state appeal board.

50 Sec. 11. There is appropriated from the general

1 fund of the state to the county budget review committee
2 established in this Act for the fiscal year beginning
3 July 1, 1976 and ending June 30, 1977, the sum of
4 one million (1,000,000) dollars, or so much thereof
5 as may be necessary, to be used to provide financial
6 assistance to counties who in the judgment of the
7 county budget review committee have meritorious and
8 unusual needs beyond their reasonable capacity to
9 fund.

10 Sec. 12. There is appropriated from the general
11 fund of the state to the city finance committee
12 established in chapter three hundred eighty-four point
13 thirteen (384.13) of the Code for the fiscal year
14 beginning July 1, 1976 and ending June 30, 1977, the
15 sum of one million (1,000,000) dollars, or so much
16 thereof as may be necessary, to be used to provide
17 financial assistance to cities who in the judgment
18 of the city finance committee have meritorious and
19 unusual needs beyond their reasonable capacity to
20 fund.

21 Sec. 13. This Act, being deemed of immediate
22 importance, shall take effect and be in force from
23 and after its publication in The Council Bluffs Nonpareil
24 a newspaper published in Council Bluffs, Iowa, and
25 in S-R Advocate News, a newspaper published
26 in Wilton, Iowa."

27 2. Amend the title, line 2, by inserting after
3 the word "state" the words "and making an
9 appropriation".

S-5053 FILED - *Amended & lost* BY JAMES W. GRIFFIN, SR.
FEBRUARY 2, 1976 *2/4 (p. 247)*

S-5061

1 Amend the Junkins, et al. amendment, S-5054,
2 to Senate File 1062 as follows:
3 1. Page 1, line 11, by adding after the word
4 "year." the following: "In no event shall the
5 allowable growth guideline permit an increase
6 in proposed expenditures in excess of the expend-
7 itures authorized under the property tax limitations
8 otherwise provided by law."

S-5061 FILED - *Adopted 2/5 (p. 268)*
FEBRUARY 4, 1976

BY NORMAN RODGERS

S-5052

1 Amend Senate File 1062 as follows:

2 1. Page 4, by inserting after line 21, the
3 following:

4 "Sec. 6. REFERENDUM.

5 1. For the fiscal year beginning July 1, 1977,
6 if the governing body of a political subdivision which
7 certifies or levies a property tax on a citywide or
8 countywide basis as applicable, wishes to spend more
9 than the amount authorized under the allowable growth
10 limitations provided in section two (2) of this Act,
11 the governing body shall direct the county commissioner
12 of elections to publish notice of and conduct a special
13 election on the question not later than February
14 fifteenth of the base year. In addition to any other
15 requirements of law for a city or county election,
16 the notice of election shall contain a comparison
17 of estimated revenues and expenditures for the
18 certified limited budget of the base year and the
19 proposed limited budget, the dollar amount and
20 percentage increase of the proposed budget over the
21 base year's budget, the amount of dollars needed above
22 the allowable growth limitation, and an explanation
23 of the major reasons for the need to exceed the
24 allowable growth limitation. If a majority of the
25 qualified electors voting on the question favor
26 expenditures in excess of the allowable growth
27 limitation, the amount so approved may be included
in the certified budget of the political subdivision
for the fiscal year beginning July 1, 1977.

30 2. The amount approved in excess of the amount
31 of allowable growth authorized under section two (2)
32 of this Act shall be raised by a combination of one-
33 half from a property tax levy and one-half from an
34 income surtax within such city or county if other
35 revenues are not available to meet such proposed
36 expenditures.

37 3. A political subdivision subject to this section
38 shall be exempt from the provisions of sections three
39 (3), four (4), and five (5) of this Act for its limited
40 budget for the fiscal year beginning July 1, 1977.

41 Sec. 7. COMPUTATION OF EXCESS AMOUNT. If a
42 majority of those voting in an election approves the
43 additional amount under section six (6) of this Act,
44 the governing body shall certify to the state
45 comptroller that the required procedures have been
46 carried out, and the state comptroller shall establish
47 the amount of additional property tax to be levied
48 and the amount of income surtax to be imposed for
49 fiscal year for which the additional amount is
50 authorized. The state comptroller shall determine

1 these amounts based upon the most recent figures
2 available for the political subdivision's valuation
3 of taxable property, individual state income tax paid
4 and shall certify to the political subdivision's
5 county auditor the amount of property tax, and to
6 the director of revenue the amount of income surtax
7 to be imposed.

8 The income surtax shall be imposed on the state
9 individual income tax for the calendar year during
10 which the budget year begins, or for a taxpayer's
11 fiscal year ending during the second half of that
12 calendar year or the first half of the succeeding
13 calendar year, and shall be imposed on all individuals
14 residing in the political subdivision on the last
15 day of the applicable tax year. As used in this
16 section, "state individual income tax" means the tax
17 computed under section four hundred twenty-two point
18 five (422.5) of the Code, less the deductions allowed
19 in section four hundred twenty-two point twelve
20 (422.12) of the Code.

21 Sec. 8. INCOME SURTAX PROCEDURES.

22 1. The director of revenue shall administer any
23 political subdivision income surtax imposed under
24 this Act, and all the provisions of sections four
25 hundred twenty-two point twenty (422.20), four hundred
26 twenty-two point twenty-two (422.22) to four hundred
27 twenty-two point thirty-one (422.31), four hundred
28 twenty-two point sixty-eight (422.68), and four hundred
29 twenty-two point seventy-two (422.72) to four hundred
30 twenty-two point seventy-five (422.75) of the Code,
31 shall apply in respect to administration of such
32 income surtax.

33 2. The political subdivision income surtax shall
34 be made a part of the Iowa individual income tax
35 return subject to the conditions and restrictions
36 set forth in section four hundred twenty-two point
37 twenty-one (422.21) of the Code.

38 3. The director of revenue shall deposit all
39 moneys received as income surtax under this Act to
40 the credit of each political subdivision from which
41 the moneys are received, in a "political subdivision
42 income surtax fund" which is established in the office
43 of the treasurer of state.

44 4. On or before October twentieth, the director
45 of revenue shall make an accounting of such income
46 surtax collected under this Act applicable to tax
47 returns for the last preceding calendar year, or for
48 fiscal year taxpayers, on the last day of their tax
49 year ending during that calendar year and after the
50 date of the election approving the surtax, from

1 taxpayers in each political subdivision in the state
2 which has imposed a surtax, and shall certify to the
3 state comptroller the amount of total political
4 subdivision income surtax credited from the taxpayers
5 of each political subdivision. Additional returns
6 in process, if any, at the time of certification shall
7 be completed and the additional amount of income
8 surtax reported to the state comptroller for
9 distribution back to the political subdivision when
10 such processing is completed.

11 5. The state comptroller shall draw warrants in
12 payment of the amount of surtax payable to each of
13 the political subdivisions in two installments to
14 be paid on approximately the first day of December
15 and the first day of February, and shall cause the
16 warrants to be delivered to the respective political
17 subdivisions."

18 2. By renumbering sections to conform to this
19 amendment.

20 3. Amend the title, line 2, by inserting after
21 the word "state" the words "and to impose an income
22 surtax by referendum for certain budget expenditures".

-5052 FILED - Withdrawn 2/13 (p. 426)
FEBRUARY 2, 1976

BY RAY TAYLOR
ROGER J. SHAFF
JOHN N. NYSTROM

S-5062

1 Amend the amendment, S-5053, to Senate File 1062
2 as follows:

3 1. Page 6, line 37, by inserting after the word
4 "funds." the following: "In the case of unusual pop-
5 ulation increases the appropriate budget review com-
6 mittee shall provide an additional allowable growth
7 percentage as follows:

- | | | |
|----|----------------------------|------|
| 8 | 1. Zero to 2.9% Increase | -0- |
| 9 | 2. 3.0% to 5.9% Increase | 1.0% |
| 10 | 3. 6.0% to 8.9% Increase | 2.0% |
| 11 | 4. 9.0% to 11.9% Increase | 3.0% |
| 12 | 5. 12.0% to 15.0% Increase | 4.0% |
| 13 | 6. Over 15.0% Increase | 5.0% |

S-5062 FILED & ADOPTED (p. 247)
FEBRUARY 4, 1976

BY CLIFTON C. LAMBORN

1 Amend the Junkins et al amendment, S-5054, to
2 Senate File 1062 as follows:

3 1. Page 3, after line 16 by inserting the
4 following new paragraph:
5 "5. Page 5, by inserting before line 18 the
6 following:

7 "Sec. ____ LOCAL REFERENDUM. If a local sub-
8 division decides to exceed the budget guideline
9 established by this act, after a second hearing, a
10 petition may be filed calling for a referendum on
11 the issue.

12 Such a petition must be filed within ten days
13 after a second hearing. A number of eligible elect-
14 ors equal to one percent of the number of votes cast
15 for the governor in the last general election must
16 be secured.

17 The referendum must be held within ten days
18 after the filing of the petition.

19 The question shall be stated as follows:
20 Shall the certified budget of (name of political
21 subdivision) be limited to not more than allowable
22 growth guideline established by the general assembly?

23 If a majority of votes cast for and against the
24 proposition favors the allowable growth guideline
25 limitation the county auditor shall adjust the
26 certified budget of such political subdivision
27 accordingly and certify such changes to the govern-
28 ing body of the political subdivision."

S-5065 FILED - *Adopted 2/5 (p. 273)*
FEBRUARY 4, 1976 *24-23* BY ROGER J. SHAFF

S-5048

1 Amend Senate File 1062 as follows:
2 1. Page 1, line 26, by striking the word "six"
3 and inserting in lieu thereof the word "seven".
4

S-5048 FILED - *Adopted 27-22 2/11 (p. 358)*
FEBRUARY 2, 1976 BY LEONARD C. ANDERSEN

Amend Senate File 1062 by striking everything after the enacting clause and inserting in lieu thereof the following:

4 "Section 1. NEW SECTION. DEFINITIONS.

5 1. "Base year" means the preceding fiscal year.

6 2. "Political subdivision" means any city or
7 county.

8 3. "Limited budget" means the budget including
9 amendments for all funds of a political subdivision
10 of this state excluding the amount of anticipated
11 receipts to and expenditures from these funds from
12 federal moneys, the amount of any moneys collected
13 or received from property taxes and other sources
14 for the paying of interest and principal on any
15 indebtedness authorized by law, the amount of any
16 moneys collected or received from property taxes and
17 other sources to pay the obligations of the political
18 subdivision for public officers' or employees' pension
19 or retirement systems and the United States Social
20 Security Act, and the amount of money for a fund or
21 program collected from a property tax levy authorized
22 by a vote of the electorate after the effective date
23 of this Act.

24 4. "Allowable growth" means a maximum dollar
25 increase in the proposed expenditures in the limited
26 budget of a political subdivision for a fiscal year
27 equal to a dollar amount determined by multiplying
28 the proposed expenditures in the certified limited
29 budget of such political subdivision for the base
30 year times the percentage equivalent of any increase
31 in the Iowa consumer price index or, if the Iowa
32 consumer price index is not available, the consumer
33 price index published by the bureau of labor
34 statistics, United States department of labor, as
35 computed by the state comptroller for the calendar
36 year preceding the fiscal year of the proposed limited
37 budget.

38 Sec. 2. NEW SECTION. ALLOWABLE GROWTH--REFERENDUM.

39 1. The county commissioner of elections shall
40 publish notice of and place on the ballot at each
41 regular city election in the case of a city and on
42 the ballot at each general election in the case of
43 a county the following proposition: "Shall the annual
44 increase of the city (county) limited budget for each
45 of the two succeeding fiscal years be limited to an
46 allowable growth equivalent to the percentage increase
47 in the consumer price index as computed by the state
48 comptroller?" If a majority of the electors of the
49 respective political subdivisions, voting for or
50 against the proposition, favor the proposition, the

1 allowable growth for the certified limited budget
2 for such political subdivision for each of the two
3 succeeding fiscal years shall be limited as provided
4 in section three (3) of this Act, which limit shall
5 be in lieu of any property tax levy limitation
6 otherwise provided by law.

7 2. The city council and the board of supervisors
8 shall publish notice of and conduct a public hearing
9 on the preliminary budget estimates for the following
10 two fiscal years not later than ten days before the
11 respective regular city election or the general
12 election. Notice of the time, date and location of
13 the hearing and a summary of the preliminary budget
14 shall be published at least seven days before such
15 hearing.

16 3. Sec. 3. NEW SECTION. ALLOWABLE GROWTH
17 LIMITATION.

18 1. The proposed expenditures in the certified
19 limited budget of a political subdivision for each
20 fiscal year during which such political subdivision
21 is subject to the provisions of this Act, shall not
22 exceed the proposed expenditures in the certified
23 limited budget of that political subdivision for the
24 base year, plus the allowable growth for that political
25 subdivision.

26 2. If the governing body of a political subdivision
27 which is subject to the provisions of this Act
28 certifies a limited budget to the county auditor,
29 in excess of the limitation provided for in this Act,
30 the county auditor shall reduce the amount of the
31 proposed expenditures in such budget to the maximum
32 amount allowed under this Act and give written notice
33 to the political subdivision, certifying the amount
34 allowed.

35 Sec. 4. NEW SECTION. MUNICIPAL UTILITIES. The
36 allowable growth provided in this Act for a political
37 subdivision shall be applicable to the amount of funds
38 transferred by a municipal utility to the city in
39 which it is located.

40 For the purposes of this section, "municipal
41 utility" means all or part of a waterworks, gasworks,
42 electric light and power plant and system, or heating
43 plant any of which are owned by a city, including
44 all land, easements, rights-of-way, fixtures,
45 equipment, accessories, improvements, appurtenances,
46 and other property necessary or useful for the
47 operation of the utility.

48 Sec. 5. NEW SECTION. SPECIAL CHARTERED CITIES.
49 It is the intention of the general assembly that the
50 provisions of this Act shall apply to special chartered

cities. The state appeal board may adopt rules,
2 consistent with the provisions of this Act,
3 establishing procedures and forms applicable to special
4 chartered cities as deemed necessary by the board.

5 Sec. 6. Section twenty-four point three (24.3),
6 subsection four (4), Code 1975, is amended to read
7 as follows:

8 4. A comparison of ~~such-amounts-so-proposed-to~~
9 ~~be-expended-with-the-amounts-expended-for-like-purposes~~
10 ~~for-the-two-preceding-years~~ of the estimated revenue
11 and proposed expenditure with estimated revenue and
12 expenditure of the current budget and with the actual
13 revenue and expenditure for the most recently completed
14 fiscal year.

15 Sec. 7. Section three hundred eighty-four point
16 sixteen (384.16), subsection three (3), Code 1975,
17 as amended by Acts of the Sixty-sixth General Assembly,
18 1975 Session, chapter two hundred three (203), section
19 thirty (30), is amended to read as follows:

20 3. The council shall set a time and place for
21 public hearing on the budget before the final
22 certification date and shall publish notice before
23 the hearing as provided in section 362.3. A summary
24 of the proposed budget shall be included in the notice.
The summary shall include a comparison of estimated
27 revenues and proposed expenditures with estimated
28 revenues and expenditures of the current budget and
29 with actual revenues and expenditures for the most
30 recently completed fiscal year. Proof of publication
must be filed with the county auditor.

31 Sec. 8. TEMPORARY BUDGET LIMITATIONS.

32 1. The proposed expenditures in the certified
33 limited budget of a county for the fiscal year
34 beginning July 1, 1976 shall not exceed the proposed
35 expenditures in the certified limited budget of that
36 county for the base year, plus the allowable growth
37 for that political subdivision.

38 2. The proposed expenditures in the certified
39 limited budget of a city for the fiscal years beginning
40 July 1, 1976 and July 1, 1977 shall not exceed the
41 proposed expenditures in the certified limited budget
42 of that city for the base year, plus the allowable
43 growth for that city.

44 Sec. 9. This Act, being deemed of immediate
45 importance, shall take effect and be in force from
46 and after its publication in

47 _____, a newspaper
48 published in _____, Iowa, and in
49 _____, a newspaper published
in _____, Iowa."

H-6275

- 1 Amend the Senate amendment H-6130, to the Report
- 2 of the Second Conference Committee on Senate File
- 3 1062 as follows:
- 4 1. Page 6, line 48, by striking the word
- 5 "sixteen" and inserting in lieu thereof the word
- 6 "twelve".
- 7 2. Page 6, line 49, by striking the word
- 8 "sixteen" and inserting in lieu thereof the word
- 9 "twelve".
- 10 3. Page 7, by striking line 1.
- 11 4. Page 7, by striking from line 2, the words
- 12 "and twelve members".
- 13 5. Page 7, line 4, by striking the words
- 14 "governor. Of" and inserting in lieu thereof
- 15 "governor, and there shall be, and he shall appoint,
- 16 an equal number from each political party."
- 17 6. Page 7, by striking lines 5 through 15.
- 18 7. Page 7, by striking from line 16, the words
- 19 "of the same political party."
- 20 8. Page 7, by striking from line 21, the word
- 21 "nonlegislative".
- 22 9. Page 7, by striking from line 23, the words
- 23 "Members of the".
- 24 10. Page 7, by striking lines 24 through 26.

H-6275 FILED - *Not in order* BY CRABB of Crawford
APRIL 13, 1976 *4/13 (1926)*

H-6274

1 Amend the Senate amendment, H-6130, to the Report
2 of the Second Conference Committee on Senate File
3 1062 as follows:

4 1. Page 5, by striking lines 26 through 50 and
5 inserting in lieu thereof the following:

6 "___ . Page 14, by striking lines 29 through 35
7 and inserting in lieu thereof the following:

8 "Sec. ___. Section four hundred forty-two point
9 three (442.3), Code 1975, is amended to read as
10 follows:

11 442.3 STATE FOUNDATION BASE. The state foundation
12 base for the school year beginning July 1, ~~1972~~ 1976,
13 is ~~seventy~~ eighty percent of the state cost per pupil.
14 ~~For each succeeding school year the state foundation~~
15 ~~base shall be increased by the amount of one percent~~
16 ~~of the state cost per pupil, up to a maximum of eighty~~
17 ~~percent of the state cost per pupil.~~ The district
18 foundation base is the larger of the state foundation
19 base or the amount per pupil which the district will
20 receive from foundation property tax and state school
21 foundation aid.

22 Sec. ___. There is instituted for the fiscal year
23 beginning July 1, 1976 and ending June 30, 1977 and
24 for the fiscal year beginning July 1, 1977 and ending
25 June 30, 1978 a property tax recapture on commercial
26 property, industrial property, personal property,
27 and all property assessed pursuant to chapters four
28 hundred twenty-eight (428) and four hundred thirty-
29 three (433) through four hundred thirty-eight (438)
30 of the Code by the director. The amount of the
31 property tax recapture shall be equal to the dif-
32 ference between the property taxes levied on the
33 property and payable during the fiscal year beginning
34 July 1, 1975 and the property taxes levied on the
35 same property and payable during the fiscal year
36 beginning July 1, 1976 and the difference between
37 the property taxes levied on the property and payable
38 during the fiscal year beginning July 1, 1975 and
39 the property taxes levied on the same property and
40 payable during the fiscal year beginning July 1, 1977,
41 if the property taxes paid during the fiscal year
42 beginning July 1, 1976 or July 1, 1977 are less than
43 the property taxes paid during the fiscal year
44 beginning July 1, 1975. The tax shall be payable
45 to the county treasurer and shall be paid at the time
46 the taxes levied against the property are due and
47 payable.

48 Sec. ___. The county auditor in each county shall
49 certify to the county treasurer and the department
50 of revenue not later than July 1, 1977 and July 1,

1 1978 a list of the property which is classified by
2 the assessor as commercial property, industrial
3 property, personal property, or property assessed
4 pursuant to chapters four hundred twenty-eight (428)
5 and four hundred thirty-three (433) through four
6 hundred thirty-eight (438) of the Code by the director,
7 the owner of the property, the property taxes levied
8 against the property and payable during the fiscal
9 year beginning July 1, 1975, the property taxes levied
10 against the property and payable during the fiscal
11 year beginning July 1, 1976, and the amount of property
12 taxes recaptured and payable in the manner provided
13 by this Act. The list submitted not later than July
14 1, 1978 shall have the property taxes levied against
15 the property and payable during the fiscal year
16 beginning July 1, 1977 substituted in lieu of the
17 property taxes payable during the fiscal year beginning
18 July 1, 1975.

19 Sec. ___. In notifying the owner of the property
20 of the property taxes levied against the property
21 and payable during the fiscal year beginning July
22 1, 1977 and during the fiscal year beginning July
23 1, 1978, the notice shall also indicate that portion
24 of the property taxes due and payable for the current
25 fiscal year and that portion which are recaptured
26 property taxes due on the property. If recaptured
27 property taxes are due on the property, the notice
28 shall also notify the owner of the property that the
29 taxes are payable to the county treasurer and shall
30 be included in the payment of property taxes due and
31 payable during the fiscal year beginning July 1, 1976
32 and ending June 30, 1977 or the fiscal year begin-
33 ning July 1, 1977 and ending June 30, 1978.

34 Sec. ___. Any recaptured property taxes due under
35 the provisions of this Act shall become a lien against
36 the property in the same manner and at the same time
37 as a lien for any other delinquent property taxes.

38 Sec. ___. Upon payment of the recaptured property
39 taxes due on the property to the county treasurer,
40 the county treasurer shall remit the recaptured
41 property taxes to the department of revenue. Moneys
42 received by the department under the provisions of
43 this section shall be credited to the general fund
44 of the state. The county treasurer shall certify
45 the payment of the recaptured property taxes to the
46 county auditor? and direct the auditor to remove
47 the lien which has been attached for nonpayment of
48 recaptured property taxes.

49 Sec. ___. APPROPRIATION. There is appropriated
50 for each year of the fiscal period beginning July

H-6274

Page 7

1 1, 1976 and ending June 30, 1977 to the agricultural
2 land credit fund the sum of eighteen million
3 (18,000,000) dollars which shall be in addition to
4 moneys appropriated pursuant to section four hundred
5 twenty-six point one (426.1) of the Code.

6 Sec. ____ ADMINISTRATION. Not later than May
7 1, 1976, the state comptroller shall recertify to
8 the county auditors of the respective counties the
9 pro rata percentage of reimbursement from the
10 agricultural land credit fund which shall be
11 distributed by the state comptroller on or before
12 September 15, 1976.

13 Sec. ____ Notwithstanding the provisions of sec-
14 tion four hundred twenty-five point one (425.1), sub-
15 sections two (2), three (3), and four (4) of the Code,
16 the homestead tax credit shall be computed so as to
17 give a credit against the tax on each eligible home-
18 stead in the state in an amount equal to six dollars
19 and seventy-five cents per thousand on the first
20 eleven thousand one hundred fifteen dollars of actual
21 value for each homestead. The provisions of this
22 section shall only be applicable for each homestead
23 tax credit claimed between January 1, 1976 and July
24 1, 1976 and approved and for each homestead tax credit
25 claimed between January 1, 1977 and July 1, 1977 and
26 approved.

27 The provisions of this section are effective to
28 January 1, 1976 for credits claimed on or after January
29 1, 1976 and approved under chapter four hundred twenty-
30 five (425) of the Code for a homestead tax credit
31 on an eligible homestead and to this extent the
32 provisions of this section are retroactive.

33 ____ By striking pages 15 and 16.

34 ____ Page 17, by striking lines 1 through 19."

35 2. Page 6, by striking lines 1 through 43.

36 3. Page 7, by striking lines 29 through 50.

37 4. Page 8, by striking lines 1 through 50.

38 5. Page 9, by striking lines 1 through 7 and
39 inserting in lieu thereof the following:

40 "____. Page 23, line 7, by striking the words "and
41 exemptions".

42 ____ Page 23, line 8, by striking the words "making
43 changes in".

44 ____ Page 23, by striking line 9.

45 ____ Page 23, line 10, by striking the words
46 "taxable property,".

47 ____ Page 23, line 12, by striking the words "making
48 certain provisions of the Act retroactive,".

H-6274 FILED *Motion to suspend* BY LIPSKY of Linn
APRIL 13, 1976 *rule for Consideration* TAUCHE of Dubuque
low 22-55 4/13 (1923)

By COMMITTEE ON WAYS AND MEANS

Substituted for H.F. 115 2/17

(As Amended and Passed by the Senate February 13, 1976)

Passed Senate, Date _____ Passed House, Date 2-19-76 (p. 572)

Vote: Ayes _____ Nays _____ Vote: Ayes 52 Nays 47

Approved April 26, 1976 (Items Noted - Letter filed following bill)
Motion to reconsider lost 2/19

A BILL FOR

1 An Act to provide budget limitations for certain political
2 subdivisions of the state and to impose an income surtax
3 by referendum for certain budget expenditures.

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

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First Conference Committee 2-25-76
Senate (p. 600) Helting, Robinson, Curtis, Culver, Nyquist

Second Conference Committee
Senate (p. 604) Rodgers, Kinley, Jenkins, Shaff, Hultman
House (p. 657) Norland, Biss, Hutchinson, Bittel, West

Repassed House per Conference Committee Report 3-8-76 (1253)
55-41
Motion to reconsider lost

Repassed Senate per ^{2nd} Conference Committee Report as amended
by S-5435 4-1-76 (1138)
27-21

Re-passed House per Second Conference Committee Report
4-13-76 (1925)
59-35

_____ = New Language
by the Senate

Certification of Publication: L. Lohr - Gazette, Mason City, May 4
5/6/76 (p. 2492) The Perry Daily Chip, Perry on May 3

1 Section 1. DEFINITIONS.

2 1. "Base year" means the preceding fiscal year.

3 2. "Political subdivision" means any county, city
4 having a population of more than five hundred persons or
5 other public body or corporation that has the power to
6 levy or certify a property tax or sum of money to be collect-
7 ed by property taxation.

8 3. "Limited budget" means the budget as originally
9 certified or as amended by January 1, 1976 for all funds of
10 a political subdivision of this state excluding the amount of
11 anticipated receipts to and expenditures from these funds
12 from federal moneys, the amount of any moneys collected or
13 received from property taxes and other sources for the pay-
14 ing of interest and principal on any indebtedness authorized
15 by law, the amount of any moneys collected or received from
16 property taxes and other sources to pay the obligations of the
17 political subdivision for public officers' or employees'
18 pension or retirement systems and the United States Social
19 Security Act, the amount of money collected or received from
20 property taxes and other sources to pay expenses pertaining
21 to the mental health and institutional fund as provided in
22 section four hundred forty-four point twelve (444.12) of
23 the Code and the expenses pertaining to voter registration and
24 cost of elections as provided in section four hundred forty-
25 four point nine (444.9), subsection three (3), of the Code,
26 the amount of money for a fund or program collected from
27 a property tax levy authorized by a vote of the electorate
28 after the effective date of this Act and that part of the
29 budget of a school corporation subject to limitation under
30 chapter four hundred forty-two (442) of the Code.

31 4. "Allowable growth" means a maximum increase in the
32 proposed expenditures in the budget of a political subdivi-
33 sion for a fiscal year equal to seven percent of the proposed
34 expenditures in the certified budget of such political sub-
35 division for the base year or a maximum increase in such

1 proposed expenditures authorized under the property tax
2 levy limitations otherwise provided by law, whichever in-
3 crease is less.

4 Sec. 2. RESTRICTIONS ON EXPENDITURES - ALLOWABLE GROWTH.

5 The proposed expenditures in the certified limited budget
6 of a political subdivision, for the fiscal years beginning
7 July 1, 1976 and July 1, 1977, shall not exceed the proposed
8 expenditures in the certified limited budget of that political
9 subdivision for the base year, plus the allowable growth for
10 that political subdivision and the encumbered and unspent
11 balance from the base year's certified limited budget unless
12 the allowable growth for a political subdivision is modified
13 by the appropriate budget review committee as provided in
14 section three (3) of this Act.

15 Sec. 3. MODIFICATION OF ALLOWABLE GROWTH.

16 1. If a political subdivision has unusual circumstances,
17 creating a need for additional budget expenditures, including
18 but not limited to the following circumstances, the appro-
19 priate budget review committee as designated in section five
20 (5) of this Act may establish a modified allowable growth
21 for such political subdivision.

22 a. In the case of unusual population increases the
23 appropriate budget review committee shall provide an ad-
24 ditional allowable growth percentage as follows:

| | | |
|----|----------------------------|------|
| 25 | 1. Zero to 2.9% Increase | -0- |
| 26 | 2. 3.0% to 5.9% Increase | 1.0% |
| 27 | 3. 6.0% to 8.9% Increase | 2.0% |
| 28 | 4. 9.0% to 11.9% Increase | 3.0% |
| 29 | 5. 12.0% to 15.0% Increase | 4.0% |
| 30 | 6. Over 15.0% Increase | 5.0% |

31 The foregoing shall be regarded as guidelines and not
32 absolute limitations. The appropriate budget review committee
33 may in its discretion allow additional budget increases if
34 by reason of population growth or other factors such increases
35 are justified.

- 1 b. Natural disasters or other emergencies.
- 2 c. Unusual problems relating to major new functions re-
- 3 quired by state law.
- 4 d. Unusual staffing problems.
- 5 e. Unusual necessity for additional funds to permit
- 6 continuance of a program which provides substantial benefit
- 7 to residents.

8 2. A political subdivision not having a certified budget
9 for the base year shall submit its proposed budget to the
10 appropriate budget review committee for its approval.

11 3. All decisions by a budget review committee under this
12 Act shall be made in accordance with reasonable and uniform
13 policies which shall be consistent to carry out the provisions
14 of this Act. The committee shall take into account the intent
15 of this Act to provide property tax relief and to provide
16 reasonable control of costs of the political subdivisions
17 of the state.

18 Sec. 4. COUNTY BUDGET REVIEW COMMITTEE. There is created
19 a county budget review committee consisting of the following
20 seven members:

21 1. The state comptroller or his designee who shall serve
22 as chairperson.

23 2. Three county officers appointed by the governor,
24 subject to confirmation by the senate, one member selected
25 from a county having an assessed valuation of:

26 a. Less than ninety-six million three hundred thousand
27 dollars.

28 b. Ninety-six million three hundred thousand dollars or more
29 but less than one hundred eighteen million five hundred twenty
30 thousand dollars.

31 c. One hundred eighteen million five hundred twenty
32 thousand dollars or more.

33 3. The certified public accountant appointed to the city
34 finance committee under section three hundred eighty-four
35 point thirteen (384.13) of the Code.

1 4. Two members appointed by the governor to represent
2 the public.

3 In addition to the circumstances creating a vacancy
4 under section sixty-nine point two (69.2) of the Code, a
5 vacancy shall exist when a county officer appointed under
6 subsection two (2) of this section no longer holds a county
7 office which qualified such officer for appointment to this
8 committee.

9 The county budget review committee shall meet at the call
10 of the chairperson and adopt its own rules of procedure.
11 The committee may hold public hearings. Actions taken or
12 rules promulgated by the committee shall be subject to the
13 provisions of chapter seventeen A (17A) of the Code.

14 The committee members, except the state comptroller and
15 county officers who are full-time public officers, are
16 entitled to a per diem of forty dollars for each day spent
17 in the performance of committee duties and each member is
18 entitled to reimbursement for his actual and necessary
19 expenses incurred in performance of committee duties. The
20 per diem and expenses shall be paid from funds appropriated
21 to the state comptroller.

22 Sec. 5. DESIGNATED BUDGET REVIEW COMMITTEES. The
23 appropriate budget review committee to which a political
24 subdivision may petition for a modified allowable growth is:

25 1. The city finance committee created under section three
26 hundred eighty-four point thirteen (384.13) of the Code for
27 any city subject to the provisions of this Act.

28 2. The school budget review committee created under sec-
29 tion four hundred forty-two point twelve (442.12) of the Code
30 for the following political subdivision:

31 a. A merged area school created under chapter two hun-
32 dred eighty A (280A) of the Code.

33 b. A school corporation created under chapter two hun-
34 dred seventy-four (274) of the Code for that part of its bud-
35 get which is not subject to limitation under chapter four

1 hundred forty-two (442) of the Code.

2 3. The county budget review committee for any other poli-
3 tical subdivision subject to provisions of this Act.

4 Sec. 6. LOCAL REFERENDUM ON ALLOWABLE GROWTH.

5 1. If the governing body of a political subdivision
6 wishes to exceed the allowable growth established by this Act,
7 the governing body shall direct the county commissioner of
8 elections to publish notice of and conduct a special election
9 within twenty days after the date of publication.

10 The notice shall be published as provided in section forty-
11 nine point fifty-three (49.53) of the Code and shall include
12 a comparison of the dollar amount and percentage of allowable
13 growth established by this Act and the dollar amount and
14 percentage of allowable growth requested for the proposed
15 limited budget of the political subdivision. The question
16 to be voted on by the qualified electors of the political sub-
17 division shall be stated as follows: "Shall the certified
18 limited budget of (name of political subdivision) for the
19 fiscal year beginning July 1, 19__ and ending June 30, 19__
20 be limited to not more than the allowable growth established
21 by the general assembly?" If a majority of the votes cast
22 for and against the proposition favors the allowable growth
23 limitation established by the general assembly, the proposed
24 limited budget of the political subdivision shall be so limited.
25 If a majority of such votes cast does not favor the allowable
26 growth established by the general assembly, the political sub-
27 division may increase its proposed limited budget by the
28 amount of allowable growth requested and printed in the notice
29 of election. Thereafter, the proposed limited budget shall
30 be certified to the county auditor.

31 2. The provisions of this section shall not preclude
32 a political subdivision from requesting and obtaining a modified
33 allowable growth from the appropriate budget review board if
34 natural disaster or unusual circumstance requiring the need for
35 additional expenditures occurs after the local referendum.

1 The budget growth permitted by this Act shall not
2 allow any political subdivision to levy a tax exceeding
3 any of the maximum tax levies set by the Code for that
4 political subdivision.

5 3. The amount approved in excess of the amount of
6 allowable growth authorized under section two (2) of this
7 Act shall be raised by a combination of one-half from a
8 property tax levy and one-half from an income surtax within
9 such city or county if other revenues are not available to
10 meet such proposed expenditures.

11 Sec. 7. COMPUTATION OF EXCESS AMOUNT. If a majority
12 of those voting in an election approves the additional amount
13 under section 6 of this Act, the governing body shall certify
14 to the state comptroller that the required procedures have
15 been carried out, and the state comptroller shall establish
16 the amount of additional property tax to be levied and the
17 amount of income surtax to be imposed for fiscal year for
18 which the additional amount is authorized. The state comp-
19 troller shall determine these amounts based upon the most
20 recent figures available for the political subdivision's
21 valuation of taxable property, individual state income tax
22 paid and shall certify to the political subdivision's county
23 auditor the amount of property tax, and to the director of
24 revenue the amount of income surtax to be imposed.

25 The income surtax shall be imposed on the state in-
26 dividual income tax for the calendar year during which the
27 budget year begins, or for a taxpayer's fiscal year ending
28 during the second half of that calendar year or the first
29 half of the succeeding calendar year, and shall be imposed
30 on all individuals residing in the political subdivision on
31 the last day of the applicable tax year. As used in this
32 section, "state individual income tax" means the tax com-
33 puted under section four hundred twenty-two point five (422.5)
34 of the Code, less the deductions allowed in section four
35 hundred twenty-two point twelve (422.12) of the Code.

1 Sec. 8. INCOME SURTAX PROCEDURES.

2 1. The director of revenue shall administer any political
3 subdivision income surtax imposed under this Act, and all the
4 provisions of section four hundred twenty-two point twenty
5 (422.20), four hundred twenty-two point twenty-two (422.22)
6 to four hundred twenty-two point thirty-one (422.31), four
7 hundred twenty-two point sixty-eight (422.68), and four hun-
8 dred twenty-two point seventy-two (422.72) to four hundred
9 twenty-two point seventy-five (422.75) of the Code, shall
10 apply in respect to administration of such income surtax.

11 2. The political subdivision income surtax shall be
12 made a part of the Iowa individual income tax return subject
13 to the conditions and restrictions set forth in section four
14 hundred twenty-two point twenty-one (422.21) of the Code.

15 3. The director of revenue shall deposit all moneys
16 received as income surtax under this Act to the credit of each
17 political subdivision from which the moneys are received, in
18 a "political subdivision income surtax fund" which is esta-
19 blished in the office of the treasurer of state.

20 4. On or before October twentieth, the director of
21 revenue shall make an accounting of such income surtax
22 collected under this Act applicable to tax returns for the
23 last preceding calendar year, or for fiscal year taxpayers,
24 on the last day of their tax year ending during that calendar
25 year and after the date of the election approving the surtax,
26 from taxpayers in each political subdivision in the state
27 which has imposed a surtax, and shall certify to the state
28 comptroller the amount of total political subdivision income
29 surtax credited from the taxpayers of each political subdivi-
30 sion. Additional returns in process, if any, at the time of
31 certification shall be completed and the additional amount of
32 income surtax reported to the state comptroller for distri-
33 bution back to the political subdivision when such processing
34 is completed.

35 5. The state comptroller shall draw warrants in payment

1 of the amount of surtax payable to each of the political
2 subdivisions in two installments to be paid on approximately
3 the first day of December and the first day of February,
4 and shall cause the warrants to be delivered to the res-
5 pective political subdivisions.

6 Sec. 9. MUNICIPAL ENTERPRISES. The provisions of this
7 Act shall not apply to expenditures of a city utility, a
8 city enterprise, a public agency, or a county public hospital,
9 except with respect to transfers of surplus funds of a city
10 utility or city enterprise pursuant to section three hundred
11 eighty-four point eighty-nine (384.89) of the Code to any
12 fund of the city included in the limited budget as defined
13 in section one (1), subsection three (3), of this Act and
14 such transfers shall be subject to the allowable growth pro-
15 vided in section two (2) of this Act.

16 For purposes of this section, "city utility" means a
17 city utility as defined in section three hundred sixty-
18 two point two (362.2), subsection twenty-two (22), of the
19 Code, "city enterprise" means a city enterprise as defined
20 in section three hundred eighty-four point twenty-four
21 (384.24) of the Code and includes combined utility systems
22 and combined city enterprises as defined in section three
23 hundred eighty-four point eighty (384.80) of the Code, and
24 "public agency" means a public agency as defined in sections
25 twenty-eight E point two (28E.2) of the Code for providing
26 joint services and facilities under chapter twenty-eight E
27 (28E) of the Code, and twenty-eight F point two (28F.2) of the
28 Code for the joint financing of works and facilities
29 authorized under chapter twenty-eight F (28F) of the
30 Code.

31 Sec. 10. SPECIAL CHARTERED CITIES. It is the inten-
32 tion of the general assembly that the provisions of this
33 Act shall apply to special chartered cities. The city
34 finance committee may adopt rules, consistent with the
35 provisions of this Act, establishing procedures and forms

1 applicable to special chartered cities as deemed necessary
2 by the committee.

3 Sec. 11. FUNDING OF ADDITIONAL DUTIES OR FUNCTIONS. If
4 an Act or resolution passed after the effective date of this
5 Act, except a legalizing act or resolution, of the general
6 assembly or an administrative rule promulgated by a state
7 agency imposes a duty or function which has a fiscal impact
8 on a local budget requiring additional expenditures upon the
9 governing body or any officer or employee of a city, county,
10 or any other local public body or corporation that has the
11 power to levy or certify a property tax or sum of money to be
12 collected by property taxation, the governing body or any
13 officer or employee of such local governmental entity shall
14 not be required to carry out such duty or function unless the
15 general assembly appropriates moneys or the state agency
16 provides a grant of moneys to such local governmental entity,
17 specifically to pay the cost of carrying out such duty or
18 function.

19 Sec. 12. This Act, being deemed of immediate importance,
20 shall take effect and be in force from and after its publi-
21 cation in the Dallas County News, a newspaper published in
22 Adel, Iowa, and in The Fremont Gazette, a newspaper published
23 in Fremont, Iowa.

24 EXPLANATION

25 This bill provides a maximum allowable growth limit for
26 the budgets of all political subdivisions of this state except
27 for cities having a population of five hundred persons or
28 less. The following parts of the budget of a political sub-
29 division are not subject to the maximum allowable growth:

- 30 1. Receipts and expenditures of federal funds.
- 31 2. Receipts and expenditures for debt service.
- 32 3. Receipts and expenditures for pensions, retirement,
33 and social security.
- 34 4. Receipts and expenditures from a fund authorized by
35 a vote of the electorate after the effective date of this

1 Act.

2 5. That part of the budget of a school corporation
3 which is subject to limitation under chapter 442 of the
4 Code.

5 6. Receipts and expenditures of a municipal utility
6 required because of increase fuel costs or costs of pur-
7 chasing water, gas, heat, or electrical power where the
8 municipal utility owns and maintains only a distribution system.

9 This bill creates a county budget review committee which,
10 with the existing city finance committee and the existing
11 school budget review committee, may hear and grant petitions
12 from the political subdivisions under their respective juris-
13 dictions for a modified allowable growth if justified by un-
14 usual financial circumstances.

15 The provisions of this bill are applicable to the budgets
16 of political subdivisions for the fiscal years beginning July
17 1, 1976 and July 1, 1977.

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1 Act.

2 5. That part of the budget of a school corporation
3 which is subject to limitation under chapter 442 of the
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5 6. Receipts and expenditures of a municipal utility
6 required because of increase fuel costs or costs of pur-
7 chasing water, gas, heat, or electrical power where the
8 municipal utility owns and maintains only a distribution system.

9 This bill creates a county budget review committee which,
10 with the existing city finance committee and the existing
11 school budget review committee, may hear and grant petitions
12 from the political subdivisions under their respective juris-
13 dictions for a modified allowable growth if justified by un-
14 usual financial circumstances.

15 The provisions of this bill are applicable to the budgets
16 of political subdivisions for the fiscal years beginning July
17 1, 1976 and July 1, 1977.

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SENATE FILE 1062

H-6258

1 Amend the Senate Amendment, H-6130, to the Second
2 Conference Committee Report on Senate File 1062 as
3 follows:

4 1. Page 5, by striking lines 26, 27, and 28 and
5 inserting in lieu thereof the following:

6 " . Page 14, by striking lines 31 through 35,
7 and page 15, by striking lines 1 through 20 and in-
8 serting in lieu thereof the following:

9 "Sec. 17. Notwithstanding the provisions of sec-
10 tion four hundred forty-one point twenty-one (441.21)
11 of the Code, for assessments made as of January 1,
12 1976, in assessing and determining the actual value
13 of agricultural property, consideration shall be given
14 to each of the following factors:

15 a. Seventy-five percent of the actual value shall
16 be computed on the productivity and net earning
17 capacity of the property determined on the basis of
18 the use for agricultural purposes capitalized at a
19 rate representing a fair return on the investment,
20 such rate to be established by the state board of
21 tax review and applied uniformly among counties and
22 among classes of property.

23 b. Twenty-five percent of the actual value shall
24 be computed on the fair and reasonable market value
25 of such property as defined herein, but such market
26 value shall be based only on its current use and not
27 on its potential value for other uses.

28 The county auditor shall proceed to make the neces-
29 sary adjustments on the tax lists with the assistance
30 of the assessor and the department of revenue. If
31 the valuation of the agricultural property is increased
32 in a county, the county auditor shall notify by ordi-
33 nary mail the owners of agricultural property affected
34 by the adjustment made pursuant to this section.
35 The local board of review shall reconvene for a period
36 of thirty days following the notification to the
37 taxpayer in counties where valuations have been
38 increased under this section. The notice shall include
39 the adjusted value of the property, the dates during
40 which the board of review is reconvened, and that
41 a protest may be filed within twenty days from the
42 date the local board of review is reconvened. The
43 protest shall be limited to the adjustment made
44 pursuant to this section. The provisions of this
45 section shall apply only to valuations of agricultural
46 property valued as of January 1, 1976."

47 2. Page 5, by striking lines 48, 49, and 50, and
48 page 6, by striking lines 1 through 42 and inserting
49 in lieu thereof the following:

50 " . Page 15, by striking lines 26 through 35.

Page 4

- 1 —. Page 16, by striking lines 1 through 35.
- 2 —. Page 17, by striking lines 1 through 5."
- 3 3. Page 6, by striking line 43 and inserting in
- 4 lieu thereof the following:
- 5 " —. Page 17, by striking lines 8 through 19 and
- 6 inserting in lieu thereof the following:
- 7 "Sec. —. Section four hundred forty-two point
- 8 two (442.2), unnumbered paragraph one (1), Code 1975,
- 9 as amended by Acts of the Sixty-sixth General Assembly,
- 10 1975 Session, chapter two hundred five (205), section
- 11 six (6), is amended by striking the paragraph and
- 12 inserting in lieu thereof the following:
- 13 Each school district shall cause to be levied each
- 14 year, for the school general fund, a foundation prop-
- 15 erty tax. The foundation property tax shall be equal
- 16 to five dollars and forty cents per thousand dollars
- 17 of assessed valuation on all taxable property in the
- 18 district, except:
- 19 1. For the school year beginning July 1, 1976,
- 20 for property subject to the homestead tax credit under
- 21 the provision of chapter four hundred twenty-five
- 22 (425) of the Code, the foundation property tax shall
- 23 be three dollars and twenty-four cents per thousand
- 24 dollars of assessed valuation of taxable property
- 25 and for property subject to an agricultural land tax
- 26 credit under the provisions of chapter four hundred
- 27 twenty-six (426) of the Code, the foundation property
- 28 tax shall be three dollars and seventy-eight cents
- 29 per thousand dollars of assessed valuation of taxable
- 30 property.
- 31 2. For the school year beginning July 1, 1977,
- 32 for property subject to the homestead tax credit under
- 33 the provision of chapter four hundred twenty-five
- 34 (425) of the Code, the foundation property tax shall
- 35 be three dollars and twenty-four cents per thousand
- 36 dollars of assessed valuation of taxable property
- 37 and for property subject to an agricultural land tax
- 38 credit under the provisions of chapter four hundred
- 39 twenty-six (426) of the Code, the foundation property
- 40 tax shall be four dollars and fifty-nine cents per
- 41 thousand dollars of assessed valuation of taxable
- 42 property.
- 43 3. For the school year beginning July 1, 1978,
- 44 and each succeeding school year for property subject
- 45 to the homestead tax credit under the provision of
- 46 chapter four hundred twenty-five (425) of the Code,
- 47 the foundation property tax shall be three dollars
- 48 and twenty-four cents per thousand dollars of assessed
- 49 valuation of taxable property.
- 50 For the purpose of this chapter, a school district

Page 3

- 1 is defined as a school corporation organized under
- 2 chapter two hundred seventy-four (274) of the Code.
- 3 Each county auditor shall certify to each school dis-
- 4 trict within the county and to the state comptroller,
- 5 not later than January first each year, the assessed
- 6 valuation of taxable property for the current year
- 7 in each school district within the county."
- 8 4. Page 7, by striking lines 29 through 50.
- 9 5. Page 8, by striking lines 1 through 50.
- 10 6. Page 9, by striking lines 1 through 5.

H-6259

1 Amend the Senate amendment, H-6130, to the
2 Second Conference Committee Report on Senate File
3 1062 as follows:

4 1. Page 5, line 35, by striking the words
5 "except structures located thereon".

6 2. Page 5, lines 42 through 45, by striking
7 the words "The actual value of a structure located
8 on agricultural land shall be the fair and reasonable
9 market value of the structure."

H-6259 FILED - *Not in order* BY STROMER of Hancock
APRIL 12, 1976 4/13 (1926)

SENATE FILE 1062

H-6260

1 Amend the Senate amendment, H-6130, to the Report
2 of the Second Conference Committee on Senate File
3 1062, page 5, by striking lines 31 through 47 and
4 inserting in lieu thereof the following:

5 "Sec. ____ Section four hundred forty-one point
6 twenty-one (441.21), subsection one (1), unnumbered
7 paragraph five (5), Code 1975, as amended by Acts
8 of the Sixty-sixth General Assembly, 1975 Session,
9 chapter two hundred five (205), section two (2), is
10 amended to read as follows:

11 ~~In~~ Effective January 1, 1977, in assessing and
12 determining the actual value of agricultural property
13 ~~fifty-percent-consideration-shall-be-given-to-each~~
14 ~~of-the-following-factors:~~

15 a. ~~The~~ the value shall be computed on the basis
16 of the productivity and net earning capacity of the
17 property determined on the basis of the use for
18 agricultural purposes capitalized at a rate
19 representing a fair return on the investment, such
20 rate to be established by the state board of tax
21 review and applied uniformly among counties and among
22 classes of property.

23 b. ~~The fair and reasonable market value of such~~
24 ~~property as defined herein, but such market value~~
25 ~~shall be based only on its current use and not on~~
26 ~~its potential value for other uses."~~

H-6260 FILED - *Filed not in order* BY BENNETT of Ida
APRIL 12, 1976 *order 4/12 (1919)*

H-6271

1 Amend the Senate amendment, H-6130, to the Report
2 of the Second Conference Committee on Senate File
3 1062, page 6, by inserting after line 43 the following:

4 " ____ . Page 20, by striking lines 1 through 21.

5 " ____ . Page 20, lines 22 and 23, by striking the
6 words " , thirty (30), and thirty-one (31) " and

7 inserting in lieu thereof the words "and thirty (30)"."

H-6271 FILED - *Not in order* BY EGENES of Story
APRIL 13, 1976 4/13 (1926)

H-6273

1 Amend the Senate amendment, H-6130, to the Report
2 of the Second Conference Committee on Senate File
3 1062, page 7, by inserting after line 28 the following
4 " . Page 22, by striking lines 3 through 12
5 and inserting in lieu thereof the following:
6 "Sec. 36. REPORT OF TASK FORCE. The governor
7 shall transmit the recommendations of the task force
8 accompanied by proposed legislation necessary to carry
9 out the recommendations to the Sixty-seventh General
10 Assembly no later than September 15, 1977. Copies
11 of the recommendations and of the recommended
12 legislation shall be transmitted to the president
13 of the senate and the speaker of the house of
14 representatives who shall, not later than ten days
15 following the convening of the 1978 Session of the
16 Sixty-seventh General Assembly, assign the proposed
17 legislation to the appropriate standing committee."

H-6273 FILED - *Not in order* BY EGENES of Story
APRIL 13, 1976 4/13 (1926)

H-6264

1 Amend the Senate amendment H-6130, to the
2 Report of the Second Conference Committee on
3 Senate File 1062 as follows:
4 1. Page 6, by inserting after line 43 the
5 following:
6 " . Page 20, by inserting after line 26
7 the following section:
8 Sec. . The three installments of property
9 taxes which became delinquent on April 1, 1974,
10 October 1, 1974, and April 1, 1975, pursuant to
11 the provisions of chapter four hundred forty-five
12 (445) of the Code, were the property taxes for the
13 period beginning January 1, 1973, and ending June
14 30, 1974.
15 The property taxes which became delinquent on
16 October 1, 1975, and April 1, 1976, were the prop-
17 erty taxes payable for the fiscal year beginning
18 July 1, 1974, and ending June 30, 1975. For
19 fiscal years beginning July first thereafter, the
20 property taxes which become delinquent as of
21 October first and April first shall be for prior
22 fiscal years in a like manner.
23 The assessment date for property taxes due for
24 the fiscal period beginning January 1, 1974, and
25 ending June 30, 1975, was January 1, 1973. The
26 assessment date for the property taxes due and
27 payable for the fiscal period beginning July 1,
28 1975, and ending June 30, 1976, was January 1, 1974.
29 Thereafter, the assessment date is January first
30 for taxes due and payable for fiscal years begin-
31 ning July first eighteen months later.

H-6264 FILED - *Not in order* BY JUNKER of Woodbury
APRIL 13, 1976 4/13 (1926)

H-6253

1 Amend the Senate amendment H-6130, to the Report
2 of the Second Conference Committee on Senate File
3 1062 as follows:

4 1. Page 9, by inserting after line 5 the following:

5 "DIVISION IX

6 Sec. ____ Chapter one hundred thirty-five D (135D),
7 Code 1975, as amended by Acts of the Sixty-sixth
8 General Assembly, 1975 Session, is amended by adding
9 the following new section:

10 NEW SECTION. MOBILE HOME FEE CREDIT.

11 1. For the purposes of this section:

12 a. "Semiannual mobile home tax" means the
13 semiannual tax computed under the provisions of section
14 one hundred thirty-five D point twenty-two (135D.22)
15 of the Code, without inclusion of any penalty assessed
16 under the provisions of section one hundred thirty-
17 five D point twenty-four (135D.24) of the Code.

18 b. "Fee credit" means the amount allowed as a
19 deduction from the semiannual mobile home tax provided
20 by this section.

21 2. A fee credit shall be allowed a mobile home
22 owner who uses the mobile home as a permanent resi-
23 dence and who has not moved the mobile home any time
24 within the twelve-month period prior to the delinquent
25 date for the semiannual mobile home tax and who has
26 not converted the mobile home to real property. The
27 fee credit shall be a deduction from the semiannual
28 mobile home tax.

29 3. The amount of deduction allowed the owner for
30 a mobile home shall be equal to twenty percent of
31 the semiannual mobile home tax not to exceed thirty-
32 one dollars and twenty-five cents.

33 4. Application for the fee credit shall be made
34 on forms provided by the county treasurer as
35 standardized by the director of the state depart-
36 ment of revenue. The forms shall require the applicant
37 to furnish such information as necessary to determine
38 eligibility for a fee credit. Forms shall be submitted
39 with the payment of the semiannual mobile home tax
40 as reduced by the claimed fee credit.

41 5. If an applicant deducts from the semiannual
42 mobile home tax a fee credit in excess of that amount
43 the applicant is eligible to receive the county
44 treasurer shall increase the next following semiannual
45 mobile home tax by the excess so deducted by the
46 applicant. The excess fee credit deducted shall
47 become a lien on the mobile home from the date of
48 payment of the semiannual mobile home tax equal in
49 priority to the semiannual mobile home tax lien.

50 6. There is appropriated annually from the general

Page 2

1 fund of the state to the department of revenue to
2 be credited to a county in an amount equal to the
3 fee credits granted in each county."

4 2. Page 9, by inserting after line 7 the following:
5 "____. Page 23, line 10, by inserting after the
6 word "law," the words "providing for a fee credit for
7 mobile homes,".

1 Amend the Halvorson, et al amendment H-6167
 2 to page 6 of Senate amendment H-6130, to the Report
 3 of the Second Conference Committee, on Senate File
 4 1062, as follows:

5 1. Page 1, by inserting after line 38 the
 6 following:

7 "_____. Page 20, .by inserting after line 26
 8 the following section:

9 Sec. _____. The three installments of property
 10 taxes which became delinquent on April 1, 1974,
 11 October 1, 1974, and April 1, 1975, pursuant to
 12 the provisions of chapter four hundred forty-five
 13 (445) of the Code, were the property taxes for the
 14 period beginning January 1, 1973, and ending June
 15 30, 1974.

16 The property taxes which became delinquent on
 17 October 1, 1975, and April 1, 1976, were the prop-
 18 erty taxes payable for the fiscal year beginning
 19 July 1, 1974, and ending June 30, 1975. For
 20 fiscal years beginning July first thereafter, the
 21 property taxes which become delinquent as of
 22 October first and April first shall be for prior
 23 fiscal years in a like manner.

24 The assessment date for property taxes due for
 25 the fiscal period beginning January 1, 1974, and
 26 ending June 30, 1975, was January 1, 1973. The
 27 assessment date for the property taxes due and
 28 payable for the fiscal period beginning July 1,
 29 1975, and ending June 30, 1976, was January 1, 1974.
 30 Thereafter, the assessment date is January first
 31 for taxes due and payable for fiscal years begin-
 32 ning July first eighteen months later.

H-6265 FILED - *Not in order* BY JUNKER of Woodbury
 APRIL 13, 1976 4/13 (1926)

H-6272

1 Amend the Senate amendment, H-6130, to the Report
 2 of the Second Conference Committee on Senate File
 3 1062, page 6, by striking lines 47 through 50, and
 4 page 7, by striking lines 1 through 28 and inserting
 5 in lieu thereof the following:

6 "Sec. 33. TASK FORCE CREATED. There is created
 7 a task force composed of twelve members, who are
 8 interested and knowledgeable in affairs of local
 9 government. All members shall be appointed by the
 10 governor to serve at his pleasure. The governor shall
 11 appoint two members from each congressional district
 12 who shall not be members of the same political party.
 13 No member shall hold any other state elected or
 14 appointed office. Any vacancy in the membership of
 15 the task force shall be filled by appointment in the
 16 same manner as the original appointments.

17 The members of the task force shall receive their
 18 actual and necessary expenses to be audited by the
 19 state comptroller."

H-6272 FILED - *Not in order* BY EGENES of Story
 APRIL 13, 1976 4/13 (1926)

1 Amend the Senate amendment, H-6130, to the Report
2 of the Second Conference Committee on Senate File
3 1062 as follows:

4 1. Page 6, by striking line 43 and inserting in
5 lieu thereof the following:

6 " . Page 17, by striking lines 8 through 19
7 and inserting in lieu thereof the following:

8 Sec. . Section four hundred forty-two point
9 two (442.2), unnumbered paragraph one (1), Code 1975,
10 as amended by Acts of the Sixty-sixth General Assembly,
11 1975 Session, chapter two hundred five (205), section
12 six (6), is amended to read as follows:

13 Each school district shall cause to be levied each
14 year, for the school general fund, a foundation prop-
15 erty tax of five four dollars and forty fifty-nine
16 cents per thousand dollars of assessed valuation on
17 all taxable property in the district. For the purpose
18 of this chapter, a school district is defined as a
19 school corporation organized under chapter 274. Each
20 county auditor shall certify to each school district
21 within the county and to the state comptroller, not
22 later than January first each year, the assessed
23 valuation of taxable property for the current year
24 in each school district within the county.

25 Sec. . Section four hundred forty-two point
26 three (442.3), Code 1975, is amended to read as
27 follows:

28 442.3 STATE FOUNDATION BASE. The state foundation
29 base for the school year beginning July 1, ~~1972~~ 1977,
30 is seventy eighty percent of the state cost per pupil.
31 ~~For each succeeding school year the state foundation~~
32 ~~base shall be increased by the amount of one percent~~
33 ~~of the state cost per pupil, up to a maximum of eighty~~
34 ~~percent of the state cost per pupil.~~ The district
35 foundation base is the larger of the state foundation
36 base or the amount per pupil which the district will
37 receive from foundation property tax and state school
38 foundation aid."

39 2. Page 9, by inserting after line 5 the fol-
40 lowing:

41 "DIVISION IX

42 Sec. 41. Section four hundred twenty-two point
43 forty-three (422.43), unnumbered paragraphs one (1),
44 two (2), seven (7), and eight (8), Code 1975, are
45 amended to read as follows:

46 422.43 TAX IMPOSED. There is hereby imposed a
47 tax of three four percent upon the gross receipts
48 from all sales of tangible personal property,
49 consisting of goods, wares, or merchandise, except
50 as otherwise provided in this division, sold at retail

1 in the state to consumers or users; a like rate of
2 tax upon the gross receipts from the sales, furnishing
3 or service of gas, electricity, water, heat, and
4 communication service, including the gross receipts
5 from such sales by any municipal corporation furnishing
6 gas, electricity, water, heat, and communication
7 service to the public in its proprietary capacity,
8 except as otherwise provided in this division, when
9 sold at retail in the state to consumers or users;
10 and a like rate of tax upon the gross receipts from
11 all sales of tickets or admissions to places of
12 amusement, athletic events including those of
13 educational institutions, fairs; and a like rate of
14 tax upon that part of private club membership fees
15 or charges paid for the privilege of participating
16 in any athletic sports provided club members.

17 There is hereby imposed a tax of ~~three~~ four percent
18 upon the gross receipts derived from the operation
19 of all forms of amusement devices and games of skill,
20 games of chance, raffles and bingo games as defined
21 in chapter 99B, and commercial amusement enterprises
22 operated or conducted within the state of Iowa, such
23 tax to be collected from the operator in the same
24 manner as is provided for the collection of taxes
25 upon the gross receipts of tickets or admission as
26 provided in this section.

27 The tax herein levied shall be computed and
28 collected as hereinafter provided. The tax herein
29 imposed shall be at the rate of ~~three~~ four percent.

30 There is hereby imposed, a tax of ~~three~~ four percent
31 upon the gross receipts from the rendering, furnishing,
32 or performing of services as defined in section 422.42.

33 Sec. 42. Section four hundred twenty-three point
34 two (423.2), Code 1975, is amended to read as fol-
35 lows:

36 423.2 IMPOSITION OF TAX. An excise tax is hereby
37 imposed on the use in this state of tangible personal
38 property purchased for use in this state, at the rate
39 of ~~three~~ four percent of the purchase price of such
40 property. Said tax is hereby imposed upon every
41 person using such property within this state until
42 such tax has been paid directly to the county treasurer
43 or department of public safety to a retailer, or to
44 the department as hereinafter provided. An excise
45 tax is hereby imposed on the use in this state of
46 services enumerated in section 422.43 at the rate
47 of ~~three~~ four percent. Said tax shall be applicable
48 where services are rendered, furnished, or performed
49 in this state or where the product or result of such
50 service is used in this state. Such tax is imposed

1 on every person using such services or the product
2 of such services in this state until such user has
3 paid such tax either to an Iowa use tax permit holder
4 or has paid such tax to the department of revenue.

5 Sec. _____. The provisions of sections forty-one
6 (41) and forty-two (42) of this Act are effective
7 January 1, 1977.

8 Sec. _____. It is the intent of the general assembly
9 that the revenues derived from one-fourth of the
10 revenues from the sales and use tax be used to reduce
11 the foundation property tax from five dollars and
12 forty cents per thousand dollars of assessed valuation
13 on all taxable property in the district to four dollars
14 and fifty-nine cents per thousand dollars of assessed
15 value on all taxable property in the district and
16 to increase the state foundation base to eighty percent
17 of the state cost per pupil."

18 3. Page 9, by inserting after line 7 the follow-
19 ing:

20 "_____. Page 23, line 10, by inserting after the
21 word "law," the words "increasing the rate of the
22 state sales and use tax,".

H-6167 FILED - *Filed not in order 4/13 (1923)* BY HALVORSON of Clayton
APRIL 6, 1976 *order 4/13 (1923)* KOOGLER of Mahaska
JUNKER of Woodbury
MILLER of Buchanan
SCHROEDER of Pottawattamie
WYCKOFF of Benton

H-6237

1 Amend the Senate amendment, H-6130, to the Report
2 of the Second Conference Committee on Senate File
3 1062, page 5, by inserting after line 28 the following:

4 "_____. Page 15, line 4, by inserting after the
5 word "as" the word "previously".

H-6237 FILED - *Out of order 4/13 (1925)* BY BENNETT of Ida
APRIL 8, 1976 *order 4/13 (1925)*

H-6224

1 Amend the Senate amendment, H-6130, to the Second
2 Conference Committee Report on Senate File 1062 as
3 follows:

4 1. Page 5, line 35, by striking the words "land,
5 except structures located thereon" and inserting in
6 lieu thereof the word "property".

7 2. Page 5, line 37, by striking the word "land"
8 and inserting in lieu thereof the word "property".

9 3. Page 5, by striking lines 43 and 44 and
10 inserting in lieu thereof the words "assessor may
11 use accepted appraisal methods to establish values
12 between parcels within an assessor jurisdiction."

13 4. Page 5, line 45, by striking the words "of
14 the structure."

H-6224 FILED - *Out of order 4/13 (1925)* BY WEST of Marshall
APRIL 8, 1976 *order 4/13 (1925)*

SENATE FILE 1062

H-5270

1 Amend Senate File 1062, page 1, line 19, by
2 inserting after the word "Act," the words "the
3 amount of money collected or received from property
4 taxes and other sources to pay expenses pertaining
5 to the operation and maintenance of the court as
6 provided in section four hundred forty-four point
7 ten (444.10) of the Code,".

H-5270 FILED ^{Filed out of order} _{with adoption of} BY OAKLEY of Clinton
FEBRUARY 18, 1976 ^{5241 2/19}

SENATE FILE 1062

H-5267

1 Amend the Norland, etl. amendment, H-5241, to
2 Senate File 1062 as follows:
3 1. Page 3, after line 6, add the following
4 new section:
5 "Sec. 4. ALLOWABLE GROWTH GUIDELINE -- LOCAL
6 REFERENDUM. If a local subdivision decides to ex-
7 ceed the budget guideline established by this Act,
8 after a second hearing, a petition may be filed
9 calling for a referendum on the issue.
10 Such a petition must be filed within ten days
11 after a second hearing. A number of eligible
12 electors equal to five percent of the number of votes
13 cast for the governor in the last general election
14 must be secured.
15 The referendum must be held within ten days
16 after the filing of the petition.
17 The question shall be stated as follows:
18 Shall the certified budget of (name of political
19 subdivision) be limited to not more than the allow-
20 able growth guideline established by the General
21 Assembly?
22 If sixty (60) percent of votes cast for the
23 proposition favors the allowable growth guideline
24 limitation the county auditor shall adjust the
25 certified budget of such political subdivision
26 accordingly and certify such changes to the govern-
27 ing body of the political subdivision."

H-5267 FILED - ^{Lost 2/19 38-55} BY EVANS of Grundy
FEBRUARY 18, 1976 ^(p. 561)

SENATE AMENDMENT TO
THE CONFERENCE COMMITTEE REPORT ON
SENATE FILE 1062 AS ADOPTED BY THE HOUSE

H-6130

1 Amend the Report of the Second Conference Committee
2 on Senate File 1062, as passed by the House, as fol-
3 lows:

4 1. Page 1, line 2, by striking the dates "1976-
5 77 and 1977-78" and inserting in lieu thereof the
6 dates "1976-77, 1977-78, and 1978-79".

7 2. Page 1, line 6, by striking the words "five
8 hundred" and inserting in lieu thereof the words
9 "seven hundred fifty".

10 3. Page 1, line 24, by striking the words "five
11 hundred" and inserting in lieu thereof the words
12 "seven hundred fifty".

13 4. Page 1, by striking line 27 and inserting in
14 lieu thereof the words "seven percent for the fiscal
15 years beginning July 1, 1977 and July 1, 1978 for".

16 5. Page 3, line 7, by striking the word "year"
17 and inserting in lieu thereof the words "years".

18 6. Page 3, line 8, by inserting after the date
19 "1977" the words "and July 1, 1978,".

20 7. Page 4, by striking lines 3 through 6.

21 8. Page 5, line 25, by striking the words "year
22 beginning July 1, 1977" and inserting in lieu thereof
23 the words "years beginning July 1, 1977 and July 1,
24 1978".

25 9. Page 6, line 28, by striking the words "year
26 beginning July 1, 1977" and inserting in lieu thereof
27 the words "years beginning July 1, 1977 and July 1,
28 1978".

29 10. By striking page 6, line 30 through page 8,
30 line 1, and inserting in lieu thereof the following:

31 "Sec. 6. DUTIES OF STATE COMPTROLLER.

32 1. As soon as practicable after the effective
33 date of this division, the state comptroller shall
34 give notice of the requirements of this division and
35 distribute such forms as required to the governing
36 bodies of the political subdivisions of this state.

37 2. The state comptroller shall review the certi-
38 fied total budget of each political subdivision and
39 calculate the dollar amount and percentage increase
40 of the property tax budget for the fiscal years be-
41 ginning July 1, 1976, July 1, 1977 and July 1, 1978
42 over the property tax budget for the base year.

43 3. If the property tax budget of a political sub-
44 division for the fiscal year beginning July 1, 1976,
45 July 1, 1977, or July 1, 1978 exceeds the property
46 tax budget of such political subdivision for the base
47 year by more than nine percent, the state comptroller
48 shall reduce the certified total budget to provide
49 a property tax budget increase of nine percent and
50 return the certified total budget to the governing

1 body with notification that, following a public hearing
2 as provided in section eight (8) of this division,
3 the total budget shall be recertified with a property
4 tax budget increase not exceeding nine percent or
5 that, without a public hearing, the certified total
6 budget shall be submitted to the state appeal board
7 for approval as provided in section seven (7) of this
8 division if the increase of more than nine percent
9 is needed.

10 4. If the property tax budget of a political sub-
11 division for the fiscal year beginning July 1, 1977
12 or July 1, 1978 exceeds the property tax budget of
13 such political subdivision for the base year by more
14 than seven percent but not more than nine percent,
15 the state comptroller shall reduce the certified total
16 budget to provide a property tax budget increase of
17 seven percent and return the certified total budget
18 to the governing body with notification that a public
19 hearing must be held as provided in section eight
20 (8) of this division.

21 Sec. 7. APPROVAL OF STATE APPEAL BOARD.

22 1. Upon receipt of the notification from the state
23 comptroller as provided in section six (6), subsection
24 three (3) of this division, the governing body of
25 such political subdivision shall petition the state
26 appeal board to approve the total budget of the poli-
27 tical subdivision not later than seven days following
28 receipt of notification if the increase of more than
29 nine percent is needed. However, if the governing
30 body, upon receipt of such notification, finds that
31 an increase in the property tax budget above nine
32 percent is not justified, the governing body shall
33 publish notice of and conduct a public hearing for
34 the purpose of approving a total budget which includes
35 a property tax budget increase of nine percent or
36 less. The public hearing shall be carried out
37 according to the provisions of section eight (8) of
38 this division except that, for the total budget for
39 the fiscal year beginning July 1, 1976, the public
40 hearing shall be held within twenty days after the
41 receipt of notification.

42 2. A petition to the state appeal board under
43 this division shall be submitted in writing on forms
44 furnished by the state comptroller citing the unusual
45 circumstances as outlined in subsection three (3)
46 of this section, which create the need for property
47 tax budget expenditures in excess of nine percent
48 of the base year's property tax budget expenditures
49 and accompanied by such supporting documents as
50 required by the state appeal board. The state appeal

1 board shall conduct a public hearing on the petition
2 in the county or in one of the counties in which the
3 political subdivision is located and may request
4 additional information. The state appeal board shall
5 hear and consider any appeal made by persons affected
6 by the total budget of a political subdivision at
7 the same time the petition of the governing board
8 of such political subdivision is heard and considered."

9 11. Page 8, line 2, by striking the number "4"
10 and inserting in lieu thereof the number "3".

11 12. Page 8, line 25, by striking the number "5"
12 and inserting in lieu thereof the number "4".

13 13. Page 8, by striking line 28, and inserting
14 in lieu thereof the following:

15 "5. The state appeal board shall approve the
16 total".

17 14. Page 9, line 2, by striking the number "7"
18 and inserting in lieu thereof the number "6".

19 15. By striking page 9, line 7 through page 10,
20 line 4 and inserting in lieu thereof the following:

21 "Sec. 8. ADDITIONAL PUBLIC HEARING--FISCAL YEARS
22 1977-78 AND 1978-79.

23 Upon receipt of the notification from the state
24 comptroller that the property tax budget of the certi-
25 fied total budget of a political subdivision for the
26 fiscal year beginning July 1, 1977 or July 1, 1978
27 exceeds seven percent but not more than nine percent
28 of the property tax budget of such political subdivi-
29 sion for the base year, the governing body of such
30 political subdivision shall publish notice of and
31 conduct a public hearing not later than April
32 fifteenth. The date, time and location of the public
33 hearing and the information required to be published
34 under section nine (9) of this division, shall be
35 published in a newspaper having general circulation
36 throughout the political subdivision not less than
37 five days before the date of hearing. Thereafter,
38 the total budget shall be recertified, with or without
39 changes that may be made after the hearing, to the
40 county auditor and the state comptroller not later
41 than April fifteenth. If, after such hearing, the
42 property tax budget for the fiscal year beginning
43 July 1, 1977 or July 1, 1978 exceeds the property
44 tax budget of the base year by more than nine percent,
45 such budget shall be subject to the approval of the
46 state appeal board as provided in section seven (7)
47 of this division."

48 16. Page 10, line 5, by striking the number "8"
49 and inserting in lieu thereof the number "9".

50 17. Page 10, line 18, by striking the word "guide-

1 line" and inserting in lieu thereof the word "per-
2 centages".

3 18. Page 10, line 20, by striking the word "guide-
4 line" and inserting in lieu thereof the word "per-
5 centages".

6 19. Page 11, by striking line 10 and inserting
7 in lieu thereof the words "beginning July 1, 1976,
8 July 1, 1977, and July 1, 1978."

9 20. Page 11, line 11, by striking the number "9"
10 and inserting in lieu thereof the number "10".

11 21. Page 11, line 17, by striking the word and
12 number "seven (7)" and inserting in lieu thereof the
13 word and number "eight (8)".

14 22. Page 11, line 18, by striking the word "certi-
15 fication" and inserting in lieu thereof the word "re-
16 certification".

17 23. Page 11, by striking lines 19 through 24,
18 and inserting in lieu thereof the words "to protest
19 to the state appeal board. All other time".

20 24. By striking page 11, line 35 through page
21 12, line 18, and inserting in lieu thereof the follow-
22 ing:

23 "Sec. 11. PROPERTY TAX CARRYOVER. If a political
24 subdivision adopts a total budget for the fiscal year
25 beginning July 1, 1976, which does not include an
26 increase in the amount of property tax levy for the
27 property tax budget computed in dollars which exceeds
28 or is equal to nine percent, the political subdivision
29 may levy property taxes for the succeeding fiscal
30 year in excess of a seven percent increase and be
31 exempt from the provisions of sections seven (7) and
32 eight (8) of this division. Also, if a political
33 subdivision adopts a total budget for the fiscal year
34 beginning July 1, 1977, which does not include an
35 increase in the amount of property tax levy for the
36 property tax budget computed in dollars which exceeds
37 or is equal to seven percent, the political subdivision
38 may levy property taxes for the succeeding fiscal
39 year in excess of a seven percent increase and be
40 exempt from the provisions of sections seven (7) and
41 eight (8) of this division. However, the exemption
42 from the provisions of sections seven (7) and eight
43 (8) of this division shall be applicable only if the
44 additional property tax levy for the property tax
45 budget does not raise in dollars an amount which
46 exceeds the seven percent increase for the fiscal
47 year beginning July 1, 1977 or July 1, 1978 and the
48 difference between the amount in dollars which the
49 political subdivision levied during the base year
50 and the amount in dollars which the political

1 subdivision could have levied during the base year
2 under this division."

3 25. Page 12, line 19, by striking the number "11"
4 and inserting in lieu thereof the number "12".

5 26. Page 12, line 23, by striking the word "How-
6 ever," and by striking all of lines 24 through 33.

7 27. Page 12, line 34, by striking the number "12"
8 and inserting in lieu thereof the number "13".

9 28. Page 13, by striking lines 1 through 4 and
10 inserting in lieu thereof the words "a protest filed
11 with the state appeal board by persons affected by
12 the total budget of a political subdivision."

13 29. Page 13, line 5, by striking the number "13"
14 and inserting in lieu thereof the number "14".

15 30. Page 13, by striking lines 12 through 16.

16 31. Page 13, by striking line 24 and inserting
17 in lieu thereof the words "~~in no event~~ the number
18 shall not be less than ten and the number need not
19 be more than one hundred persons, who are".

20 32. Page 14, line 25, by striking the word "not"
21 and inserting in lieu thereof the words "~~net~~ the
22 number shall not be".

23 33. Page 14, line 28, by striking the word "or"
24 and inserting in lieu thereof the words "and the
25 number need not be".

26 34. Page 14, line 34, by striking the word "as-
27 sessed" and inserting in lieu thereof the word "ac-
28 tual".

29 35. Page 15, by inserting after line 20 the fol-
30 lowing new section:

31 "Sec. __. Notwithstanding the provisions of section
32 four hundred forty-one point twenty-one (441.21) of
33 the Code, for assessments made as of January 1, 1977,
34 in assessing and determining the actual value of ag-
35 ricultural land, except structures located thereon,
36 the value shall be computed on the basis of the
37 productivity and net earning capacity of the land
38 determined on the basis of the use for agricultural
39 purposes capitalized at a rate representing a fair
40 return on the investment, such rate to be established
41 by the state board of tax review and applied uniformly
42 among counties and among classes of property. The
43 actual value of a structure located on agricultural
44 land shall be the fair and reasonable market value
45 of the structure. The provisions of this section
46 shall apply only to valuations of agricultural property
47 valued as of January 1, 1977."

48 36. Page 16, line 1, by striking the words "and
49 approved".

50 37. Page 16, line 2, by inserting after the word

*Para. 35
revised-
letter attached*

1 and figure "July 1, 1975" the words "and approved".
2 38. Page 16, line 3, by striking the word "The"
3 and inserting in lieu thereof the words "Not later
4 than August 1, 1976, the".
5 39. Page 16, line 5, by striking the words "under
6 the provisions of this Act" and inserting in lieu
7 thereof the words "claimed between January 1, 1975
8 and July 1, 1975, and approved".
9 40. Page 16, lines 5 and 6, by striking the words
10 "not later than August 1, 1976".
11 41. Page 16, line 7, by inserting before the word
12 "department" the words "county treasurer and the".
13 42. Page 16, line 12, by inserting after the word
14 "approved" the word and figure "in 1975".
15 43. Page 16, line 15, by striking the word and
16 figure "June 1" and inserting in lieu thereof the
17 word and figure "July 1".
18 44. Page 16, by inserting after line 17 the fol-
19 lowing new sections:
20 "Sec. 22. Notwithstanding the provisions of sec-
21 tion four hundred twenty-five point one (425.1), sub-
22 sections two (2), three (3), and four (4) of the Code,
23 the homestead tax credit shall be computed so as to
24 give a credit against the tax on each eligible home-
25 stead in the state in an amount equal to the actual
26 levy on the first five thousand dollars of actual
27 value for each homestead. The provisions of this
28 section shall only be applicable for each homestead
29 tax credit claimed between January 1, 1976 and July
30 1, 1976 and approved and for each homestead tax cred-
31 it claimed between January 1, 1977 and July 1, 1977
32 and approved except as provided in sections thirty-
33 nine (39) and forty (40) of this Act.
34 Sec. 23. EFFECTIVE DATE. The provisions of sec-
35 tion twenty-two (22) of this Act are effective to
36 January 1, 1976 for credits claimed on or after January
37 1, 1976 and approved under chapter four hundred twenty-
38 five (425) of the Code for a homestead tax credit
39 on an eligible homestead and to this extent the
40 provisions of section twenty-two (22) of this Act
41 are retroactive."
42 45. Page 16, by striking lines 18 through 26.
43 46. Page 17, by striking lines 8 through 19.
44 47. Page 20, by striking lines 29 through 35 and
45 page 21, by striking lines 1 through 10 and insert-
46 ing in lieu thereof the following:
47 "Sec. 33. TASK FORCE CREATED. There is established
48 a local government task force composed of sixteen
49 members. Of the sixteen members, two shall be members
50 of the senate and two shall be members of the house

See 22 & 23
retroact -
letter
attached

1 of representatives who shall be nonvoting members,
2 and twelve members who are interested and knowledgeable
3 in affairs of local government. All members of the
4 task force shall be appointed by the governor. Of
5 the members appointed from the senate, the governor
6 shall appoint one member from the majority party and
7 one member from the minority party each of whom are
8 members of the senate committee on ways and means.
9 Of the members appointed from the house of repre-
10 sentatives, the governor shall appoint one member
11 from the majority party and one member from the
12 minority party each of whom are members of the house
13 committee on ways and means. Of the remaining twelve
14 members, the governor shall appoint two members from
15 each congressional district, who shall not be members
16 of the same political party. The members appointed
17 by the governor shall serve at the pleasure of the
18 governor. Any vacancy in the membership of the task
19 force shall be filled by appointment in the same
20 manner as the original appointments.

21 The nonlegislative members of the task force shall
22 receive their actual and necessary expenses to be
23 audited by the state comptroller. Members of the
24 task force who are members of the general assembly
25 shall receive a per diem of forty dollars and their
26 actual and necessary expenses."

27 48. Page 22, line 31, by inserting after the word
28 "including" the words "per diem and".

29 49. Page 22, by inserting after line 32 the fol-
30 lowing new sections:

31 "DIVISION VIII

32 Sec. 39. If the unencumbered balance of the general
33 fund of the state on June 30, 1976 does not exceed
34 fifty million dollars, the homestead tax credit
35 computed in the manner provided in section twenty-
36 two (22) of this Act shall not apply and the homestead
37 tax credit for claims filed in 1976 shall be computed
38 so as to give a credit against the tax on each eligible
39 homestead in the state in an amount equal to the
40 actual levy on the first four thousand five hundred
41 dollars of actual value for each homestead. The
42 county auditor shall compute the homestead tax credit
43 in the manner provided in section twenty-two (22)
44 of this Act and if the general fund balance does not
45 exceed fifty million dollars, the department of revenue
46 shall reduce the amount of each homestead tax credit
47 claim certified to the department by ten percent and
48 recertify the amount of the credit to be allowed on
49 each eligible homestead to the county treasurers of
50 the respective counties.

*Div. VIII
Voted -
letter
attached*

1 If the unencumbered balance of the general fund
 2 of the state on June 30, 1976, does not exceed fifty
 3 million dollars, there is appropriated for the fiscal
 4 year beginning July 1, 1977 and ending June 30, 1978
 5 an amount equal to thirteen million (13,000,000)
 6 dollars, or so much thereof as may be necessary, to
 7 the agricultural land credit fund and the provisions
 8 of section four hundred twenty-six point one (426.1)
 9 of the Code shall not apply for the fiscal year be-
 10 ginning July 1, 1977 and ending June 30, 1978.

11 If the provisions of this section become effective
 12 and the amount of funds appropriated to the
 13 agricultural land credit fund is the amount specified
 14 in this section, the state comptroller shall recertify
 15 to the county auditors of the respective counties
 16 the pro rata percentage of reimbursement from the
 17 agricultural land credit fund which shall be
 18 distributed by the state comptroller.

19 Sec. 40. If the unencumbered balance of the general
 20 fund of the state on June 30, 1977 does not exceed
 21 fifty million dollars, the homestead tax credit com-
 22 puted in the manner provided in section twenty-two
 23 (22) of this Act shall not apply and the homestead
 24 tax credit for claims filed in 1977 shall be computed
 25 so as to give a credit against the tax on each eligible
 26 homestead in the state in an amount equal to the
 27 actual levy on the first four thousand five hundred
 28 dollars of actual value for each homestead. The
 29 county auditor shall compute the homestead tax credit
 30 in the manner provided in section twenty-two (22)
 31 of this Act and if the general fund balance does not
 32 exceed fifty million dollars, the department of revenue
 33 shall reduce the amount of each homestead tax credit
 34 claim certified to the department by ten percent and
 35 recertify the amount of the credit to be allowed on
 36 each eligible homestead to the county treasurers of
 37 the respective counties.

38 If the unencumbered balance of the general fund
 39 of the state on June 30, 1977, does not exceed fifty
 40 million dollars, there is appropriated for the fiscal
 41 year beginning July 1, 1978 and ending June 30, 1979
 42 an amount equal to thirteen million (13,000,000)
 43 dollars, or so much thereof as may be necessary, to
 44 the agricultural land credit fund and the provisions
 45 of section four hundred twenty-six point one (426.1)
 46 of the Code shall not apply for the fiscal year be-
 47 ginning July 1, 1978 and ending June 30, 1979.

48 If the provisions of this section become effective
 49 and the amount of funds appropriated to the agricul-
 50 tural land credit fund is the amount specified in

Page 9

1 this section, the state comptroller shall recertify
 2 to the county auditors of the respective counties
 3 the pro rata percentage of reimbursement from the
 4 agricultural land credit fund which shall be
 5 distributed by the state comptroller."

6 50. Page 23, line 7, by striking the words "and
 7 exemptions".

8 51. Renumber sections and correct internal re-
 9 ferences as may be necessary in accordance with this
 10 amendment.

S-5436

1 Amend the Rodgers amendment S-5435 to the Report
2 of the Second Conference Committee on Senate File
3 1062 as follows:

4 1. Page 5, by striking lines 26 through 50 and
5 inserting in lieu thereof the following:

6 "___ . Page 14, by striking lines 29 through 35
7 and inserting in lieu thereof the following:

8 "Sec. ___ . Section four hundred forty-two point
9 three (442.3), Code 1975, is amended to read as
10 follows:

11 442.3 STATE FOUNDATION BASE. The state foundation
12 base for the school year beginning July 1, ~~1972~~ 1976,
13 is seventy eight percent of the state cost per pupil.
14 ~~For each succeeding school year the state foundation~~
15 ~~base shall be increased by the amount of one percent~~
16 ~~of the state cost per pupil, up to a maximum of eighty~~
17 ~~percent of the state cost per pupil.~~ The district
18 foundation base is the larger of the state foundation
19 base or the amount per pupil which the district will
20 receive from foundation property tax and state school
21 foundation aid.

22 Sec. ___ . There is imposed a state property tax
23 on commercial property, industrial property, per-
24 sonal property, and all property assessed pursuant
25 to chapters four hundred thirty-three (433) through
26 four hundred thirty-eight (438) of the Code by the
27 director under authority specified in chapter four
28 hundred twenty-eight (428) of the Code. The amount
29 of the state property tax shall be equal to the dif-
30 ference between the property taxes levied on a parcel
31 of property and payable during the fiscal year
32 beginning July 1, 1975 and the property taxes levied
33 on the same parcel of property and payable during
34 the fiscal year beginning July 1, 1976 and the
35 difference between the property taxes levied on a
36 parcel of property and payable during the fiscal year
37 beginning July 1, 1976 and the property taxes levied
38 on the same parcel of property and payable during
39 the fiscal year beginning July 1, 1977, if the property
40 taxes paid during the fiscal year beginning July 1,
41 1976 or July 1, 1977 are less than the property taxes
42 paid during the preceding fiscal year. The tax shall
43 be payable to the department of revenue and shall
44 be paid at the time the person is filing a state
45 income tax return for a tax year ending on or after
46 July 1, 1977 and not later than June 30, 1978 or on
47 or after July 1, 1978 and not later than June 30,
48 1979, as applicable.

49 Sec. ___ . The county auditor in each county shall
50 certify to the department of revenue not later than

1 January 1, 1977 and January 1, 1978 a list of each
2 parcel of property which is classified by the assessor
3 as commercial property, industrial property, personal
4 property, or property assessed pursuant to chapters
5 four hundred thirty-three (433) through four hundred
6 thirty-eight (438) of the Code by the director under
7 authority of chapter four hundred twenty-eight (428)
8 of the Code, the owner of each parcel, the property
9 taxes levied against the property and payable during
10 the fiscal year beginning July 1, 1975, the property
11 taxes levied against the property and payable during
12 the fiscal year beginning July 1, 1976, and the amount
13 of state property taxes payable in the manner provided
14 by this Act. The list submitted not later than January
15 1, 1978 shall have the property taxes levied against
16 the property and payable during the fiscal year
17 beginning July 1, 1977 substituted in lieu of the
18 property taxes payable during the fiscal year beginning
19 July 1, 1975.

20 Sec. ___. In notifying the owner of the property
21 of the property taxes levied against the property
22 and payable during the fiscal year beginning July
23 1, 1977 and during the fiscal year beginning July
24 1, 1978, the notice shall also indicate whether or
25 not any state property taxes are due on the property.
26 If state property taxes are due on the property, the
27 notice shall also notify the owner of the property
28 that the taxes are payable to the department of revenue
29 and shall be included in the payment of state income
30 taxes due and payable upon the filing of a state
31 income tax return filed for any tax year ending on
32 or after July 1, 1977 and not later than June 30,
33 1978 and on or after July 1, 1978 and not later than
34 June 30, 1979, as applicable.

35 Sec. ___. Any state property taxes due under the
36 provisions of this Act shall become a lien against
37 the property in the same manner and at the same time
38 as a lien for any other delinquent property taxes.

39 Sec. ___. Upon payment of the state property taxes
40 due on a parcel of property to the department of rev-
41 enue, the director of revenue shall certify the pay-
42 ment of the state property taxes to the county auditor
43 and direct the auditor to remove the lien which has
44 been attached for nonpayment of state property taxes.

45 ___ . By striking pages 15 and 16.

46 ___ . Page 17, by striking lines 1 through 19."

47 2. Page 6, by striking lines 1 through 43.

48 3. Page 7, by striking lines 29 through 50.

49 4. Page 8, by striking lines 1 through 50.

50 5. Page 9, by striking lines 1 through 7 and

- 1 inserting in lieu thereof the following:
- 2 "___ Page 23, line 7, by striking the words "and
- 3 exemptions".
- 4 ___ Page 23, line 8, by striking the words "making
- 5 changes in".
- 6 ___ Page 23, by striking line 9.
- 7 ___ Page 23, line 10, by striking the words
- 8 "taxable property,".
- 9 ___ Page 23, line 12, by striking the words "making
- 10 certain provisions of the Act retroactive,".

S-5436 FILED - *Lost 4/1 23-25 (1135)*
APRIL 1, 1976

BY WILLARD R. HANSEN
ELIZABETH SHAW
E. KEVIN KELLY

S-5437

- 1 Amend the Rodgers amendment, S-5435, to the Re-
- 2 port of the Second Conference Committee on Senate File
- 3 1062, page 5, lines 39 and 40, by striking the words
- 4 "a fair return on the investment" and inserting in
- 5 lieu thereof the words "the actual return on the
- 6 investment for the five crop years immediately pre-
- 7 ceding January 1, 1977".

S-5437 FILED - *Lost 11-37 4/1 (1136)*
APRIL 1, 1976

BY FRED W. NOLTING

SENATE FILE 1062

S-5198

- 1 Amend the Priebe et al. amendment, S-5197 to
- 2 the House Amendment, S-5183, to Senate File 1062
- 3 as follows:
- 4 1. Page 9, by striking lines 33 through 36 and
- 5 inserting in lieu thereof the following: "and after its
- 6 publication in The Forest City Summit, a newspaper
- 7 published in Forest City, Iowa, and in The Ocheyedan
- 8 Press, a newspaper published in Ocheyedan, Iowa."

S-5198 FILED & ADOPTED (*p. 570*)
FEBRUARY 23, 1976

BY BERL E. PRIEBE

REPORT OF THE CONFERENCE COMMITTEE

ON SENATE FILE 1062

To the President of the Senate and the Speaker of the House of Representatives:

3 We, the undersigned members of the conference committee
3 appointed to consider the differences between the Senate and
3 House of Representatives on Senate File 1062, a bill for an Act
to provide budget limitations for certain political subdivisions
of the state and to impose an income surtax by referendum for
certain budget expenditures, respectfully submit the following
report:

1. That the Senate and House conferees failed to reach an agreement.

ON THE PART OF THE SENATE:

FRED NOLTING, Chairman
CLOYD ROBINSON
WARREN CURTIS
LOUIS CULVER
JOHN NYSTROM

ON THE PART OF THE HOUSE:

DONALD AVENSON
WILLIAM HARGRAVE
JIM WELLS
FLOYD MILLEN
ANDREW VARLEY

S-5435

1 Amend the Report of the Second Conference Committee
2 on Senate File 1062, as passed by the House, as fol-
3 lows:

4 1. Page 1, line 2, by striking the dates "1976-
5 77 and 1977-78" and inserting in lieu thereof the
6 dates "1976-77, 1977-78, and 1978-79".

7 2. Page 1, line 6, by striking the words "five
8 hundred" and inserting in lieu thereof the words
9 "seven hundred fifty".

10 3. Page 1, line 24, by striking the words "five
11 hundred" and inserting in lieu thereof the words
12 "seven hundred fifty".

13 4. Page 1, by striking line 27 and inserting in
14 lieu thereof the words "seven percent for the fiscal
15 years beginning July 1, 1977 and July 1, 1978 for".

16 5. Page 3, line 7, by striking the word "year"
17 and inserting in lieu thereof the words "years".

18 6. Page 3, line 8, by inserting after the date
19 "1977" the words "and July 1, 1978,".

20 7. Page 4, by striking lines 3 through 6.

21 8. Page 5, line 25, by striking the words "year
22 beginning July 1, 1977" and inserting in lieu thereof
23 the words "years beginning July 1, 1977 and July 1,
24 1978".

25 9. Page 6, line 28, by striking the words "year
26 beginning July 1, 1977" and inserting in lieu thereof
27 the words "years beginning July 1, 1977 and July 1,
28 1978".

29 10. By striking page 6, line 30 through page 8,
30 line 1, and inserting in lieu thereof the following:

31 "Sec. 6. DUTIES OF STATE COMPTROLLER.

32 1. As soon as practicable after the effective
33 date of this division, the state comptroller shall
34 give notice of the requirements of this division and
35 distribute such forms as required to the governing
36 bodies of the political subdivisions of this state.

37 2. The state comptroller shall review the certi-
38 fied total budget of each political subdivision and
39 calculate the dollar amount and percentage increase
40 of the property tax budget for the fiscal years be-
41 ginning July 1, 1976, July 1, 1977 and July 1, 1978
42 over the property tax budget for the base year.

43 3. If the property tax budget of a political sub-
44 division for the fiscal year beginning July 1, 1976,
45 July 1, 1977, or July 1, 1978 exceeds the property
46 tax budget of such political subdivision for the base
47 year by more than nine percent, the state comptroller
48 shall reduce the certified total budget to provide
49 a property tax budget increase of nine percent and
50 return the certified total budget to the governing

1 body with notification that, following a public hearing
2 as provided in section eight (8) of this division,
3 the total budget shall be recertified with a property
4 tax budget increase not exceeding nine percent or
5 that, without a public hearing, the certified total
6 budget shall be submitted to the state appeal board
7 for approval as provided in section seven (7) of this
8 division if the increase of more than nine percent
9 is needed.

10 4. If the property tax budget of a political sub-
11 division for the fiscal year beginning July 1, 1977
12 or July 1, 1978 exceeds the property tax budget of
13 such political subdivision for the base year by more
14 than seven percent but not more than nine percent,
15 the state comptroller shall reduce the certified total
16 budget to provide a property tax budget increase of
17 seven percent and return the certified total budget
18 to the governing body with notification that a public
19 hearing must be held as provided in section eight
20 (8) of this division.

21 Sec. 7. APPROVAL OF STATE APPEAL BOARD.

22 1. Upon receipt of the notification from the state
23 comptroller as provided in section six (6), subsection
24 three (3) of this division, the governing body of
25 such political subdivision shall petition the state
26 appeal board to approve the total budget of the poli-
27 tical subdivision not later than seven days following
28 receipt of notification if the increase of more than
29 nine percent is needed. However, if the governing
30 body, upon receipt of such notification, finds that
31 an increase in the property tax budget above nine
32 percent is not justified, the governing body shall
33 publish notice of and conduct a public hearing for
34 the purpose of approving a total budget which includes
35 a property tax budget increase of nine percent or
36 less. The public hearing shall be carried out
37 according to the provisions of section eight (8) of
38 this division except that, for the total budget for
39 the fiscal year beginning July 1, 1976, the public
40 hearing shall be held within twenty days after the
41 receipt of notification.

42 2. A petition to the state appeal board under
43 this division shall be submitted in writing on forms
44 furnished by the state comptroller citing the unusual
45 circumstances as outlined in subsection three (3)
46 of this section, which create the need for property
47 tax budget expenditures in excess of nine percent
48 of the base year's property tax budget expenditures
49 and accompanied by such supporting documents as
50 required by the state appeal board. The state appeal

1 board shall conduct a public hearing on the petition
2 in the county or in one of the counties in which the
3 political subdivision is located and may request
4 additional information. The state appeal board shall
5 hear and consider any appeal made by persons affected
6 by the total budget of a political subdivision at
7 the same time the petition of the governing board
8 of such political subdivision is heard and considered."

9 11. Page 8, line 2, by striking the number "4"
10 and inserting in lieu thereof the number "3".

11 12. Page 8, line 25, by striking the number "5"
12 and inserting in lieu thereof the number "4".

13 13. Page 8, by striking line 28, and inserting
14 in lieu thereof the following:

15 "5. The state appeal board shall approve the
16 total".

17 14. Page 9, line 2, by striking the number "7"
18 and inserting in lieu thereof the number "6".

19 15. By striking page 9, line 7 through page 10,
20 line 4 and inserting in lieu thereof the following:

21 "Sec. 8. ADDITIONAL PUBLIC HEARING--FISCAL YEARS
22 1977-78 AND 1978-79.

23 Upon receipt of the notification from the state
24 comptroller that the property tax budget of the certi-
25 fied total budget of a political subdivision for the
26 fiscal year beginning July 1, 1977 or July 1, 1978
27 exceeds seven percent but not more than nine percent
28 of the property tax budget of such political subdivi-
29 sion for the base year, the governing body of such
30 political subdivision shall publish notice of and
31 conduct a public hearing not later than April
32 fifteenth. The date, time and location of the public
33 hearing and the information required to be published
34 under section nine (9) of this division, shall be
35 published in a newspaper having general circulation
36 throughout the political subdivision not less than
37 five days before the date of hearing. Thereafter,
38 the total budget shall be recertified, with or without
39 changes that may be made after the hearing, to the
40 county auditor and the state comptroller not later
41 than April fifteenth. If, after such hearing, the
42 property tax budget for the fiscal year beginning
43 July 1, 1977 or July 1, 1978 exceeds the property
44 tax budget of the base year by more than nine percent,
45 such budget shall be subject to the approval of the
46 state appeal board as provided in section seven (7)
47 of this division."

48 16. Page 10, line 5, by striking the number "8"
49 and inserting in lieu thereof the number "9".

50 17. Page 10, line 18, by striking the word "guide-

1 line" and inserting in lieu thereof the word "per-
2 centages".

3 18. Page 10, line 20, by striking the word "guide-
4 line" and inserting in lieu thereof the word "per-
5 centages".

6 19. Page 11, by striking line 10 and inserting
7 in lieu thereof the words "beginning July 1, 1976,
8 July 1, 1977, and July 1, 1978."

9 20. Page 11, line 11, by striking the number "9"
10 and inserting in lieu thereof the number "10".

11 21. Page 11, line 17, by striking the word and
12 number "seven (7)" and inserting in lieu thereof the
13 word and number "eight (8)".

14 22. Page 11, line 18, by striking the word "certi-
15 fication" and inserting in lieu thereof the word "re-
16 certification".

17 23. Page 11, by striking lines 19 through 24,
18 and inserting in lieu thereof the words "to protest
19 to the state appeal board. All other time".

20 24. By striking page 11, line 35 through page
21 12, line 18, and inserting in lieu thereof the follow-
22 ing:

23 "Sec. 11. PROPERTY TAX CARRYOVER. If a political
24 subdivision adopts a total budget for the fiscal year
25 beginning July 1, 1976, which does not include an
26 increase in the amount of property tax levy for the
27 property tax budget computed in dollars which exceeds
28 or is equal to nine percent, the political subdivision
29 may levy property taxes for the succeeding fiscal
30 year in excess of a seven percent increase and be
31 exempt from the provisions of sections seven (7) and
32 eight (8) of this division. Also, if a political
33 subdivision adopts a total budget for the fiscal year
34 beginning July 1, 1977, which does not include an
35 increase in the amount of property tax levy for the
36 property tax budget computed in dollars which exceeds
37 or is equal to seven percent, the political subdivision
38 may levy property taxes for the succeeding fiscal
39 year in excess of a seven percent increase and be
40 exempt from the provisions of sections seven (7) and
41 eight (8) of this division. However, the exemption
42 from the provisions of sections seven (7) and eight
43 (8) of this division shall be applicable only if the
44 additional property tax levy for the property tax
45 budget does not raise in dollars an amount which
46 exceeds the seven percent increase for the fiscal
47 year beginning July 1, 1977 or July 1, 1978 and the
48 difference between the amount in dollars which the
49 political subdivision levied during the base year
50 and the amount in dollars which the political

- 1 subdivision could have levied during the base year
2 under this division."
- 3 25. Page 12, line 19, by striking the number "11"
4 and inserting in lieu thereof the number "12".
- 5 26. Page 12, line 23, by striking the word "How-
6 ever," and by striking all of lines 24 through 33.
- 7 27. Page 12, line 34, by striking the number "12"
8 and inserting in lieu thereof the number "13".
- 9 28. Page 13, by striking lines 1 through 4 and
10 inserting in lieu thereof the words "a protest filed
11 with the state appeal board by persons affected by
12 the total budget of a political subdivision."
- 13 29. Page 13, line 5, by striking the number "13"
14 and inserting in lieu thereof the number "14".
- 15 30. Page 13, by striking lines 12 through 16.
- 16 31. Page 13, by striking line 24 and inserting
17 in lieu thereof the words "~~in-no-event~~ the number
18 shall not be less than ten and the number need not
19 be more than one hundred persons, who are".
- 20 32. Page 14, line 25, by striking the word "not"
21 and inserting in lieu thereof the words "~~net~~ the
22 number shall not be".
- 23 33. Page 14, line 28, by striking the word "or"
24 and inserting in lieu thereof the words "and the
25 number need not be".
- 26 34. Page 14, line 34, by striking the word "as-
27 sessed" and inserting in lieu thereof the word "ac-
28 tual".
- 29 35. Page 15, by inserting after line 20 the fol-
30 lowing new section:
- 31 "Sec. __. Notwithstanding the provisions of section
32 four hundred forty-one point twenty-one (441.21) of
33 the Code, for assessments made as of January 1, 1977,
34 in assessing and determining the actual value of ag-
35 ricultural land, except structures located thereon,
36 the value shall be computed on the basis of the
37 productivity and net earning capacity of the land
38 determined on the basis of the use for agricultural
39 purposes capitalized at a rate representing a fair
40 return on the investment, such rate to be established
41 by the state board of tax review and applied uniformly
42 among counties and among classes of property. The
43 actual value of a structure located on agricultural
44 land shall be the fair and reasonable market value
45 of the structure. The provisions of this section
46 shall apply only to valuations of agricultural property
47 valued as of January 1, 1977."
- 48 36. Page 16, line 1, by striking the words "and
49 approved".
- 50 37. Page 16, line 2, by inserting after the word

1 and figure "July 1, 1975" the words "and approved".

2 38. Page 16, line 3, by striking the word "The"
3 and inserting in lieu thereof the words "Not later
4 than August 1, 1976, the".

5 39. Page 16, line 5, by striking the words "under
6 the provisions of this Act" and inserting in lieu
7 thereof the words "claimed between January 1, 1975
8 and July 1, 1975, and approved".

9 40. Page 16, lines 5 and 6, by striking the words
10 "not later than August 1, 1976".

11 41. Page 16, line 7, by inserting before the word
12 "department" the words "county treasurer and the".

13 42. Page 16, line 12, by inserting after the word
14 "approved" the word and figure "in 1975".

15 43. Page 16, line 15, by striking the word and
16 figure "June 1" and inserting in lieu thereof the
17 word and figure "July 1".

18 44. Page 16, by inserting after line 17 the fol-
19 lowing new sections:

20 "Sec. 22. Notwithstanding the provisions of sec-
21 tion four hundred twenty-five point one (425.1), sub-
22 sections two (2), three (3), and four (4) of the Code,
23 the homestead tax credit shall be computed so as to
24 give a credit against the tax on each eligible home-
25 stead in the state in an amount equal to the actual
26 levy on the first five thousand dollars of actual
27 value for each homestead. The provisions of this
28 section shall only be applicable for each homestead
29 tax credit claimed between January 1, 1976 and July
30 1, 1976 and approved and for each homestead tax cred-
31 it claimed between January 1, 1977 and July 1, 1977
32 and approved except as provided in sections thirty-
33 nine (39) and forty (40) of this Act.

34 Sec. 23. EFFECTIVE DATE. The provisions of sec-
35 tion twenty-two (22) of this Act are effective to
36 January 1, 1976 for credits claimed on or after January
37 1, 1976 and approved under chapter four hundred twenty-
38 five (425) of the Code for a homestead tax credit
39 on an eligible homestead and to this extent the
40 provisions of section twenty-two (22) of this Act
41 are retroactive."

42 45. Page 16, by striking lines 18 through 26.

43 46. Page 17, by striking lines 8 through 19.

44 47. Page 20, by striking lines 29 through 35 and
45 page 21, by striking lines 1 through 10 and insert-
46 ing in lieu thereof the following:

47 "Sec. 33. TASK FORCE CREATED. There is established
48 a local government task force composed of sixteen
49 members. Of the sixteen members, two shall be members
50 of the senate and two shall be members of the house

1 of representatives who shall be nonvoting members,
2 and twelve members who are interested and knowledgeable
3 in affairs of local government. All members of the
4 task force shall be appointed by the governor. Of
5 the members appointed from the senate, the governor
6 shall appoint one member from the majority party and
7 one member from the minority party each of whom are
8 members of the senate committee on ways and means.
9 Of the members appointed from the house of repre-
10 sentatives, the governor shall appoint one member
11 from the majority party and one member from the
12 minority party each of whom are members of the house
13 committee on ways and means. Of the remaining twelve
14 members, the governor shall appoint two members from
15 each congressional district, who shall not be members
16 of the same political party. The members appointed
17 by the governor shall serve at the pleasure of the
18 governor. Any vacancy in the membership of the task
19 force shall be filled by appointment in the same
20 manner as the original appointments.

21 The nonlegislative members of the task force shall
22 receive their actual and necessary expenses to be
23 audited by the state comptroller. Members of the
24 task force who are members of the general assembly
25 shall receive a per diem of forty dollars and their
26 actual and necessary expenses."

27 48. Page 22, line 31, by inserting after the word
28 "including" the words "per diem and".

29 49. Page 22, by inserting after line 32 the fol-
30 lowing new sections:

31 "DIVISION VIII

32 Sec. 39. If the unencumbered balance of the general
33 fund of the state on June 30, 1976 does not exceed
34 fifty million dollars, the homestead tax credit
35 computed in the manner provided in section twenty-
36 two (22) of this Act shall not apply and the homestead
37 tax credit for claims filed in 1976 shall be computed
38 so as to give a credit against the tax on each eligible
39 homestead in the state in an amount equal to the
40 actual levy on the first four thousand five hundred
41 dollars of actual value for each homestead. The
42 county auditor shall compute the homestead tax credit
43 in the manner provided in section twenty-two (22)
44 of this Act and if the general fund balance does not
45 exceed fifty million dollars, the department of revenue
46 shall reduce the amount of each homestead tax credit
47 claim certified to the department by ten percent and
48 recertify the amount of the credit to be allowed on
49 each eligible homestead to the county treasurers of
50 the respective counties.

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1 If the unencumbered balance of the general fund
2 of the state on June 30, 1976, does not exceed fifty
3 million dollars, there is appropriated for the fiscal

4 year beginning July 1, 1977 and ending June 30, 1978
5 and amount equal to thirteen million (13,000,000)
6 dollars, or so much thereof as may be necessary, to
7 the agricultural land credit fund and the provisions
8 of section four hundred twenty-six point one (426.1)
9 of the Code shall not apply for the fiscal year be-
10 ginning July 1, 1977 and ending June 30, 1978.

11 If the provisions of this section become effective
12 and the amount of funds appropriated to the
13 agricultural land credit fund is the amount specified
14 in this section, the state comptroller shall recertify
15 to the county auditors of the respective counties
16 the pro rata percentage of reimbursement from the
17 agricultural land credit fund which shall be
18 distributed by the state comptroller.

19 Sec. 40. If the unencumbered balance of the general
20 fund of the state on June 30, 1977 does not exceed
21 fifty million dollars, the homestead tax credit com-
22 puted in the manner provided in section twenty-two
23 (22) of this Act shall not apply and the homestead
24 tax credit for claims filed in 1977 shall be computed
25 so as to give a credit against the tax on each eligible
26 homestead in the state in an amount equal to the
27 actual levy on the first four thousand five hundred
28 dollars of actual value for each homestead. The
29 county auditor shall compute the homestead tax credit
30 in the manner provided in section twenty-two (22)
31 of this Act and if the general fund balance does not
32 exceed fifty million dollars, the department of revenue
33 shall reduce the amount of each homestead tax credit
34 claim certified to the department by ten percent and
35 recertify the amount of the credit to be allowed on
36 each eligible homestead to the county treasurers of
37 the respective counties.

38 If the unencumbered balance of the general fund
39 of the state on June 30, 1977, does not exceed fifty
40 million dollars, there is appropriated for the fiscal
41 year beginning July 1, 1978 and ending June 30, 1979
42 an amount equal to thirteen million (13,000,000)
43 dollars, or so much thereof as may be necessary, to
44 the agricultural land credit fund and the provisions
45 of section four hundred twenty-six point one (426.1)
46 of the Code shall not apply for the fiscal year be-
47 ginning July 1, 1978 and ending June 31, 1979.

48 If the provisions of this section become effective
49 and the amount of funds appropriated to the agricul-
50 tural land credit fund is the amount specified in

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1 this section, the state comptroller shall recertify
2 to the county auditors of the respective counties
3 the pro rata percentage of reimbursement from the
4 agricultural land credit fund which shall be
5 distributed by the state comptroller."

6 50. Page 23, line 7, by striking the words "and
7 exemptions".

8 51. Renumber sections and correct internal re-
9 ferences as may be necessary in accordance with this
10 amendment.

S-5435 FILED - *Adopted 26.22 4/1 (1136)*
APRIL 1, 1976

BY NORMAN G. RODGERS

Second
REPORT OF THE CONFERENCE COMMITTEE
ON SENATE FILE 1062

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to consider the differences between the Senate and the House of Representatives on Senate File 1062, a bill for an Act to provide budget limitations for certain political subdivisions of the state and to impose an income surtax by referendum for certain budget expenditures, respectfully submit the following report:

1. That the House recede from its amendment, S-5183, to Senate File 1062, as amended, passed, and reprinted by the Senate.

2. That Senate File 1062, as amended, passed, and reprinted by the Senate, be amended as follows:

1. By striking everything after the enacting clause and inserting in lieu thereof the following:

House adopted 56-41 3/18 (1282)
Senate adopted as amended by S-5435 4/1
26-22
House suspended rules and
adopted 54-42 4/13 (1924)

"DIVISION I

Budget Limitations for Fiscal Years 1976-77 and 1977-78

Section 1. DEFINITIONS. As used in this division:

1. "Base year" means the preceding fiscal year.

2. "Political subdivision" means a county, a city having a population of more than five hundred persons or any other local public body or corporation having a property tax budget subject to limitation under sections two (2) through five (5) of this division.

3. "Total budget" means the budget including amendments for all funds or programs of a political subdivision.

4. "Property tax budget" means those parts of the total budget of a political subdivision to be derived from property taxation and subject to the maximum dollar levy limitations under sections two (2) through five (5) of this division.

5. "Person" means eligible elector as defined in section thirty-nine point three (39.3) of the Code.

6. "State appeal board" means the state appeal board created under section twenty-four point twenty-six (24.26) of the Code.

Sec. 2. CITY LEVY LIMITATION. The maximum amount in dollars which may be levied by a city with a population of more than five hundred over the amount in dollars levied for the base year shall be limited to an aggregate increase of nine percent for the fiscal year beginning July 1, 1976 and seven percent for the fiscal year beginning July 1, 1977 for the following designated property tax levies, except as otherwise provided in this division:

1. The general fund levy authorized pursuant to section three hundred eighty-four point one (384.1) of the Code.

2. The tax levy for the purpose of carrying out the terms of a contract for the use of a bridge by a city situated on a river over which a bridge has been built authorized pursuant to section three hundred eighty-four point twelve (384.12),

1 subsection eight (8), of the Code.

2 3. The tax levy for the operation and maintenance of a
3 municipal transit system and for the creation of a reserve
4 fund for the system authorized pursuant to section three
5 hundred eighty-four point twelve (384.12), subsection ten
6 (10), of the Code.

7 4. The tax levy for the lease of a building or complex
8 of buildings to be operated as a civic center authorized pur-
9 suant to section three hundred eighty-four point twelve
10 (384.12), subsection eleven (11), of the Code.

11 5. The tax levy for operating and maintaining a civic
12 center owned by a city authorized pursuant to section three
13 hundred eighty-four point twelve (384.12), subsection twelve
14 (12), of the Code.

15 6. The tax levy for planning a sanitary disposal system
16 authorized pursuant to section three hundred eighty-four point
17 twelve (384.12), subsection thirteen (13), of the Code.

18 7. The tax levy for an aviation authority authorized pur-
19 suant to section three hundred eighty-four point twelve
20 (384.12), subsection fourteen (14), of the Code.

21 8. The tax levy for an authority for a joint city-county
22 building authorized pursuant to section three hundred eighty-
23 four point twelve (384.12), subsection fifteen (15), of the
24 Code.

25 9. The tax levy for a levee improvement fund authorized
26 pursuant to section three hundred eighty-four point twelve
27 (384.12), subsection sixteen (16), of the Code.

28 10. The tax levy to aid a railway authorized pursuant
29 to section three hundred eighty-four point twelve (384.12),
30 subsection seventeen (17), of the Code.

31 11. The tax levy to maintain an institution received by
32 gift or devise authorized pursuant to section three hundred
33 eighty-four point twelve (384.12), subsection eighteen (18),
34 of the Code.

35 12. The tax levy for the emergency fund authorized pursuant

1 to section three hundred eighty-four point eight (384.8) of
2 the Code.

3 Sec. 3. COUNTY LEVY LIMITATION. The maximum amount in
4 dollars which may be levied by a county over the amount in
5 dollars levied for the base year shall be limited to an
6 aggregate increase of nine percent for the fiscal year
7 beginning July 1, 1976 and seven percent for the fiscal year
8 beginning July 1, 1977 for the following designated property
9 tax levies, except as otherwise provided in this division:

10 1. The tax levy for the emergency fund authorized pur-
11 suant to section twenty-four point six (24.6) of the Code.

12 2. The tax levy for the development, operation, and main-
13 tenance of a memorial building or monument authorized pursuant
14 to section thirty-seven point eight (37.8) of the Code.

15 3. The tax levy for the purchase of voting machines autho-
16 rized pursuant to section fifty-two point three (52.3) of
17 the Code.

18 4. The tax levy for the county conservation board autho-
19 rized pursuant to section one hundred eleven A point six
20 (111A.6) of the Code.

21 5. The tax levy for indemnity payments and the inspec-
22 tion and testing program relating to bovine brucellosis eradi-
23 cation authorized pursuant to section one hundred sixty-four
24 point twenty-three (164.23) of the Code.

25 6. The tax levy for the bovine tuberculosis eradication
26 fund authorized pursuant to section one hundred sixty-five
27 point eighteen (165.18) of the Code.

28 7. The tax levy for the fairground fund authorized pur-
29 suant to sections one hundred seventy-four point thirteen
30 (174.13) and one hundred seventy-four point seventeen (174.17)
31 of the Code.

32 8. The tax levy for the purpose of maintaining a county
33 or multicounty juvenile home authorized pursuant to section
34 two hundred thirty-two point twenty-two (232.22) of the Code.

35 9. The tax levy for the veteran affairs fund authorized

1 pursuant to section two hundred fifty point one (250.1) of
2 the Code.

3 10. The tax levy for the poor fund authorized pursuant
4 to sections two hundred fifty-two point forty-three (252.43)
5 through two hundred fifty-two point forty-five (252.45) of
6 the Code.

7 11. The tax levy for secondary road construction and main-
8 tenance authorized pursuant to section three hundred nine
9 point seven (309.7) of the Code.

10 12. The tax levy for the road clearing fund authorized
11 pursuant to section three hundred seventeen point nineteen
12 (317.19) of the Code.

13 13. The tax levy for the purchase of weed eradicating
14 equipment and materials authorized pursuant to section three
15 hundred seventeen point twenty (317.20) of the Code.

16 14. The tax levy for an aviation authority authorized
17 pursuant to section three hundred thirty A point fifteen
18 (330A.15) of the Code.

19 15. The tax levy for the maintenance and improvement of
20 cemeteries in the county authorized pursuant to section three
21 hundred thirty-two point three (332.3) of the Code.

22 16. The tax levy for public disposal grounds authorized
23 pursuant to section three hundred thirty-two point thirty-
24 two (332.32) of the Code.

25 17. The tax levy for the operation, control, maintenance,
26 and management of health centers authorized pursuant to section
27 three hundred forty-six A point two (346A.2) of the Code.

28 18. The tax levy for the payment of claims for bounties
29 on wild animals authorized pursuant to section three hundred
30 fifty point eight (350.8) of the Code.

31 19. The tax levy for the maintenance of a county library
32 authorized pursuant to section three hundred fifty-eight B
33 point thirteen (358B.13) of the Code.

34 20. The tax levy for the entering of contracts for the
35 use of city libraries authorized pursuant to section three

1 hundred fifty-eight B point eighteen (358B.18) of the Code.

2 21. The tax levy for ordinary county revenue and the
3 election expense fund authorized pursuant to section four
4 hundred forty-four point nine (444.9) of the Code.

5 22. The tax levy for the county orphan fund authorized
6 pursuant to section four hundred forty-four point eleven
7 (444.11) of the Code.

8 23. The tax levy for the purpose of planning a sanitary
9 disposal project or of paying interest and principal on bonds
10 issued pursuant to section three hundred forty-six point
11 twenty-three (346.23) of the Code which levy is authorized
12 pursuant to section four hundred fifty-five B point eighty-
13 one (455B.81) of the Code.

14 24. The tax levy for flood and erosion control projects
15 authorized pursuant to section four hundred sixty-seven B
16 point nine (467B.9) of the Code.

17 25. The tax levy for the maintenance of property received
18 by a county by gift or devise authorized pursuant to section
19 five hundred sixty-five point eight (565.8) of the Code.

20 Sec. 4. SPECIAL DISTRICT LEVY LIMITATION. The maximum
21 amount in dollars which may be levied by a special purpose
22 district over the amount in dollars levied for the base year
23 shall be limited to an aggregate increase of nine percent
24 for the fiscal year beginning July 1, 1976 and seven percent
25 for the fiscal year beginning July 1, 1977, for the following
26 designated property tax levies, except as otherwise provided
27 in this division:

28 1. The tax levy by a benefited water district for the
29 maintenance of the water system authorized pursuant to section
30 three hundred fifty-seven point twenty-five (357.25) of the
31 Code.

32 2. The tax levy by a benefited fire district to provide
33 fire protection within the district authorized pursuant to
34 section three hundred fifty-seven B point three (357B.3) of
35 the Code and the levy authorized pursuant to section three

*Sec. 4
revised -
letter
attached*

1 hundred fifty-seven B point five (357B.5) of the Code which
2 permits the county board of supervisors to continue the levy
3 upon dissolution of the district until all debts and obliga-
4 tions of the dissolved district are paid.

5 3. The tax levy by a benefited street lighting district
6 authorized pursuant to section three hundred fifty-seven C
7 point seven (357C.7) and three hundred fifty-seven C point
8 eleven (357C.11) of the Code.

9 4. The tax levy authorized pursuant to section four hun-
10 dred sixty-six point four (466.4) of the Code permitting a
11 levy sufficient to raise the amount necessary for mainte-
12 nance of a system to provide internal drainage necessary by
13 the construction of a levee along a navigable stream form-
14 ing a part of the boundary of the state.

15 5. The tax levy for a soil conservation district autho-
16 rized pursuant to section four hundred sixty-seven A point
17 twenty (467A.20) of the Code.

18 6. The tax levy authorized pursuant to section four hun-
19 dred eighty-three point one (483.1) of the Code to provide
20 aid to railroads.

21 Sec. 5. AGRICULTURAL EDUCATION LEVY LIMITATION. The
22 maximum amount in dollars which may be levied for the county
23 agricultural extension education program authorized pursuant
24 to section one hundred seventy-six A point ten (176A.10) of
25 the Code over the amount in dollars levied for the base year
26 shall be limited to an increase of nine percent for the fiscal
27 year beginning July 1, 1976 and seven percent for the fiscal
28 year beginning July 1, 1977, except as otherwise provided
29 in this division.

30 Sec. 6. APPEAL TO STATE APPEAL BOARD--FISCAL YEARS 1976-
31 77 AND 1977-78.

32 1. If the governing body of a political subdivision
33 certifies a total budget for the fiscal year beginning July
34 1, 1976 or July 1, 1977, the property tax budget of which
35 exceeds the property tax budget of such political subdivision

1 for the base year by more than nine percent, such certified
2 total budget shall be subject to approval of the state ap-
3 peal board upon petition signed by the number of persons who
4 are residents of such political subdivision as required under
5 section twenty-four point twenty-seven (24.27) or three hundred
6 eighty-four point nineteen (384.19) of the Code. The petition
7 shall include the objections to the property tax budget or
8 part of such budgets and the grounds for the objections.

9 A valid petition shall be filed with the county auditor of
10 the county in which the political subdivision is located not
11 later than ten days after the effective date of this division
12 for the fiscal year beginning July 1, 1976 and not later than
13 ten days after certification of the total budget to the county
14 auditor and the state comptroller for the fiscal year beginning
15 July 1, 1977.

16 2. Upon receipt of a valid petition to appeal the cer-
17 tified total budget of a political subdivision under this
18 section, the county auditor shall immediately prepare a copy
19 of the petition and the certified total budget subject to
20 appeal and transmit such information to the state appeal
21 board. The county auditor shall also notify the governing
22 body of the political subdivision of the petition for ap-
23 peal.

24 3. Upon receipt of the notification of appeal from the
25 county auditor, the governing body of a political subdivi-
26 sion shall immediately prepare and submit a written state-
27 ment to the state appeal board citing the unusual circum-
28 stances as outlined in subsection four (4) of this section,
29 which create the need for property tax budget expenditures
30 in excess of nine percent of the base year's property tax
31 budget expenditures. The statement shall be accompanied by
32 such supporting documents as deemed appropriate by the
33 governing body. The state appeal board shall conduct a public
34 hearing on the petition in the county or in one of the counties
35 in which the political subdivision is located and may request

1 additional information.

2 4. If a political subdivision has unusual circumstances,
3 creating a need for additional budget expenditures in ex-
4 cess of nine percent of the base year's property tax ex-
5 penditures, the following unusual circumstances shall be the
6 basis for justifying a property tax budget increase exceeding
7 nine percent:

8 a. Any unusual increase in population as determined by
9 the preceding certified federal census.

10 b. Natural disaster or other emergencies.

11 c. Unusual problems relating to major new functions re-
12 quired by state law.

13 d. Unusual staffing problems.

14 e. Unusual need for additional funds to permit conti-
15 nuance of a program which provides substantial benefit to
16 its residents.

17 f. Unusual need for a new program which will provide
18 substantial benefit to residents, if the political subdivi-
19 sion establishes the need and the amount of necessary increased
20 cost.

21 g. Need for increased expenditures by a political sub-
22 division having unusually low total budget expenditures for
23 the base year because of property tax levy limitations other-
24 wise provided by law.

25 5. The state appeal board may approve or modify the base
26 year's total budget expenditures of any political subdivision
27 which changes accounting procedures.

28 6. The state appeal board shall approve the property tax
29 budget as requested or reduce the amount of increased expen-
30 ditures. All decisions of the board under this division shall
31 be made in accordance with reasonable and uniform policies
32 which shall be consistent to carry out the provisions of this
33 division. The board shall take into account the intent of
34 this division to provide property tax relief and to provide
35 reasonable control of costs of the political subdivisions

1 of this state.

2 7. Upon decision of the board, the state comptroller shall
3 make the necessary changes in the total budget of the political
4 subdivision and certify the total budget to the governing
5 body of the political subdivision and the appropriate county
6 auditors.

7 Sec. 7. ADDITIONAL PUBLIC HEARING--FISCAL YEAR 1977-78.

8 If the governing body of a political subdivision approves
9 a total budget for the fiscal year July 1, 1977, the property
10 tax budget of which exceeds the property tax budget of such
11 political subdivision for the base year by more than seven
12 percent but not more than nine percent following a public
13 hearing required under chapter twenty-four (24) or three
14 hundred eighty-four (384), division two (II), of the Code,
15 the governing body of such political subdivision shall with-
16 hold certification of such budget to the county auditor for
17 at least ten days following such approval. If, during the
18 ten days following approval of the total budget, a valid
19 petition signed by the number of persons who are residents
20 of such political subdivision as required under section twenty-
21 four point twenty-seven (24.27) or three hundred eighty-four
22 point nineteen (384.19) of the Code, is filed with the
23 governing body of a political subdivision requesting a public
24 hearing, the governing body shall publish notice of and conduct
25 such public hearing not later than April fifth. The date,
26 time and location of the public hearing and the information
27 required to be published under section eight (8) of this
28 division, shall be published in a newspaper having general
29 circulation throughout the political subdivision not less
30 than five days before the date specified for such hearing.
31 Thereafter, the total budget shall be certified, with or with-
32 out changes that may be made after the hearing, to the county
33 auditor and the state comptroller not later than April fifth.
34 If, after such hearing, the property tax budget of the
35 certified total budget for the fiscal year beginning July

1 1, 1977 is increased to more than nine percent above the
2 property tax budget of the base year, such total budget shall
3 be subject to appeal to the state appeal board as provided
4 in section six (6) of this division.

5 Sec. 8. BUDGET PROCESS--NOTICE OF PUBLIC HEARING. In
6 addition to the requirements of chapters twenty-four (24)
7 and three hundred eighty-four (384), division two (II), of
8 the Code relating to the publication of notice and public
9 hearing on a budget of a political subdivision, the public
10 notice of a hearing on a total budget shall include the
11 following information:

12 1. The percentage and the dollar amount increase or de-
13 crease for the total budget and the property tax budget of
14 the political subdivision.

15 2. The percentage and the dollar amount increase or de-
16 crease of each fund included in the proposed total budget
17 and the property tax budget.

18 3. A statement showing the allowable growth guideline
19 established by the general assembly and the dollar amount
20 of increase represented by such guideline for the proposed
21 total budget and the property tax budget of the political
22 subdivision.

23 4. A statement of the major reasons for the proposed
24 increases in the proposed total budget and the property tax
25 budget.

26 5. A comparison of the percentages and dollar amounts
27 proposed to be expended with the percentages and dollar amounts
28 expended or proposed to be expended during the current fiscal
29 year as amended to the date of publication which information
30 shall be displayed in the publication in the form of a pie
31 graph. The graphs shall be prepared for both fiscal years
32 with one pie graph for each fiscal year showing the sources
33 of anticipated revenue and one pie graph for each fiscal year
34 showing the proposed budget expenditures by category of
35 services.

1 The provisions of this section shall not apply to
2 publication of notice for a hearing on a total budget for
3 the fiscal year beginning July 1, 1976 required under section
4 twenty-four point nine (24.9) or three hundred eighty-four
5 point sixteen (384.16) of the Code if the notice of hearing
6 has been published before the effective date of this division,
7 but it shall apply to any other notice for a hearing on a
8 total budget or amendment to a total budget required by this
9 division or other provision of law for the fiscal years
10 beginning July 1, 1976 and July 1, 1977.

11 Sec. 9. EXCEPTION TO DATES FOR BUDGET APPEAL. Not-
12 withstanding sections twenty-four point twenty-seven (24.27)
13 through twenty-four point thirty-two (24.32), inclusive, and
14 three hundred eighty-four point nineteen (384.19) of the Code,
15 persons affected by a certified total budget of a political
16 subdivision which conducts a public hearing as provided in
17 section seven (7) of this division, shall have ten days
18 following certification of such budget to file a petition
19 to protest to the state appeal board and persons affected
20 by a certified total budget of a political subdivision having
21 a property tax budget exceeding a nine percent increase for
22 the fiscal year beginning July 1, 1976, shall have ten days
23 after the effective date of this division to file a petition
24 to protest to the state appeal board. All other time
25 limitations or dates specified in sections twenty-four point
26 twenty-seven (24.27) through twenty-four point thirty-two
27 (24.32), inclusive, and section three hundred eighty-four
28 point nineteen (384.19) of the Code shall be correspondingly
29 changed or extended to allow the same amount of time for the
30 protest hearing and the decision of the state board that would
31 exist had the appeal to the state appeal board been filed
32 as provided in section twenty-four point twenty-seven (24.27)
33 or three hundred eighty-four point nineteen (384.19) of the
34 Code.

35 Sec. 10. PROPERTY TAX CARRYOVER. If a political sub-

1 division adopts a total budget for the fiscal year begin-
2 ning July 1, 1976, which does not include an increase in the
3 amount of the property tax levy computed in dollars which
4 exceeds or is equal to nine percent, the political subdivision
5 may levy property taxes for the fiscal year beginning July
6 1, 1977 in excess of a seven percent increase and be exempt
7 from the provisions of section seven (7) of this division
8 or in excess of a nine percent increase and be exempt from
9 the provisions of section six (6) of this division. However,
10 the exemption from the provisions of section six (6) or seven
11 (7) of this division shall be applicable only if the additional
12 property tax levy does not raise in dollars an amount which
13 exceeds the seven percent increase or the nine percent in-
14 crease, as the case may be, for the fiscal year beginning July
15 1, 1977 and the difference between the amount in dollars
16 which the political subdivision levied during the base year
17 and the amount in dollars which the political subdivision
18 could have levied during the base year under this division.

19 Sec. 11. PROPERTY TAX LEVY LIMITATION NOT AFFECTED. The
20 provisions of this division shall not be construed as removing
21 or otherwise affecting the property tax levy limitations
22 otherwise provided by law for any fund, account, or program
23 in the total budget of a political subdivision. However,
24 for the fiscal year beginning July 1, 1977, the state appeal
25 board may, upon appeal by a political subdivision, lift a
26 property tax levy limitation where reductions in the assessed
27 value of taxable property will cause a reduction in services
28 providing substantial benefits to the residents of such
29 political subdivision. For the purposes of this section,
30 "political subdivision" means any city, county, or other local
31 public body or corporation that has the power to levy or
32 certify a property tax or sum of money to be collected by
33 property taxation.

34 Sec. 12. BUDGET APPEAL NOT AFFECTED. The provisions of
35 this division shall not be construed to prohibit or affect

1 a protest filed with the state appeal board against a total
2 budget of a political subdivision having a property tax budget
3 which does not exceed the property tax budget of such political
4 subdivision for the base year by more than nine percent.

5 Sec. 13. SPECIAL CHARTERED CITIES. It is the intention
6 of the general assembly that the provisions of this divi-
7 sion shall apply to special chartered cities. The state
8 appeal board may adopt such rules relating to budget forms
9 and procedures as the state appeal board deems necessary to
10 carry out the provisions of this division regarding special
11 chartered cities.

12 Sec. 14. DUTIES OF STATE COMPTROLLER. As soon as prac-
13 ticable after the effective date of this division, the state
14 comptroller shall give notice of the requirements of this
15 division and distribute such forms as required to the governing
16 bodies of the political subdivisions of this state.

17 Sec. 15. Section twenty-four point twenty-seven (24.27),
18 Code 1975, is amended to read as follows:

19 24.27 PROTEST TO BUDGET. Not later than the first Tuesday
20 in April, a number of persons in any municipality equal to
21 one-fourth of one percent of those voting for the office of
22 president of the United States or governor, as the case may
23 be, at the last general election in said municipality, but
24 in no event less than ten or more than one hundred, who are
25 affected by any proposed budget, expenditure or tax levy,
26 or by any item thereof, may appeal from any decision of the
27 certifying board or the levying board, as the case may be,
28 by filing with the county auditor of the county in which such
29 municipal corporation is located, a written protest setting
30 forth their objections to such budget, expenditure or tax
31 levy, or to one or more items thereof, and the grounds for
32 such objections; ~~provided that at least three of such persons~~
33 ~~shall have filed a joint written objection, at or before the~~
34 ~~time of the meeting contemplated in section 24.14 which shall~~
35 ~~include a detailed statement of the objections to said budget,~~

1 expenditures-or-tax-levy-for-each-and-every-fund, or the items
2 therein-to-which-objection-is-taken-and-an-analysis-of-the
3 fund-or-funds, or items therein showing grounds for such
4 objections-or-shall-have-appeared-and-made-objection, either
5 general-or-specific, as provided by section 24.44. Upon the
6 filing of any such protest, the county auditor shall
7 immediately prepare a true and complete copy of said written
8 protest, together with the budget, proposed tax levy or
9 expenditure to which objections are made, and shall transmit
10 the same forthwith to the state board, and shall also send
11 a copy of such protest to the certifying board or to the
12 levying board, as the case may be.

13 Sec. 16. Section three hundred eighty-four point nine-
14 teen (384.19), unnumbered paragraph one (1), Code 1975, as
15 amended by Acts of the Sixty-sixth General Assembly, 1975
16 Session, chapter one hundred ninety-seven (197), section
17 twenty-eight (28), is amended to read as follows:

18 Within a period of ten days after the final date that a
19 budget or amended budget may be certified to the county
20 auditor, persons affected by the budget may file a written
21 protest with the county auditor, specifying their objections
22 to the budget or any part of it. A protest must be signed
23 by qualified electors equal in number to one-fourth of one
24 percent of the votes cast for governor in the last preceding
25 general election in the city, but not less than ten persons,
26 and-at-least-three-of-the-signers-must-have-filed-a-written
27 objection-or-appeared-and-objected-to-the-budget-at-the-budget
28 hearing-held-by-the-council or more than one hundred persons.

29 DIVISION II

30 VALUATION OF AGRICULTURAL PROPERTY

31 Sec. 17. AGRICULTURAL PROPERTY VALUATION. Notwithstanding
32 the provisions of section four hundred forty-one point twenty-
33 one (441.21) of the Code, for assessments made as of January
34 1, 1976, the assessed value of each tract of agricultural
35 property consisting of more than ten acres shall be computed

*Sec. 17
revised -
letter
attached*

1 by multiplying the valuations established by the assessor
2 and approved by the board of review by the percentage which
3 the 1975 income value per acre bears to the 1975 actual value
4 per acre of the agricultural property both as determined by
5 the director. The county auditor shall proceed to make the
6 necessary adjustments on the tax lists. If the valuation
7 of the agricultural property is increased in a county, the
8 county auditor shall notify by ordinary mail the owners of
9 agricultural property affected by the adjustment made pursuant
10 to this section. The local board of review shall reconvene
11 for a period of thirty days following the notification to
12 the taxpayer in counties where valuations have been increased
13 under this section. The notice shall include the adjusted
14 value of the property, the dates during which the board of
15 review is reconvened, and that a protest may be filed within
16 twenty days from the date the local board of review is
17 reconvened. The protest shall be limited to the adjustment
18 made pursuant to this section. The provisions of this section
19 shall apply only to valuations of agricultural property valued
20 as of January 1, 1976.

21 Sec. 18. EFFECTIVE DATE. The provisions of section
22 seventeen (17) of this Act shall be effective to January 1,
23 1976 for valuations of agricultural property assessed as of
24 January 1, 1976 and to this extent the provisions of section
25 seventeen (17) are retroactive.

*Sec. 18
retroactive -
letter
attached*

26 DIVISION III

27 CREDIT FOR RESIDENTIAL PROPERTY

28 Sec. 19. HOMESTEAD TAX CREDIT. Notwithstanding the
29 provisions of section four hundred twenty-five point one
30 (425.1), subsections two (2), three (3), and four (4) of the
31 Code, the homestead tax credit shall be computed so as to
32 give a credit against the tax on each eligible homestead in
33 the state in an amount equal to the actual levy on the first
34 four thousand five hundred dollars of actual value for each
35 homestead. The provisions of this section shall only be

1 applicable for each homestead tax credit claimed and approved
2 between January 1, 1975 and July 1, 1975.

3 Sec. 20. ADMINISTRATION. The county auditor shall
4 recompute the amount of credit allowed on each eligible
5 homestead under the provisions of this Act not later than
6 August 1, 1976 and certify the amount of the homestead tax
7 credits claimed in the county to the department of revenue.
8 The department shall reimburse each county in the manner and
9 at such time as is presently provided by law.

10 Sec. 21. EFFECTIVE DATE. The provisions of sections nine-
11 teen (19) and twenty (20) of this Act are effective to January
12 1, 1975 for credits claimed and approved under chapter four
13 hundred twenty-five (425) of the Code for a homestead tax
14 credit on eligible homesteads which claims are payable during
15 the fiscal year beginning June 1, 1976 ending June 30, 1977
16 and to this extent the provisions of sections nineteen (19)
17 and twenty (20) of this Act are retroactive.

18 Sec. 22. HOMESTEAD EXEMPTION. There is granted an
19 exemption against the 1976 assessed valuation and against
20 which taxes are levied in 1977 to each homestead and for which
21 a homestead tax credit was applied for and approved in 1976,
22 an amount equal to three thousand two hundred fifty dollars
23 of the taxable value of the property. The exemption allowed
24 under the provisions of the section shall be computed after
25 computation of the homestead tax credit allowed under chapter
26 four hundred twenty-five (425) of the Code.

27 DIVISION IV

28 AGRICULTURAL LAND CREDIT FUND

29 Sec. 23. APPROPRIATION. There is appropriated for the
30 fiscal year beginning July 1, 1976 and ending June 30, 1977
31 to the agricultural land credit fund the sum of twenty-four
32 million (24,000,000) dollars which shall be in addition to
33 moneys appropriated pursuant to section four hundred twenty-
34 six point one (426.1) of the Code.

35 Sec. 24. ADMINISTRATION. Not later than May 1, 1976,

1 the state comptroller shall recertify to the county auditors
2 of the respective counties the pro rata percentage of
3 reimbursement from the agricultural land credit fund which
4 shall be distributed by the state comptroller on or before
5 September 15, 1976.

6 DIVISION V

7 STATE SCHOOL FOUNDATION PROGRAM

8 Sec. 25. Section four hundred forty-two point three
9 (442.3), Code 1975, is amended to read as follows:

10 442.3 STATE FOUNDATION BASE. The state foundation base
11 for the school year beginning July 1, ~~1972~~ 1977, is ~~seventy~~
12 seventy-seven percent of the state cost per pupil. For each
13 succeeding school year the state foundation base shall be
14 increased by the amount of one percent of the state cost per
15 pupil, up to a maximum of eighty percent of the state cost
16 per pupil. The district foundation base is the larger of
17 the state foundation base or the amount per pupil which the
18 district will receive from foundation property tax and state
19 school foundation aid.

20 Sec. 26. Acts of the Sixty-sixth General Assembly, 1975
21 Session, chapter seventy-nine (79), section nineteen (19),
22 subsection two (2), unnumbered paragraph one (1), amending
23 section four hundred forty-two point seven (442.7), Code 1975,
24 is amended to read as follows:

25 2. For school years subsequent to the school year be-
26 ginning July 1, 1975, a state percent of growth for the budget
27 year shall be computed by the state comptroller prior to
28 February fifteenth of each year and forwarded to the
29 superintendent of public instruction. The state percent
30 of growth shall be an average of the following ~~six~~ four
31 percentages of growth.

32 Sec. 27. Acts of the Sixty-sixth General Assembly, 1975
33 Session, chapter seventy-nine (79), section nineteen (19),
34 subsection two (2), amending section four hundred forty-two
35 point seven (442.7), Code 1975, is amended by striking

1 paragraph b.

2 Sec. 28. The provisions of sections twenty-five (25),
3 twenty-six (26), and twenty-seven (27) of this Act are
4 effective July 1, 1976.

5 DIVISION VI

6 PROPERTY TAX REIMBURSEMENT

7 Sec. 29. Section four hundred twenty-five point seven-
8 teen (425.17), subsection ten (10), Code 1975, as amended
9 by Acts of the Sixty-sixth General Assembly, 1975 Session,
10 chapter two hundred thirteen (213), section one (1), is amended
11 to read as follows:

12 10. "PROPERTY TAXES PAID" means property taxes including
13 one-half of any special assessments, but exclusive of special
14 assessments, delinquent interest, and charges for services,
15 paid on a claimant's homestead in this state, but includes
16 only property taxes for which the claimant was liable and
17 which were actually paid by the claimant. If the property
18 taxes have actually been paid, they shall be deemed to have
19 been paid when due, regardless of the date of actual payment.
20 "Property taxes paid" shall be computed with no deduction
21 for any credit under this division or for any homestead credit
22 allowed under section 425.1. Claims for property tax reim-
23 bursement filed in 1974 shall be based upon the property taxes
24 paid in 1973. Claims for property tax reimbursement filed
25 in 1975 shall be limited to two-thirds of the property taxes
26 paid in 1974 and the first one-half of 1975. Each year
27 thereafter, each claim shall be based upon the taxes paid
28 during the base year. If a homestead is owned by two or more
29 persons as joint tenants or tenants in common, and one or
30 more persons are not a member of claimant's household,
31 "property taxes paid" is that part of property taxes paid
32 on the homestead which equals the ownership percentage of
33 the claimant and his household. The county treasurer shall
34 include with the tax receipt a statement that if the owner
35 of the property is sixty-five years of age or over or is

1 totally disabled or is a surviving spouse of such person who
2 is over the age of fifty-five years of age, the person may
3 be eligible for the credit allowed under this division. If
4 a claimant changes his homestead, this shall not prevent him
5 from filing a claim based on property taxes for which the
6 claimant was liable and which were actually paid by the
7 claimant, but duplication of claims shall not be allowed.
8 If a homestead is an integral part of a farm, the claimant
9 may use the total property taxes paid for the larger unit,
10 but not exceeding forty acres of land. If a homestead is
11 an integral part of a multidwelling or multipurpose building
12 the property taxes paid for the purpose of this subsection
13 shall be prorated to reflect the portion which the value of
14 the property that the household occupies as its homestead
15 is to the value of the entire structure. For purposes of
16 this subsection, "unit" refers to that parcel of property
17 covered by a single tax statement of which the homestead is
18 a part.

19 Sec. 30. Section four hundred twenty-five point seven-
20 teen (425.17), Code 1975, is amended by adding the following
21 new subsection:

22 NEW SUBSECTION. "Special assessment" means special
23 assessments made pursuant to sections three hundred eighty-
24 four point thirty-seven (384.37) through three hundred eighty-
25 four point seventy-nine (384.79) of the Code. The amount
26 of a special assessment which may be included in the amount
27 of property taxes paid for one year shall be an amount equal
28 to one-twentieth of the total amount of the special assessment
29 levied against the homestead of the claimant, if the claimant
30 elected to pay the total amount of the special assessment
31 in one payment. If the claimant elects to pay the special
32 assessment in ten annual installments as provided by law,
33 the claimant may include as a portion of the property taxes
34 paid during the base year an amount equal to one-half of the spe-
35 cial assessment, including interest, paid during that same base year.

1 Sec. 31. Section four hundred twenty-five point twenty-
2 three (425.23), subsection one (1), Code 1975, as amended
3 by Acts of the Sixty-sixth General Assembly, 1975 Session,
4 chapter two hundred thirteen (213), section three (3), is
5 amended by striking paragraph a and inserting in lieu thereof
6 the following:

7 a. The amount shall be determined in accordance with the
8 following schedule:

| 9 | Percent of property taxes |
|----------------------------|-----------------------------|
| 10 | paid or rent constituting |
| 11 If the household income | property taxes paid allowed |
| 12 is: | as a reimbursement: |
| 13 \$ 0 - 999.99 | 100% |
| 14 1,000 - 1,999.99 | 95 |
| 15 2,000 - 2,999.99 | 85 |
| 16 3,000 - 3,999.99 | 70 |
| 17 4,000 - 4,999.99 | 55 |
| 18 5,000 - 5,999.99 | 45 |
| 19 6,000 - 6,999.99 | 35 |
| 20 7,000 - 7,999.99 | 30 |
| 21 8,000 - 8,999.99 | 25 |

22 Sec. 32. The provisions of sections twenty-nine (29),
23 thirty (30), and thirty-one (31) of this Act shall become
24 effective January 1, 1977 for all claims for property taxes
25 paid and rent constituting property taxes paid filed on or
26 after January 1, 1977.

27 DIVISION VII

28 TASK FORCE

29 Sec. 33. TASK FORCE CREATED. There is established a local
30 government task force composed of sixteen members. The task
31 force shall be composed of the chairman of the senate committee
32 on ways and means, the minority party ranking member of the
33 senate committee on ways and means, the chairman of the house
34 committee on ways and means, the minority party ranking member
35 of the house committee on ways and means, and twelve members

1 appointed by the governor who are interested and knowledgeable
2 in affairs of local government. The governor shall appoint
3 two members from each congressional district, who shall not
4 be members of the same political party. The members appointed
5 by the governor shall serve at the pleasure of the governor.
6 Any vacancy in the membership of the task force shall be
7 filled by appointment in the same manner as the original
8 appointments.

9 The members of the task force shall receive their actual
10 and necessary expenses to be audited by the state comptroller.

11 Sec. 34. DUTIES. The local government task force shall
12 conduct a study of local government services and finance.
13 The following suggested study guidelines are provided for
14 reference only and should not be considered in order of
15 priority or inclusive of all matters that may be properly
16 included in the research and study necessary to carry out
17 the intent of this Act:

18 1. The nature of local government services.

19 2. Which level of government should provide specific ser-
20 vices?

21 3. Who should pay for these services?

22 4. How should different types and kinds of property be
23 valued and equalized for assessment purposes?

24 5. What budget limitations, if any, should be imposed?

25 6. Which local services, if any, should be financed by
26 state aid?

27 7. The economics and effectiveness of the delivery of
28 services to people.

29 8. The merits of local option taxation.

30 9. The budgeting procedures and mechanisms of local govern-
31 ments.

32 10. The development of a method of "recapturing" taxes
33 on agricultural land if agricultural land is assessed at other
34 than market value.

35 Sec. 35. STAFF. The governor may employ such professional,

1 technical, and administrative assistance as shall be necessary
2 to accomplish the purpose of this Act.

3 Sec. 36. REPORT. The governor shall transmit the
4 recommendations of the local government task force, accompanied
5 by proposed legislation necessary to carry out the
6 recommendations, to the Sixty-seventh General Assembly not
7 later than January 10, 1977. Copies of the recommendations
8 and of the recommended legislation shall be transmitted to
9 the president of the senate and the speaker of the house of
10 representatives who shall, within ten days after the date
11 of receipt, assign the proposed legislation to the appropriate
12 standing committee.

13 Sec. 37. ACQUIRING DATA. The state comptroller may request
14 the county auditor, an assessor, or any other public official
15 to provide the valuations of each class of property in each
16 city, county, school district, or other political subdivision
17 of the state, and any other information which the task force
18 deems necessary to properly perform its duties. The county
19 auditors, assessors, and other public officials shall cooperate
20 with the state comptroller and provide such information as
21 is requested.

22 Sec. 38. APPROPRIATION. There is appropriated from the
23 general fund of the state to the office of the governor the
24 sum of one hundred thousand (100,000) dollars, or so much
25 thereof as may be necessary, for the fiscal year beginning
26 July 1, 1976 and ending June 30, 1977, for the purpose of
27 the employment of such professional, technical and
28 administrative staff and assistance on such basis as shall
29 be determined by the governor and for such other expenses
30 as shall be necessary to accomplish the purpose of this Act,
31 including actual expenses incurred by task force members as
32 provided in section thirty-three (33) of this Act.

33 Sec. 39. This Act, being deemed of immediate importance,
34 shall take effect and be in force from and after its publica-
35 tion in the Globe-Gazette, a newspaper published in Mason

1 City, Iowa, and in The Perry Daily Chief, a newspaper published
2 in Perry, Iowa."

3 2. Amend the title by striking everything after the word
4 "Act" in line 1 and inserting in lieu thereof the words
5 "relating to the financing of political subdivisions of this
6 state by providing budget limitations for certain political
7 subdivisions, providing property tax credits and exemptions
8 for certain property owners and renters, making changes in
9 the procedures for the assessment and valuation of certain
10 taxable property, by amending the school foundation law,
11 creating a task force for the study of local government finance
12 and services, making certain provisions of the Act retroactive,
13 and making appropriations."

14

15

16

17 ON THE PART OF THE SENATE:

ON THE PART OF THE HOUSE:

18 Norman Rodgers, Chairperson

Lowell E. Norland, Chairperson

19 Lowell L. Junkins

Robert F. Bina

20

21 George R. Kinley

C. W. Hutchins

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S-5197

1 Amend the House Amendment, S-5183, to Senate File
2 1062, as amended passed and reprinted by the Senate
3 as follows:

4 1. Page 1, by striking lines 3 through 50.

5 2. By striking all of pages 2 and 3 and inserting
6 in lieu thereof the following:

7 "Section 1. The maximum amount in dollars which
8 may be levied by a city with a population of more
9 than five hundred for the fiscal years beginning July
10 1, 1976 and July 1, 1977 over the amount in dollars
11 levied for the previous fiscal year shall be limited
12 to an aggregate increase of seven percent for the
13 following designated property tax levies:

14 1. The general fund levy authorized pursuant to
15 section three hundred eighty-four point one (384.1)
16 of the Code.

17 2. The tax levy for the purpose of carrying out
18 the terms of a contract for the use of a bridge by
19 a city situated on a river over which a bridge has
20 been built authorized pursuant to section three hundred
21 eighty-four point twelve (384.12), subsection eight
22 (8), of the Code.

23 3. The tax levy for the operation and maintenance
24 of a municipal transit system and for the creation
25 of a reserve fund for the system authorized pursuant
26 to section three hundred eighty-four point twelve
27 (384.12), subsection ten (10), of the Code.

28 4. The tax levy for the lease of a building or
29 complex of buildings to be operated as a civic center
30 authorized pursuant to section three hundred eighty-
31 four point twelve (384.12), subsection eleven (11),
32 of the Code.

33 5. The tax levy for operating and maintaining
34 a civic center owned by a city authorized pursuant
35 to section three hundred eighty-four point twelve
36 (384.12), subsection twelve (12), of the Code.

37 6. The tax levy for planning a sanitary disposal
38 system authorized pursuant to section three hundred
39 eighty-four point twelve (384.12), subsection thirteen
40 (13), of the Code.

41 7. The tax levy for an aviation authority
42 authorized pursuant to section three hundred eighty-
43 four point twelve (384.12), subsection fourteen (14),
44 of the Code.

45 8. The tax levy for an authority for a joint city-
46 county building authorized pursuant to section three
47 hundred eighty-four point twelve (384.12), subsection
48 fifteen (15), of the Code.

49 9. The tax levy for a levee improvement fund
50 authorized pursuant to section three hundred eighty-

1 four point twelve (384.12), subsection sixteen (16),
2 of the Code.

3 10. The tax levy to aid a railway authorized
4 pursuant to section three hundred eighty-four point
5 twelve (384.12), subsection seventeen (17), of the
6 Code.

7 11. The tax levy to maintain an institution
8 received by gift or devise authorized pursuant to
9 section three hundred eighty-four point twelve
10 (384.12), subsection eighteen (18), of the Code.

11 12. The tax levy to pay the premium costs on tort
12 liability insurance authorized pursuant to section
13 three hundred eighty-four point twelve (384.12),
14 subsection nineteen (19), of the Code.

15 13. The tax levy for the emergency fund authorized
16 pursuant to section three hundred eighty-four point
17 eight (384.8) of the Code.

18 Sec. 2. The maximum amount in dollars which may
19 be levied by a county for the fiscal years beginning
20 July 1, 1976 and July 1, 1977 over the amount in
21 dollars levied for the previous fiscal year shall
22 be limited to an aggregate increase of seven percent
23 for the following designated property tax levies:

24 1. The tax levy for the emergency fund authorized
25 pursuant to section twenty-four point six (24.6) of
26 the Code.

27 2. The tax levy for the development, operation,
28 and maintenance of a memorial building or monument
29 authorized pursuant to section thirty-seven point
30 eight (37.8) of the Code.

31 3. The tax levy for the purchase of voting machines
32 authorized pursuant to section fifty-two point three
33 (52.3) of the Code.

34 4. The tax levy for the county conservation board
35 authorized pursuant to section one hundred eleven
36 A point six (111A.6) of the Code.

37 5. The tax levy for indemnity payments and the
38 inspection and testing program relating to bovine
39 brucellosis eradication authorized pursuant to section
40 one hundred sixty-four point twenty-three (164.23)
41 of the Code.

42 6. The tax levy for the bovine tuberculosis
43 eradication fund authorized pursuant to section one
44 hundred sixty-five point eighteen (165.18) of the
45 Code.

46 7. The tax levy for the fairground fund authorized
47 pursuant to sections one hundred seventy-four point
48 thirteen (174.13) and one hundred seventy-four point
49 seventeen (174.17) of the Code.

50 8. The tax levy for the purpose of maintaining

1 a county or multicounty juvenile home authorized
2 pursuant to section two hundred thirty-two point
3 twenty-two (232.22) of the Code.
4 9. The tax levy for the veteran affairs fund
5 authorized pursuant to section two hundred fifty point
6 one (250.1) of the Code.
7 10. The tax levy for the poor fund authorized
8 pursuant to sections two hundred fifty-two point
9 forty-three (252.43) through two hundred fifty-two
10 point forty-five (252.45) of the Code.
11 11. The tax levy for secondary road construction
12 and maintenance authorized pursuant to section three
13 hundred nine point seven (309.7) of the Code.
14 12. The tax levy for the road clearing fund
15 authorized pursuant to section three hundred seventeen
16 point nineteen (317.19) of the Code.
17 13. The tax levy for the purchase of weed
18 eradicating equipment and materials authorized pursuant
19 to section three hundred seventeen point twenty
20 (317.20) of the Code.
21 14. The tax levy for an aviation authority
22 authorized pursuant to section three hundred thirty
23 A point fifteen (330A.15) of the Code.
24 15. The tax levy for the maintenance and
25 improvement of cemeteries in the county authorized
26 pursuant to section three hundred thirty-two point
27 three (332.3) of the Code.
28 16. The tax levy for public disposal grounds
29 authorized pursuant to section three hundred thirty-
30 two point thirty-two (332.32) of the Code.
31 17. The tax levy for the county indemnification
32 fund authorized pursuant to section three hundred
33 thirty-two point thirty-eight (332.38) of the Code.
34 18. The tax levy for the operation, control,
35 maintenance, and management of health centers
36 authorized pursuant to section three hundred forty-
37 six A point two (346A.2) of the Code.
38 19. The tax levy for the payment of claims for
39 bounties on wild animals authorized pursuant to section
40 three hundred fifty point eight (350.8) of the Code.
41 20. The tax levy for the maintenance of a county
42 library authorized pursuant to section three hundred
43 fifty-eight B point thirteen (358B.13) of the Code.
44 21. The tax levy for the entering of contracts
45 for the use of city libraries authorized pursuant
46 to section three hundred fifty-eight B point eighteen
47 (358B.18) of the Code.
48 22. The tax levy for ordinary county revenue and
49 the election expense fund authorized pursuant to
50 section four hundred forty-four point nine (444.9)

1 of the Code.

2 23. The tax levy for the court expense fund
3 authorized pursuant to section four hundred forty-
4 four point ten (444.10) of the Code.

5 24. The tax levy for the county orphan fund
6 authorized pursuant to section four hundred forty-
7 four point eleven (444.11) of the Code.

8 25. The tax levy for the purpose of planning a
9 sanitary disposal project or of paying interest and
10 principal on bonds issued pursuant to section three
11 hundred forty-six point twenty-three (346.23) of the
12 Code which levy is authorized pursuant to section
13 four hundred fifty-five B point eighty-one (455B.81)
14 of the Code.

15 26. The tax levy for flood and erosion control
16 projects authorized pursuant to section four hundred
17 sixty-seven B point nine (467B.9) of the Code.

18 27. The tax levy for the maintenance of property
19 received by a county by gift or devise authorized
20 pursuant to section five hundred sixty-five point
21 eight (565.8) of the Code.

22 Sec. 3. The maximum amount in dollars which may
23 be levied by a special purpose district for the fiscal
24 years beginning July 1, 1976 and July 1, 1977 over
25 the amount in dollars levied for the previous fiscal
26 year shall be limited to an aggregate increase of
27 seven percent for the following designated property
28 tax levies:

29 1. The tax levy by a benefited water district
30 for the maintenance of the water system authorized
31 pursuant to section three hundred fifty-seven point
32 twenty-five (357.25) of the Code.

33 2. The tax levy by a benefited fire district to
34 provide fire protection within the district authorized
35 pursuant to section three hundred fifty-seven B point
36 three (357B.3) of the Code and the levy authorized
37 pursuant to section three hundred fifty-seven B point
38 five (357B.5) of the Code which permits the county
39 board of supervisors to continue the levy upon
40 dissolution of the district until all debts and obliga-
41 tions of the dissolved district are paid.

42 3. The tax levy by a benefited street lighting
43 district authorized pursuant to section three hundred
44 fifty-seven C point seven (357C.7) and three hundred
45 fifty-seven C point eleven (357C.11) of the Code.

46 4. The tax levy authorized pursuant to section
47 four hundred sixty-six point four (466.4) of the Code
48 permitting a levy sufficient to raise the amount
49 necessary for maintenance of a system to provide
50 internal drainage necessary by the construction of

1 a levee along a navigable stream forming a part of
2 the boundary of the state.

3 5. The tax levy for a soil conservation district
4 authorized pursuant to section four hundred sixty-
5 seven A point twenty (467A.20) of the Code.

6 6. The tax levy authorized pursuant to section
7 four hundred eighty-three point one (483.1) of the
8 Code to provide aid to railroads.

9 Sec. 4. The maximum amount in dollars which may
10 be levied by a public hospital for the fiscal years
11 beginning July 1, 1976 and July 1, 1977 over the
12 amount in dollars levied for the previous fiscal year
13 shall be limited to an aggregate increase of seven
14 percent for the following designated property tax
15 levies:

16 1. The emergency tax levy authorized pursuant
17 to section twenty-four point six (24.6) of the Code.

18 2. The tax levy for the operation, equipping,
19 maintenance, improvement, and replacement of a county
20 public hospital authorized pursuant to sections three
21 hundred forty-seven point seven (347.7) and three
22 hundred forty-seven point twenty-seven (347.27) of
23 the Code.

24 3. The tax levy for the operation and maintenance
25 of a county hospital authorized pursuant to section
26 three hundred forty-seven A point three (347A.3) of
27 the Code.

28 Sec. 5. The maximum amount in dollars which may
29 be levied for the county agricultural extension
30 education program authorized pursuant to section one
31 hundred seventy-six A point ten (176A.10) of the Code
32 for the fiscal years beginning July 1, 1976 and July
33 1, 1977 over the amount in dollars levied for the
34 previous fiscal year shall be limited to an increase
35 of seven percent.

36 Sec. 6. The maximum amount in dollars which may
37 be levied by a merged area school for general
38 operations authorized pursuant to section two hundred
39 eighty A point seventeen (280A.17) of the Code for
40 the fiscal year beginning July 1, 1976 and July 1,
41 1977 over the amount in dollars levied for the pre-
42 vious fiscal year shall be limited to an increase
43 of seven percent.

44 Sec. 7. A political subdivision of the state
45 subject to the provisions of this Act may initiate
46 an appeal with the appropriate budget review committee
47 as designated in section nine (9) of this Act, based
48 upon a natural disaster or any unusual circumstances,
49 which creates the need for additional funds. The
50 appropriate budget review committee may waive the

1 maximum amount of dollars which may be levied under
2 the provisions of this Act or the levy limitations
3 provided by law.

4 Sec. 8. There is created a county budget review
5 committee consisting of the following five members:

6 1. The state comptroller or his designee who shall
7 serve as chairperson.

8 2. Three county officers appointed by the governor,
9 one member selected from a county having an assessed
10 valuation of:

11 a. Less than ninety-six million three hundred
12 thousand dollars.

13 b. Ninety-six million three hundred thousand
14 dollars or more but less than one hundred eighteen
15 million five hundred twenty thousand dollars.

16 c. One hundred eighteen million five hundred
17 twenty thousand dollars or more.

18 3. The certified public accountant appointed to
19 the city finance committee under section three hundred
20 eighty-four point thirteen (384.13) of the Code.

21 In addition to the circumstances creating a vacancy
22 under section sixty-nine point two (69.2) of the Code,
23 a vacancy shall exist when a county officer appointed
24 under subsection two (2) of this section no longer
25 holds a county office which qualifies such officer
26 for appointment to this committee.

27 The county budget review committee shall meet at
28 the call of the chairperson and adopt its own rules
29 of procedure. The committee may hold public hearings.
30 Actions taken or rules promulgated by the committee
31 shall be subject to the provisions of chapter seventeen
32 A (17A) of the Code.

33 The committee members, except the state comptroller
34 and county officers who are full-time public officers,
35 are entitled to a per diem of forty dollars for each
36 day spent in the performance of committee duties and
37 each member is entitled to reimbursement for his
38 actual and necessary expenses incurred in performance
39 of committee duties. The per diem and expenses shall
40 be paid from funds appropriated to the state
41 comptroller.

42 Sec. 9. The appropriate budget review committee
43 to which a political subdivision may appeal is as
44 follows:

45 1. The city finance committee created under section
46 three hundred eighty-four point thirteen (384.13)
47 of the Code for any city subject to the provisions
48 of this Act.

49 2. The school budget review committee created
50 under section four hundred forty-two point twelve

1 (442.12) of the Code for a merged area school created
2 under chapter two hundred eighty A (280A) of the Code.

3 3. The county budget review committee for any
4 other political subdivision of the state subject to
5 provisions of this Act.

6 Sec. 10. If a political subdivision adopts a total
7 budget for the fiscal year beginning July 1, 1976
8 and ending June 30, 1977, which does not include an
9 increase in the amount of the property tax levy
10 computed in dollars which exceeds or is equal to the
11 maximum allowed under the provisions of this Act,
12 the political subdivision may levy property taxes
13 for the succeeding fiscal year in excess of the maximum
14 provided by this Act and be exempt from the provisions
15 of this Act. However, this exemption shall only apply
16 if the excess property tax levy does not raise in
17 dollars an amount which exceeds the maximum levy for
18 the succeeding fiscal year and the difference between
19 the amount in dollars which the political subdivision
20 levied during the base year and the amount in dollars
21 which the political subdivision could have levied
22 during that year under this Act.

23 Sec. 11. The county auditor shall reduce the
24 property tax levy of each city and county by such
25 sum as is equal to an amount estimated by the
26 comptroller as being such city or counties per capita
27 share of funds specified by this Act to be deposited
28 to the municipal and county assistance funds.

29 Sec. 12. The maximum dollar levy imposed by
30 sections one (1), two (2), three (3), four (4), five
31 (5), and six (6) of this Act for the fiscal years
32 beginning July 1, 1976 and July 1, 1977 may be
33 increased as follows:

34 By multiplying the assessed value and taxable value
35 of new construction times the amount of the levy for
36 the previous fiscal year times one hundred seven
37 percent.

38 Sec. 13. Sections seven (7), eight (8), nine (9),
39 and ten (10) of this Act shall be applicable to levies
40 made for the fiscal year beginning July 1, 1976.

41 Sec. 14. If the governing body of a political
42 subdivision wishes to exceed the maximum dollar levy
43 established by this Act for the fiscal year beginning
44 July 1, 1977 or any succeeding year, the governing
45 body shall direct the county commissioner of elections
46 to publish notice of and conduct a special election
47 within ten days after the date of publication. The
48 notice shall be published as provided in section
49 forty-nine point fifty-three (49.53) of the Code and
50 shall include a comparison of the dollar amount and

1 percentage of maximum dollar levy established by this
2 Act and the dollar amount and percentage of additional
3 levy requested for the proposed limited budget of
4 the political subdivision. The question to be voted
5 on by the qualified electors of the political
6 subdivision shall be stated as follows: "Shall the
7 certified limited budget of (name of political
8 subdivision) for the fiscal year beginning July 1,
9 19__ and ending June 30, 19__ be limited to not more
10 than the maximum dollar levy established by the general
11 assembly?" If a majority of the votes cast on the
12 proposition favors the maximum dollar levy limitation
13 established by the general assembly, the levy shall
14 be so limited. If a majority of such votes cast does
15 not favor the maximum dollar levy established by the
16 general assembly, the political subdivision may
17 increase its levy by the amount requested and printed
18 in the notice of election. Thereafter, the levy shall
19 be certified to the county auditor, and such increased
20 levy shall not be subject to tax limitations otherwise
21 provided by law.

22 Sec. 15. Section four hundred twenty-two point
23 sixty-nine (422.69), Code 1975, is amended by adding
24 the following new subsection:

25 NEW SUBSECTION. During the last quarter of each
26 fiscal year the amounts specified in this subsection
27 from the gross receipts from the sales tax collected
28 under division four (IV) of this chapter for the
29 fiscal year shall be transferred to the local tax
30 fund hereby created in the office of the treasurer
31 of state. The remainder of the net receipts from
32 the sales tax shall be credited to the general fund
33 of the state.

34 For the fiscal year beginning July 1, 1975, and
35 each succeeding fiscal year, an amount equal to fifty
36 percent of the net receipts from one-third of the
37 sales tax shall be transferred to the local tax fund.

38 Annually, the treasurer of state shall transfer
39 three-fourths of the funds in the local tax fund to
40 the municipal assistance fund created by section four
41 hundred five point one (405.1) of the Code. The
42 remainder of the funds in the local tax fund shall
43 be transferred to the county government assistance
44 fund.

45 Sec. 16. There is created a "county government
46 assistance fund" in the office of the treasurer of
47 state. The moneys appropriated to such fund shall
48 be used to provide financial assistance to counties.

49 On or before December fifteenth of each year, the
50 state comptroller shall distribute the funds in the

1 county government assistance fund to each county in
2 the state in the proportion that the population
3 residing in the unincorporated area of each county
4 is to the total population residing in unincorporated
5 areas of all of the counties.

6 For purposes of this section "population" shall
7 be based on the most recent federal census.

8 Sec. 17. Section four hundred forty-one point
9 twenty-one (441.21), subsection one (1), Code 1975,
10 is amended by striking unnumbered paragraph one (1)
11 and inserting in lieu thereof the following:

12 All real and tangible personal property subject
13 to taxation shall be valued at its actual value which
14 shall be entered opposite each item. All real and
15 personal property, except residential and agricultural
16 real property, shall be assessed at one hundred percent
17 of such actual value, and such value so assessed shall
18 be taken and considered as the assessed value and
19 taxable value of such property upon which the levy
20 shall be made. Residential and agricultural real
21 property shall be assessed at eighty percent of actual
22 value and such value so assessed shall be taken and
23 considered as the assessed value and taxable value
24 of such property upon which the levy shall be made.

25 Sec. 18. Section seventeen (17) of this Act shall
26 be retroactive to January 1, 1976.

27 Sec. 19. Nothing in this Act shall be construed
28 to prevent an appeal of a decision made by a budget
29 review committee designated in section nine (9) of
30 this Act to the state appeal board.

31 Sec. 20. This Act, being deemed of immediate
32 importance, shall take effect and be in force from
33 and after its publication in _____,
34 a newspaper published in _____, Iowa, and
35 in _____, a newspaper published
36 in _____, Iowa."

37 3. Page 4, by striking lines 1 through 48.

38 4. Page 5, lines 3 through 5, by striking the
39 words "establishing budget hearing procedures and
40 budget expenditures guidelines for political
41 subdivisions of the state" and inserting in lieu
42 thereof the words "relating to budgets of certain
43 political subdivisions of the state by restricting
44 the amount of dollars which can be raised by certain
45 property tax levies, providing for appeals of
46 limitations on property tax levies, imposing additional
47 duties on the city finance committee and the school
48 budget review committee, and creating a county budget
49 review committee, providing for a referendum to exceed
50 maximum levy limits, changing the assessed and taxable

- 1 value on residential and agricultural real property,
- 2 and providing for a reduction of property tax levies
- 3 by allocating a part of the sales tax collection
- 4 for property tax stabilization and making certain
- 5 provisions of the Act retroactive."

S-5197 FILED & LOST
FEBRUARY 23, 1976

BY BERL E. PRIEBE
IRVIN L. BERGMAN
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JAMES V. GALLAGHER
JAMES E. BRILES
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RICHARD J. NORPEL, SR.
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ELIZABETH R. MILLER
LEONARD C. ANDERSEN
WILLIAM P. WINKELMAN

S-5197 FILED & LOST 2/23 (p.57) PRIEBE ET AL

S-5183

1 Amend Senate File 1062, as amended, passed and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting in lieu thereof the following:

5 "Section 1. DEFINITIONS.

6 1. "Base year" means the preceding fiscal year.

7 2. "Political subdivision" means a city, county,
8 school corporation or any other local public body
9 or corporation that has the power to levy or certify
10 a property tax or sum of money to be collected by
11 property taxation..

12 3. "Allowable growth guideline" means an increase
13 in the proposed expenditures in the total budget or
14 the property tax budget of a political subdivision
15 for a fiscal year equal to seven percent of the pro-
16 posed expenditures in the certified total budget or
17 the property tax budget of such political subdivision
18 for the base year.

19 4. "Total budget" means the budget including
20 amendments for all funds or programs of a political
21 subdivision, excluding the amount of moneys collected
22 or received from property taxes and other sources
23 for the paying of interest and principal on any
24 indebtedness authorized by law and the budget of a
25 school corporation subject to limitation under chapter
26 four hundred forty-two (442) of the Code, and the amount
27 of anticipated receipts to and expenditures from
28 these funds from federal moneys, but including that
29 part of the budget provided for under section
30 two hundred seventy-eight point one (278.1), subsection
31 seven (7), of the Code.

32 5. "Property tax budget" means that part of the
33 total budget to be derived from property taxation.

34 6. "Person" means eligible elector as defined
35 in section thirty-nine point three (39.3) of the Code.

36 Sec. 2. BUDGET PROCESS--NOTICE AND PUBLIC HEARING.

37 In addition to the requirements of chapters twenty-
38 four (24) and three hundred eighty-four (384), division
39 two (II), of the Code relating to the publication
40 of notice and public hearing on a budget of a political
41 subdivision, the public notice of a hearing on a total
42 budget shall include the following information:

43 1. The percentage and the dollar amount increase
44 or decrease for the total budget and the property
45 tax budget of the political subdivision.

46 2. The percentage and the dollar amount increase
47 or decrease of each fund included in the proposed
48 total budget and the property tax budget.

49 3. A statement showing the allowable growth
50 guideline established by the general assembly and

1 the dollar amount of increase represented by such
2 guideline for the proposed total budget and the
3 property tax budget of the political subdivision.

4 4. A statement of the major reasons for the
5 proposed increases in the proposed total budget and
6 the property tax budget.

7 5. A comparison of the percentages and dollar
8 amounts proposed to be expended with the percentages
9 and dollar amounts expended or proposed to be
10 expended during the current fiscal year as amended
11 to the date of publication which information shall
12 be displayed in the publication in the form of a
13 pie graph. The graphs shall be prepared for both
14 fiscal years with one pie graph for each fiscal
15 year showing the sources of anticipated revenue and
16 one pie graph for each fiscal year showing the
17 proposed budget expenditures by category of services.

18 The provisions of this section shall not apply
19 to publication of notice for a hearing on a total
20 budget for the fiscal year beginning July 1, 1976
21 required under section twenty-four point nine (24.9)
22 or three hundred eighty-four point sixteen (384.16)
23 of the Code if the notice of hearing has been pub-
24 lished before the effective date of this Act except
25 that this provision shall not exempt a political
26 subdivision from publishing the additional notice as
27 is required under section three (3) of this Act in
28 the form required under this section when the political
29 subdivision exceeds the allowable growth guideline
30 provided by this Act. This section shall apply to
31 any other notice for a hearing on a total budget or
32 amendment to a total budget required by this Act
33 or other provision of law for the fiscal years
34 beginning July 1, 1976 and July 1, 1977.

35 Sec. 3. ALLOWABLE GROWTH GUIDELINE EXCEEDED--
36 ADDITIONAL PUBLIC HEARING. If a political subdivision
37 approves a total budget or property tax budget which
38 exceeds the allowable growth guideline following
39 the public hearing required under chapter twenty-four
40 (24) or three hundred eighty-four (384), division
41 two (II), of the Code, the governing body of such
42 political subdivision shall withhold certification
43 of such total budget to the county auditor for at
44 least seven days following such approval. If, during
45 the seven days following approval of the budget, a
46 valid petition signed by at least five persons who
47 are residents of a political subdivision having a
48 population of one hundred persons or less, at least
49 ten persons who are residents of a political
50 subdivision having a population of more than one

1 hundred but not more than five hundred persons, or
2 at least twenty-five persons who are residents of
3 a political subdivision having a population of
4 more than five hundred persons, is filed with the
5 governing body of a political subdivision re-
6 questing another public hearing, the governing body
7 shall publish notice of and conduct such public
8 hearing not later than April fifth. The date, time
9 and location of the public hearing and the informa-
10 tion required to be published under section two (2)
11 of the Act, shall be published in a newspaper having
12 general circulation throughout the political sub-
13 division not less than five days before the date
14 specified for such hearing. In the case of a city
15 having a population of two hundred or less, a
16 publication may be made as provided in section
17 three hundred sixty-two point three (362.3), sub-
18 section two (2), of the Code. Thereafter, the total
19 budget shall be approved and certified, with or
20 without changes that may be made after the hearings,
21 to the county auditor not later than April fifth.

22 Sec. 4. EXCEPTION TO DATES FOR BUDGET APPEAL.
23 Notwithstanding sections twenty-four point twenty-
24 seven (24.27) through twenty-four point thirty-two
25 (24.32), inclusive, and three hundred eighty-four
26 point nineteen (384.19) of the Code, persons affected
27 by a certified total budget or a property tax budget
28 of a political subdivision which has exceeded the
29 allowable growth guideline, shall have ten days
30 following certification of such budget to file a
31 petition to appeal to the state appeal board. All
32 other time limitations or dates specified in sections
33 twenty-four point twenty-seven (24.27) through twenty-
34 four point thirty-two (24.32), inclusive, and three
35 hundred eighty-four point nineteen (384.19) of the
36 Code shall be correspondingly changed or extended
37 to allow the same amount of time for the protest
38 hearing and the decision of the state board that would
39 exist had the appeal to the state appeal board been
40 filed as provided in section twenty-four point twenty-
41 seven (24.27) or three hundred eighty-four point
42 nineteen (384.19) of the Code.

43 Sec. 5. PROPERTY TAX CARRYOVER. If a political
44 subdivision adopts a total budget for the fiscal year
45 beginning July 1, 1976 and ending June 30, 1977, which
46 does not include an increase in the amount of the
47 property tax levy computed in dollars which exceeds
48 or is equal to the allowable growth guideline allowed
49 under the provisions of this Act, the political
50 subdivision may levy property taxes for the succeeding

1 fiscal year in excess of the allowable growth guide-
2 line provided by this Act and be exempt from the
3 provisions of section three (3) of this Act. However,
4 the exemption from the requirements of section three
5 (3) of this Act shall only be applicable if the
6 additional property tax levy does not raise in
7 dollars an amount which exceeds the allowable growth
8 guideline for the succeeding fiscal year and the
9 difference between the amount in dollars which the
10 political subdivision levied during the base year
11 and the amount in dollars which the political sub-
12 division could have levied during that year under
13 the allowable growth guideline.

14 Sec. 6. DUTIES OF STATE COMPTROLLER. As soon as
15 practicable after the effective date of this Act,
16 the state comptroller shall give notice of the re-
17 quirements of this Act and distribute such forms
18 as required to the governing bodies of the political
19 subdivisions of this state.

20 Sec. 7. PROPERTY TAX LEVY LIMITATIONS NOT AFFECTED.
21 The provisions of this Act shall not be construed
22 as removing or otherwise affecting the property tax
23 levy limitations otherwise provided by law for any
24 fund, account, or program in the total budget of a
25 political subdivision.

26 Sec. 8. BUDGET APPEAL NOT AFFECTED. The provisions
27 of this Act shall not be construed to prohibit or
28 affect a protest filed with the state appeal board
29 against a total budget which has not equaled or
30 exceeded the allowable growth guideline provided for
31 in this Act.

32 Sec. 9. SPECIAL CHARTERED CITIES. It is the
33 intention of the general assembly that the provisions
34 of this Act shall apply to special chartered cities.
35 The state appeal board may adopt such rules relating
36 to budget forms and procedures as the state appeal
37 board deems necessary to carry out the provisions
38 of this Act regarding special chartered cities.

39 Sec. 10. BUDGETS AFFECTED. The provisions of
40 this Act shall apply to the budgets of a political
41 subdivision for the fiscal years beginning July 1,
42 1976 and July 1, 1977.

43 Sec. 11. This Act, being deemed of immediate
44 importance, shall take effect and be in force from
45 and after its publication in the Quad-City Times,
46 a newspaper published in Davenport, Iowa, and in the
47 Ida County Pioneer-Record, a newspaper published
48 in Ida Grove, Iowa."

49 2. Amend the title, lines 1 through 3, by striking
50 the words "to provide budget limitations for

PAGE 5

1 certain political subdivisions of the state and to
2 impose an income surtax by referendum for certain
3 budget expenditures" and inserting in lieu thereof
4 the words "establishing budget hearing procedures
5 and budget expenditure guidelines for political
6 subdivisions of this state".

H-5272

1 Amend the Norland and Bina amendment, H-5241, to
2 Senate File 1062, as amended, passed, and reprinted
3 by the Senate, as follows:

4 1. Page 2, by striking lines 21 through 50 and
5 inserting in lieu thereof the following:

6 "Sec. ____ LOCAL REFERENDUM TO EXCEED ALLOWABLE
7 GROWTH GUIDELINE.

8 1. If the governing body of a political subdivision
9 wishes to exceed the allowable growth guideline
10 established by this Act, the governing body shall
11 direct the county commissioner of elections to publish
12 notice of and conduct a special election within twenty
13 days after the date of publication. The notice shall
14 be published as provided in section forty-nine point
15 fifty-three (49.53) of the Code and shall include
16 a comparison of the dollar amount and percentage of
17 allowable growth established by this Act and the
18 dollar amount and percentage of allowable growth
19 requested for the proposed limited budget of the
20 political subdivision. The question to be voted on
21 by the qualified electors of the political subdivision
22 shall be stated as follows: "Shall the certified
23 limited budget of (name of political subdivision)
24 for the fiscal year beginning July 1, 19__ and ending
25 June 30, 19__ be limited to not more than the allowable
26 growth guideline established by the general assembly?"
27 If a majority of the votes cast for and against the
28 proposition favors the allowable growth guideline
29 established by the general assembly, the proposed
30 limited budget of the political subdivision shall
31 be so limited. If a majority of such votes cast does
32 not favor the allowable growth guideline established
33 by the general assembly, the political subdivision
34 may increase its proposed limited budget by the amount
35 of allowable growth requested and printed in the
36 notice of election. Thereafter, the proposed limited
37 budget shall be certified to the county auditor.

38 The budget growth permitted by this Act shall not
39 allow any political subdivision to levy a tax exceeding
40 any of the maximum tax levies set by the Code for
41 that political subdivision.

42 3. The amount approved in excess of the amount
43 of allowable growth guideline authorized by this Act
44 shall be raised by a combination of one-half from
45 a property tax levy and one-half from an income surtax
46 within such city or county if other revenues are not
47 available to meet such proposed expenditures.

48 Sec. ____ COMPUTATION OF EXCESS AMOUNT. If a
49 majority of those voting in an election approves the
50 additional amount which exceeds the allowable growth

1 guideline, the governing body shall certify to the
2 state comptroller that the required procedures have
3 been carried out, and the state comptroller shall
4 establish the amount of additional property tax to
5 be levied and the amount of income surtax to be imposed
6 for fiscal year for which the additional amount is
7 authorized. The state comptroller shall determine
8 these amounts based upon the most recent figures
9 available for the political subdivision's valuation
10 of taxable property, individual state income tax paid
11 and shall certify to the political subdivision's
12 county auditor the amount of property tax, and to
13 the director of revenue the amount of income surtax
14 to be imposed.

15 The income surtax shall be imposed on the state
16 individual income tax for the calendar year during
17 which the budget year begins, or for a taxpayer's
18 fiscal year ending during the second half of that
19 calendar year or the first half of the succeeding
20 calendar year, and shall be imposed on all individuals
21 residing in the political subdivision on the last
22 day of the applicable tax year. As used in this
23 section, "state individual income tax" means the tax
24 computed under section four hundred twenty-two point
25 five (422.5) of the Code, less the deductions allowed
26 in section four hundred twenty-two point twelve
27 (422.12) of the Code.

28 Sec. . INCOME SURTAX PROCEDURES.

29 1. The director of revenue shall administer any
30 political subdivision income surtax imposed under
31 this Act, and all the provisions of sections four
32 hundred twenty-two point twenty (422.20), four hundred
33 twenty-two point twenty-two (422.22) to four hun-
34 dred twenty-two point thirty-one (422.31), four hundred
35 twenty-two point sixty-eight (422.68), and four hundred
36 twenty-two point seventy-two (422.72) to four hundred
37 twenty-two point seventy-five (422.75) of the Code,
38 shall apply in respect to administration of such
39 income surtax.

40 2. The political subdivision income surtax shall
41 be made a part of the Iowa individual income tax
42 return subject to the conditions and restrictions
43 set forth in section four hundred twenty-two point
44 twenty-one (422.21) of the Code.

45 3. The director of revenue shall deposit all
46 moneys received as income surtax under this Act to
47 the credit of each political subdivision from which
48 the moneys are received, in a "political subdivision
49 income surtax fund" which is established in the office
50 of the treasurer of state.

1 4. On or before October twentieth, the director
 2 of revenue shall make an accounting of such income
 3 surtax collected under this Act applicable to tax
 4 returns for the last preceding calendar year, or for
 5 fiscal year taxpayers, on the last day of their tax
 6 year ending during that calendar year and after the
 7 date of the election approving the surtax, from
 8 taxpayers in each political subdivision in the state
 9 which has imposed a surtax, and shall certify to the
 10 state comptroller the amount of total political
 11 subdivision income surtax credited from the taxpayers
 12 of each political subdivision. Additional returns
 13 in process, if any, at the time of certification
 14 shall be completed and the additional amount of income
 15 surtax reported to the state comptroller for
 16 distribution back to the political subdivision when
 17 such processing is completed.

18 5. The state comptroller shall draw warrants in
 19 payment of the amount of surtax payable to each of
 20 the political subdivisions in two installments to
 21 be paid on approximately the first day of December
 22 and the first day of February, and shall cause the
 23 warrants to be delivered to the respective political
 24 subdivisions."

25 2. Page 3, by striking lines 1 through 47.

26 3. Page 4, line 40, by inserting after the word
 27 "state" the words "and to impose an income surtax
 28 by referendum for certain budget expenditures".

H-5272 FILED - 2-18-76 BY MENNENGA of Clinton
 FEBRUARY 18, 1976 MIDDLETON of Black Hawk

SENATE FILE 1062

H-5269

1 Amend the amendment, H-5241, to Senate File 1062
 2 as amended, passed, and reprinted by the Senate, page
 3 7, line 6, by inserting after the word "state" the
 4 words "except that an implement of husbandry as defined
 5 in section three hundred twenty-one point one (321.1),
 6 subsection sixteen (16) of the Code, shall be exempt
 7 from the local sales, services and use tax".

FILED. MOTION TO SUSPEND RULES FAILED

February 18, 1976

By HINES of Story
 JUNKER of Woodbury

1 Amend the amendment, H- 5251, to Senate File 1062,
2 as amended, passed and reprinted by the Senate, page
3 6, by striking lines 2 through 43, and inserting in
4 lieu thereof the following:

5 "1. A city or a county may impose local sales,
6 services and use tax authorized by this Act, subject
7 to this section.

8 2. A local sales, services and use tax may be
9 imposed originally or after a period of discontinuance,
10 only after an election at which a majority of those
11 voting on the question favors imposition, and shall
12 then be imposed for a minimum period of two years.

13 3. Subject to subsection four (4) of this section,
14 a city council may direct the county commissioner
15 of elections to submit at the next general election
16 the question of imposition of such local tax to the
17 qualified electors of the city on its own motion,
18 and shall do so within sixty days from the date of
19 receipt of a petition signed by eligible electors
20 of the city equal in number to ten percent or more
21 of the persons who voted at the last preceding regular
22 city election, which requests imposition of the local
23 tax. However, a city council which submits the
24 question on its own motion must do so not later than
25 ninety days before the date of a general election,
26 and a petition must be filed with the council not
27 later than one hundred twenty days before the date
28 of a general election.

29 4. Before a city council submits the question
30 of imposition of a local sales, services and use tax,
31 it shall send written notice by regular mail to the
32 board of supervisors of the county in which the city
33 is located, or the county in which the largest portion
34 of its population resides, stating its intention to
35 submit the question. Within thirty days of the date
36 of mailing the notice, the board of supervisors may
37 supersede city action by directing the county
38 commissioner of elections to submit at the next general
39 election the question of imposition of the tax
40 countywide.

41 5. A county board of supervisors may direct the
42 county commissioner of elections to submit at the
43 next general election the question of imposition of
44 a sales, services and use tax to the qualified electors
45 of the county on its own motion, and shall do so
46 within thirty days from the date of receipt of a
47 petition signed by eligible electors of the county
48 equal in number to ten percent or more of the persons
49 who voted in the county at the last preceding general
50 election, which requests countywide imposition of

1 such local tax. However, a county board which submits
2 the question on its own motion must do so not later
3 than sixty days before the date of a general election,
4 and a petition must be filed with the board not later
5 than ninety days before the date of a general election.

6 6. Subsequent to a period during which a local
7 tax has been imposed following an election:

8 a. A city council or board of supervisors which
9 has imposed a local tax may continue to impose the
10 tax for two-year periods, may discontinue the tax,
11 or may direct the county commissioner of elections
12 to resubmit the question to the qualified electors
13 of the city or county, as applicable.

14 b. A city council or board of supervisors which
15 has imposed such tax shall direct the county
16 commissioner of elections to resubmit the question
17 upon receipt of a petition which meets the requirements
18 of subsections four (4) or five (5) of this section,
19 as applicable.

20 c. If such tax has been imposed by one or more
21 cities within a county and not by the county, the
22 county may proceed to submit the question of such
23 local tax on a countywide basis, or shall proceed
24 upon petition, as provided in subsection five (5)
25 of this section, at a subsequent general election,
26 and the countywide tax, if it receives a favorable
27 vote, supersedes such local tax which has been imposed
28 in one or more cities within the county.

29 7. The county commissioner of elections shall
30 submit the question of imposition of a local tax only
31 at a general election.

32 8. In a city election, if a majority of those
33 voting in the city favors imposition of such local
34 tax, the council of that city shall impose the tax.

35 9. In a countywide election:

36 a. If a majority of those voting in the entire
37 county favors imposition of such local tax, the board
38 of supervisors shall impose the tax in the entire
39 county, including all cities in the county.

40 b. If a majority of those voting in the entire
41 county does not favor imposition of the tax, but a
42 majority of those voting in the unincorporated area
43 of the county favors imposition, the board of
44 supervisors shall impose the tax only in the
45 unincorporated area of the county.

46 c. If a majority of those voting in the entire
47 county does not favor imposition of the tax, but a
48 majority of those voting in any city in the county
49 favors imposition, the council of that city shall
50 impose the tax in that city.

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1 d. If a city is located in more than one county,
 2 it shall be deemed to be in the county in which the
 3 largest portion of its population resides, for purposes
 4 of a countywide election and imposition of a countywide
 5 tax.

6 10. The local tax shall be imposed or discontinued
 7 only by ordinance of a city council or by resolution
 8 of a board of supervisors.

9 11. If a majority of those voting in a city
 10 election does not favor imposition of a local tax,
 11 the city council shall not direct submission of the
 12 question of imposition of the same type of local tax
 13 before the next general election, and if a majority
 14 of those voting in a countywide election does not
 15 favor the imposition of such local tax, the board
 16 of supervisors shall not submit the question of
 17 imposition of the same type of local tax countywide
 18 before the next general election. If a countywide
 19 election fails, the city council of any city in which
 20 a majority of those voting did not favor the tax shall
 21 not direct submission of the question of such local
 22 tax before the next general election.

23 12. Except when the tax is imposed countywide,
 24 if a majority of those voting in a city or in the
 25 unincorporated area of a county votes against the
 26 local tax, that city or unincorporated area is not
 27 entitled to any property tax reduction or other benefit
 28 which may otherwise be extended to a city or
 29 unincorporated area in which a majority of those
 30 voting favors the imposition of such local tax."

H-5271 FILED MOTION TO SUSPEND RULES LOST
 February 18, 1976

HINES of Story
 JUNKER of Woodbury

SENATE FILE 1062

H-5269

1 Amend the amendment, H-5241, to Senate File 1062
 2 as amended, passed, and reprinted by the Senate, page
 3 7, line 6, by inserting after the word "state" the
 4 words "except that an implement of husbandry as defined
 5 in section three hundred twenty-one point one (321.1),
 6 subsection sixteen (16) of the Code, shall be exempt
 7 from the local sales, services and use tax".

FILED. MOTION TO SUSPEND RULES FAILED
 February 18, 1976

By HINES of Story
 JUNKER of Woodbury

H-5268

1 Amend the Norland Amendment H-5241 to Senate
2 File 1062 as follows:

3 1. Page 4, by inserting after line 26 the following:

4 "Sec. -- There is created a task force on local
5 government which shall be composed of twelve members
6 who are interested and knowledgeable in affairs of
7 local government. All members shall be appointed
8 by the governor to serve at the pleasure of the
9 governor. A member shall not hold any other elected
10 state office, nor shall more than five members hold
11 elected office in any political subdivision of the
12 state. The state comptroller, the director of revenue,
13 or their designated representatives, and a member
14 of the state board of tax review shall serve as ex
15 officio members of the task force.

16 Any vacancy in the membership of the task force
17 shall be filled by appointment in the same manner
18 as the original appointments.

19 The members of the task force shall receive their
20 actual and necessary expenses incurred in the perfor-
21 mance of their official duties.

22 Sec. -- The governor may employ such professional,
23 technical, and administrative assistance as shall
24 be necessary to accomplish the purpose of this Act.

25 Sec. -- The task force on local government shall:

26 1. Study and evaluate local government funding
27 and budgeting procedures.

28 2. Study and evaluate present property assessment
29 procedures.

30 3. Determine the relative burdens imposed on the
31 various classes of property by current valuations
32 and assessment procedures.

33 4. Review and evaluate the impact on local gov-
34 ernment spending by actions mandated by the state
35 and the federal government.

36 5. Determine whether services provided by local
37 governmental units may be more economically or
38 efficiently provided by other units of government
39 and how these services should be funded.

40 6. Study and evaluate the need or advisability
41 of imposing continuing budget limitations on local
42 government or imposing limitations upon the amount
43 of property taxes which may be collected.

44 Sec. -- The task force on local government shall
45 transmit its recommendations accompanied by proposed
46 legislative bill drafts necessary to implement its
47 recommendations to the governor and members of the
48 Sixty-seventh General Assembly not later than March
49 15, 1977. Copies of the recommendations and of the
50 recommended legislation shall be transmitted to the

1 president of the senate and speaker of the house of
2 representatives whereupon the respective presiding
3 officer shall within ten legislative days after the
4 date of receipts, assign the proposed legislation
5 to the appropriate standing committee for committee
6 consideration."

7 2. Page 4, line 40, by inserting after the word
8 "state" the words "and creating a task force to
9 study local government funding and property assess-
10 ment procedures."

H-5268 FILED - *Printed germane* BY CRAWFORD of Story
FEBRUARY 18, 1976 *and Lost 2/19* TAUKE of Dubuque
46-52 (p. 567) SCHROEDER of Pottawattamie
STROMER Of Hancock

H-5260

1 Amend the West amendment H-5237 to Senate
2 File 1062 as follows:
3 1. Page 5, by inserting after line 39
4 the following new section:
5 "Sec. _____. In addition to the seven percent
6 limitation established in sections one through six
7 of this Act, an additional growth factor may
8 be allowed which is the percentage increase deter-
9 mined by the valuation of new construction,
10 property which was not assessed for taxation pur-
11 poses during the previous year's assessment,
12 divided by the total assessed valuation for each
13 district."
14 2. By renumbering subsequent provisions
15 to conform with this amendment.

H-5260 FILED, ADOPTED BY VARLEY of Adair
FEBRUARY 18, 1976

H-5261

1 Amend Senate File 1062, as passed, amended
2 and reprinted by the Senate, by inserting on page
3 1, line 35, after the word "year" the following:
4 "plus an additional growth percentage which is
5 the percent increase determined by the valuation
6 of new construction, property which was not
7 assessed for taxation purposes during the pre-
8 vious year's assessment, divided by the total
9 assessed valuation for each district".

H-5261 FILED *Ruled out of order
with adoption of* BY VARLEY of Adair
FEBRUARY 18, 1976 *5241 2/19*

H-5262

1 Amend Senate File 1062 as amended, passed and
2 reprinted by the Senate as follows:
3 1. Page 2, by adding after the period in line
4 3 the following: "In addition to the amount of
5 dollars that can be raised by taxation of property
6 under this Act, any local government may raise by
7 taxation of property such additional amount as
8 results from using as a base the valuation of new
9 construction added to the assessment rolls during
10 the year computed by multiplying the base by the
11 lesser of:
12 (1) the prior year's tax rate multiplied by
13 one hundred and seven percent (107%) or,
14 (2) the maximum tax rate permitted by law
15 prior to this Act.
16 2. Page 2, by striking all of lines 22
17 through 35.
18 3. By renumbering the following paragraphs.

H-5262 FILED *Ruled out of order
with adoption of* BY HARVEY of Scott
FEBRUARY 18, 1976 *5241 2/19*

H-5263

1 Amend the Norland and Bina amendment, H-5241,
2 to Senate File 1062, as amended, passed, and
3 reprinted by the Senate, page 1, line 24, by inserting
4 after the word "law" the words ", any funds received
5 pursuant to chapter four hundred five (405) of the
6 Code,".

H-5263 FILED - *Last 2/19* BY STROMER of Hancock
FEBRUARY 18, 1976 *44-49*
(p. 545)

SENATE FILE 1062

H-5264

1 Amend Senate File 1062, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 2, by inserting after line 14 the follow-
4 ing new section:
5 "Sec. . EXERCISING OPTIONS FOR MODIFICATION
6 OF ALLOWABLE GROWTH. A political subdivision desiring
7 to exceed the allowable growth established in this
8 Act shall, on or before March 1, 1976 for the fiscal
9 year beginning July 1, 1976 and on or before February
10 1, 1977 for the fiscal year beginning July 1, 1977,
11 choose to modify the allowable growth by use of the
12 appropriate review board or by use of local
13 referendum."
14 2. Page 2, line 20, by inserting after the word
15 "Act" the words "shall take such action as is nec-
16 essary not more than ten days from the date the request
17 is filed and".
18 3. Page 5, line 6, by inserting after the word
19 "Act" the words "or the allowable growth allowed by
20 the appropriate review committee".

H-5264 FILED *Ruled out of order* BY WEST of Marshall
with adoption of
FEBRUARY 18, 1976 *5-241 2/19*
SENATE FILE 1062

H-5265

1 Amend Senate File 1062, as passed by the
2 Senate and reprinted, as follows:
3 1. Page 9, by striking lines 3 through 18.

H-5265 FILED *Ruled out of order* BY WEST of Marshall
with adoption of
FEBRUARY 18, 1976 *5-241 2/19*

H-5259

1 Amend amendment H-5241, to Senate File 1062, as
2 follows:

3 1. Page 3, by inserting after line 6 the following:

4 "Sec. 4. BUDGET EXCESS REVENUE

5 If a budget approved after a second public hearing
6 provided in Section 3 of this Act shall exceed the
7 allowable growth guideline, the amount approved in excess
8 of the allowable growth guideline shall be raised by a
9 combination of one-half from a property tax levy and
10 one-half from an earnings tax. The earnings tax shall
11 be as provided in Section 5 of this Act.

12 "Sec. 5. EARNINGS TAX

13 1. The local earnings tax shall be imposed on
14 every individual resident and nonresident taxpayer
15 exclusive of fiduciaries and corporations, at a rate
16 determined by the state comptroller of the taxpayer's
17 Iowa taxable income derived from work performed and
18 services rendered within the limits of the city or
19 county imposing the tax.

20 2. For purposes of this section, "nonresident
21 taxpayer" means an individual taxpayer who derives
22 income from sources within the city or county imposing
23 the tax although his principal place of residence
24 is not in the city or county, and a fiduciary or a
25 corporation which is a taxpayer and which derives
26 income from sources within the city or county imposing
27 the tax and "income derived from sources within the
28 city or county" means income of every kind produced
29 as a result of work performed, services rendered,
30 goods sold, and other business activities conducted
31 in the city or county imposing the tax, and includes,
32 but is not limited to dividends and interest from
33 investment property with a situs within the city or
34 county, capital gains in excess of capital losses
35 on property located within the city or county, and
36 rental income from real and tangible personal property
37 located within the city or county imposing the tax.

38 3. The director of revenue shall administer the
39 provisions of a local earnings tax as nearly as
40 possible in conjunction with the administration of
41 state income tax laws. He shall provide appropriate
42 forms, or provide on the regular state tax forms,
43 for reporting local earnings tax liability.

44 An ordinance of a city council or resolution of
45 a county board of supervisors imposing a local earnings
46 tax shall adopt by reference the applicable provisions
47 of the appropriate sections of chapter four hundred
48 twenty-two (422), division two (II) of the Code for
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1 a local income tax and all powers of the director
2 and requirements of the director in administering
3 the state income tax law are applicable to his
4 administration of a local earnings tax as applicable,
5 including but not limited to powers to impose interest
6 and penalties, and requirements for hearing and appeal.
7 Local officials shall confer with the director of
8 revenue and obtain his assistance in drafting the
9 ordinance or resolution imposing a local earnings
10 tax. A certified copy of the ordinance or resolution
11 imposing a local earnings tax shall be filed with
12 the director as soon as possible after passage.

13 The director, in consultation with local officials,
14 shall collect and account for a local earnings tax.
15 The director shall retain for the use of the department
16 of revenue one percent of all local earnings tax
17 receipts, to cover administrative expense, and shall
18 credit remaining local earnings tax receipts to a
19 "local tax fund" hereby established in the office
20 of the treasurer of state.

21 4. The treasurer of state shall remit quarterly
22 to the cities and counties which have imposed a local
23 earnings tax and which have qualified under sections
24 six (6) or seven (7) of this Act, their share of the
25 balance in the local tax fund. The local tax fund
26 is appropriated for this purpose.

27 Sec. 6. Section four hundred twenty-two point
28 seventy-two (422.72), subsection one (1), Code 1975,
29 is amended to read as follows:

30 1. It shall be unlawful for the director, or any
31 person having an administrative duty under this
32 chapter, to divulge or to make known in any manner
33 whatever, the business affairs, operations, or
34 information obtained by an investigation of records
35 and equipment of any person or corporation visited
36 or examined in the discharge of official duty, or
37 the amount or source of income, profits, losses,
38 expenditures or any particular thereof, set forth
39 or disclosed in any return, or to permit any return
40 or copy thereof or any book containing any abstract
41 or particulars thereof to be seen or examined by any
42 person except as provided by law; provided, however,
43 that the director may authorize examination of such
44 returns by other state officers, by Iowa city or
45 county officials if the city or county has imposed
46 a local tax, or, if a reciprocal arrangement exists,
47 by tax officers of another state, or the federal
48 government. This subsection shall prevail over the
49
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Page 3

1 provisions of any general law of this state relating
2 to public records."

3 2. By renumbering sections to comply with this
4 amendment.

1 Amend Senate File 1062, as amended, passed and
2 reprinted by the Senate as follows:

3 1. Page 9, by inserting after line 18 the
4 following:

5 "Sec. ____ . Section four hundred twenty-two point
6 sixty-nine (422.69), Code 1975, is amended by adding
7 the following new subsection:

8 NEW SUBSECTION. During the last quarter of each
9 fiscal year the amounts specified in this subsection
10 from the gross receipts from the sales tax collected
11 under division four (IV) of this chapter for the
12 fiscal year shall be transferred to the local tax
13 fund hereby created in the office of the treasurer
14 of state. The remainder of the net receipts from
15 the sales tax shall be credited to the general fund
16 of the state.

17 a. For the fiscal year beginning July 1, 1975,
18 an amount equal to twenty percent of the net receipts
19 from one-third of the sales tax.

20 b. For the fiscal year beginning July 1, 1976,
21 an amount equal to forty percent of the net receipts
22 from one-third of the sales tax.

23 c. For the fiscal year beginning July 1, 1977,
24 an amount equal to sixty percent of the net receipts
25 from one-third of the sales tax.

26 d. For the fiscal year beginning July 1, 1978,
27 an amount equal to eighty percent of the net receipts
28 from one-third of the sales tax.

29 e. For the fiscal year beginning July 1, 1979
30 and each succeeding fiscal year, an amount equal to
31 one-third of the sales tax.

32 Annually, the treasurer of state shall transfer
33 three-fourths of the funds in the local tax fund to
34 the municipal assistance fund created by section four
35 hundred five point one (405.1) of the Code. The
36 remainder of the funds in the local tax fund shall
37 be transferred to the county government assistance
38 fund.

39 Sec. ____ . NEW SECTION. There is created a "county
40 government assistance fund" in the office of the
41 treasurer of state. The moneys appropriated to such
42 fund shall be used to provide financial assistance
43 to counties.

44 On or before December fifteenth of each year, the
45 state comptroller shall distribute the funds in the
46 county government assistance fund to each county in
47 the state in the proportion that the population
48 residing in the unincorporated area of each county
49 is to the total population residing in unincorporated
50 areas of all of the counties.

Page 2

1 For purposes of this section "population" shall
2 be based on the most recent federal census.

3 Sec. ____ . NEW SECTION. It is the intent of the
4 general assembly that cities and counties use funds
5 received under this Act to replace property tax dollars
6 to provide property tax relief for persons residing
7 within the city or county."

8 2. Amend the title, line 1, by inserting after
9 the word "limitations" the words "and financial
10 assistance"

SENATE FILE 1062

5266

1 Amend the Norland and Bina amendment, H-5241, to
2 Senate File 1062, as amended, passed, and reprinted
3 by the Senate, as follows:

4 1. Page 2, line 4, by inserting after the word
5 "budget" the words "including a statement of the
6 percentage increases in wages, salaries, and fringe
7 benefits of the political subdivision unless the issue
8 of wages, salaries, and fringe benefits has not been
9 determined because the political subdivision is engaged
10 in the impasse procedures with its public employees
11 and the employee organization under chapter twenty
12 (20) of the Code at the time the budget is to be
13 published in which case the published notice shall
14 state such fact".

A - Law 44-
(p 55)

15 2. Page 2, lines 7 and 8, by striking the words
16 "during the preceding fiscal year" and inserting in
17 lieu thereof the words "or proposed to be expended
18 during the current fiscal year as amended to the date
19 of publication which information shall be displayed
20 in the publication in the form of a pie graph. The
21 graphs shall be prepared for both fiscal years with
22 one pie graph for each fiscal year showing the sources
23 of anticipated revenue and one pie graph for each
24 fiscal year showing the proposed budget expenditures
25 by category of services".

B - adopted

26 3. Page 2, by inserting after line 8 the following
27 new subsection:

C - Law 41-52

28 " . For the fiscal year beginning July 1, 1977,
29 the public notice on the total budget of the political
30 subdivisions shall also include a statement of the
31 unit cost for each fund included in the proposed
32 budget with the unit costs of the same fund for the
33 current fiscal year. For purposes of this subsection,
34 "unit cost" means the costs for each fund stated in
35 terms of expenditures per capita."

36 4. Page 2, line 15, by striking the word ", but"
37 and inserting in lieu thereof the words "except that
38 this provision shall not exempt a political subdivision
39 from publishing the additional notice as is required
40 under section three (3) of this Act in the form
41 required under this section when the political
42 subdivision exceeds the allowable growth guideline
43 provided by this Act."

B - adopted

44 5. Page 2, line 16, by striking the word "this"
45 and inserting in lieu thereof the word "This".

H-5266 FILED *Amend C - Law* BY MENNENGA of Clinton
FEBRUARY 18, 1976 OAKLEY of Clinton

B - adopted 2/19

H-5255

1 Amend Senate File 1062, as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 6, line 8, by striking the words "income
4 surtax" and inserting in lieu thereof the words
5 "earnings tax".

6 2. Page 6, line 17, by striking the words "income
7 surtax" and inserting in lieu thereof the words
8 "earnings tax".

9 3. Page 6, line 24, by striking the words "income
10 surtax" and inserting in lieu thereof the words
11 "earnings tax".

12 4. Page 6, line 25, by striking the words "income
13 surtax" and inserting in lieu thereof the words
14 "earnings tax".

15 5. Page 6, lines 25 and 26, by striking the words
16 "on the state individual income tax".

17 6. Page 6, line 30, by striking the words "on
18 all" and inserting in lieu thereof the words "on
19 earnings of all".

20 7. Page 6, line 30, by striking the word "residing"
21 and inserting in lieu thereof the words "earning in-
22 come".

23 8. Page 6, by striking from line 31 the words
24 "As used in this".

25 9. Page 6, by striking lines 32, 33, 34, and 35.

26 10. Page 7, by striking lines 1 through 35 and
27 inserting in lieu thereof the following:

28 "Sec. __. EARNINGS TAX.

29 1. The local earnings tax shall be imposed on
30 every individual resident and nonresident taxpayer
31 exclusive of fiduciaries and corporations, at a rate
32 determined by the state comptroller of the taxpayer's
33 Iowa taxable income derived from work performed and
34 services rendered within the limits of the city or
35 county imposing the tax.

36 2. For purposes of this section, "nonresident
37 taxpayer" means an individual taxpayer who derives
38 income from sources within the city or county imposing
39 the tax although his principal place of residence
40 is not in the city or county, and a fiduciary or a
41 corporation which is a taxpayer and which derives
42 income from sources within the city or county imposing
43 the tax and "income derived from sources within the
44 city or county" means income of every kind produced
45 as a result of work performed, services rendered,
46 goods sold, and other business activities conducted
47 in the city or county imposing the tax, and includes,
48 but is not limited to dividends and interest from
49 investment property with a situs within the city or
50 county, capital gains in excess of capital losses

1 on property located within the city or county, and
2 rental income from real and tangible personal property
3 located within the city or county imposing the tax.

4 3. The director of revenue shall administer the
5 provisions of a local earnings tax as nearly as
6 possible in conjunction with the administration of
7 state income tax laws. He shall provide appropriate
8 forms, or provide on the regular state tax forms,
9 for reporting local earnings tax liability.

10 . An ordinance of a city council or resolution of
11 a county board of supervisors imposing a local earnings
12 tax shall adopt by reference the applicable provisions
13 of the appropriate sections of chapter four hundred
14 twenty-two (422), division two (II) of the Code for
15 a local income tax and all powers of the director
16 and requirements of the director in administering
17 the state income tax law are applicable to his
18 administration of a local earnings tax as applicable,
19 including but not limited to powers to impose interest
20 and penalties, and requirements for hearing and appeal.
21 Local officials shall confer with the director of
22 revenue and obtain his assistance in drafting the
23 ordinance or resolution imposing a local earnings
24 tax. A certified copy of the ordinance or resolution
25 imposing a local earnings tax shall be filed with
26 the director as soon as possible after passage.

27 The director, in consultation with local officials,
28 shall collect and account for a local earnings tax.
29 The director shall retain for the use of the department
30 of revenue one percent of all local earnings tax
31 receipts, to cover administrative expense, and shall
32 credit remaining local earnings tax receipts to a
33 "local tax fund" hereby established in the office
34 of the treasurer of state.

35 4. The treasurer of state shall remit quarterly
36 to the cities and counties which have imposed a local
37 earnings tax and which have qualified under sections
38 six (6) or seven (7) of this Act, their share of the
39 balance in the local tax fund. The local tax fund
40 is appropriated for this purpose.

41 Sec. ____ . Section four hundred twenty-two point
42 seventy-two (422.72), subsection one (1), Code 1975,
43 is amended to read as follows:

44 1. It shall be unlawful for the director, or any
45 person having an administrative duty under this
46 chapter, to divulge or to make known in any manner
47 whatever, the business affairs, operations, or
48 information obtained by an investigation of records
49 and equipment of any person or corporation visited
50 or examined in the discharge of official duty, or

1 the amount or source of income, profits, losses,
 2 expenditures or any particular thereof, set forth
 3 or disclosed in any return, or to permit any return
 4 or copy thereof or any book containing any abstract
 5 or particulars thereof to be seen or examined by any
 6 person except as provided by law; provided, however,
 7 that the director may authorize examination of such
 8 returns by other state officers, by Iowa city or
 9 county officials if the city or county has imposed
 10 a local tax, or, if a reciprocal arrangement exists,
 11 by tax officers of another state, or the federal
 12 government. This subsection shall prevail over the
 13 provisions of any general law of this state relating
 14 to public records."

- 15 11. Page 8, by striking lines 1 through 5.
- 16 12. Renumber sections and correct internal re-
- 17 ferences as may be necessary.
- 18 13. Amend the title, line 2, by striking the words
- 19 "income surtax" and inserting in lieu thereof the
- 20 words "earnings tax".

H-5255 FILED - *Build out of order with adoption* BY STROMER of Hancock
 FEBRUARY 18, 1976 *of 5241 2/19*

SENATE FILE 1062

- 1 Amend the amendment, H-5241, to Senate File 1062,
 2 as amended, passed and reprinted by the Senate, as
 3 follows:
- 4 1. Page 2, by striking lines 9 through 20.
 - 5 2. Page 3, line 30, by striking the words and
 - 6 figures "1976 and ending June 30, 1977" and inserting
 - 7 in lieu thereof the words and figures "1977 and ending
 - 8 June 30, 1978".
 - 9 3. Page 4, by striking lines 26, and inserting
 - 10 in lieu thereof the words and figures "1977 and July
 - 11 1, 1978".
 - 12 4. Page 4, by striking lines 27 through 32.

H-5254 FILED - *Lost 2/19* BY NEALSON of Muscatine
 FEBRUARY 18, 1976 *18-70 (p. 551)*

SENATE FILE 1062

- 1 Amend the Norland amendment, H-5241, to
 2 Senate File 1062, as amended, passed and reprint-
 3 ed by the Senate, as follows:
- 4 1. Page 1, line 26, by inserting after the
 - 5 word "Code," the following:
 - 6 "and the amount of anticipated receipts to
 - 7 and expenditures from these funds from federal
 - 8 moneys,"

5257 FILED - *Adopted 2/19* BY BYERLY of Polk
 FEBRUARY 18, 1976 *51-40 (p. 546)*

H-5248

1 Amend H-5241 to Senate File 1062 as follows:
2 1. Page 4, by inserting after line 26 the
3 following new section:
4 "Sec. _____. FUNDING OF ADDITIONAL DUTIES OR
5 FUNCTIONS. If an Act or resolution passed after the
6 effective date of this Act, except a legalizing act
7 or resolution, of the general assembly or an admin-
8 istrative rule promulgated by a state agency imposes
9 a duty or function which has a fiscal impact on a
10 local budget requiring additional expenditures upon
11 the governing body or any officer or employee of a
12 city, county, or any other local public body or
13 corporation that has the power to levy or certify
14 a property tax or sum of money to be collected by
15 property taxation, the governing body or any officer
16 or employee of such local governmental entity shall
17 not be required to carry out such duty or function
18 unless the general assembly appropriates moneys or
19 the state agency provides a grant of moneys to such
20 local governmental entity specifically to pay the
21 cost of carrying out such duty or function."

H-5248 FILED - *Revised and of order* BY CLARK of Lee
FEBRUARY 18, 1976 *2/19 (p 565)*

H-5249

1 Amend the Horn amendment, H-5232, to Senate
2 File 1062, as amended, passed and reprinted by the
3 Senate, as follows:
4 1. Line 18, by inserting after the word "and"
5 the following:
6 "equalized by the director of revenue; however,
7 the director shall not decrease the valuation of any
8 class of property in a county as assessed on January
9 1, 1974 and shall not increase the valuation of a
10 class of property statewide by more than ten percent.
11 The".

H-5249 FILED, LOST *(33-59)* BY BENNETT of Ida
FEBRUARY 18, 1976 *(p. 438)*

~~SENATE FILE 1062~~

H-5252

1 Amend H-5232 to Senate File 1062 as follows:
2 1. Page 1, by inserting after line 22 the
3 following:
4 "All new construction constructed after January
5 1, 1974 shall use the actual value of such construc-
6 tion on the date it was constructed."

H-5252 FILED, LOST *(p. 439)* BY JORDAN of Linn
FEBRUARY 18, 1976

H-5253

1 Amend H-5237 by West, to Senate File 1062 as
2 amended, passed and reprinted by the Senate, as
3 follows:

4 1. Page 1, by striking lines 9 and 10 and insert-
5 ing in lieu thereof the words "to an aggregate
6 increase of seven percent for the following desig-
7 nated property tax levies:".

8 2. Page 2, by striking lines 19 and 20 and in-
9 sserting in lieu thereof the words "be limited to an
10 aggregate increase of seven percent for the following
11 designated property tax levies:".

12 3. Page 4, by striking lines 23 and 24 and insert-
13 ing in lieu thereof the words "year shall be limited
14 to an aggregate increase of seven percent for the
15 following designated property tax".

16 4. Page 5, by striking lines 10 and 11 and insert-
17 ing in lieu thereof the words "shall be limited to an
18 aggregate increase of seven percent for the following
19 designated property tax levies:".

20 5. Page 7, by inserting after line 1 the following
21 new sections:

22 Sec. REAL GROWTH EXCEPTION. The maximum dollar
23 levy imposed by sections 2, 3, 4, 5, and 6 of the
24 act for the fiscal years beginning July 1, 1976 and
25 July 1, 1979 may be increased as follows:

26 By multiplying the actual value of new construction
27 times the amount of the levy for the previous fiscal
28 year times one hundred seven percent.

29 6. Page 7, by inserting the following new section:

30 Sec. . Section four hundred forty one point
31 twenty-one (441.21) Code 1975 is hereby amended by
32 striking the first paragraph of paragraph number 1
33 and inserting in lieu thereof the following:

34 "All real and tangible personal property subject
35 to taxation shall be valued at its actual value which
36 shall be entered opposite each item. All real and
37 personal property, except residential and agricultural
38 real property, shall be assessed at one hundred percent
39 of such actual value, and such value so assessed shall
40 be taken and considered as the assessed value and tax-
41 able value of such property upon which the levy shall
42 be made. Residential and agricultural real property
43 shall be assessed at eighty percent of actual value
44 and such value so assessed shall be taken and con-
45 sidered as the assessed value and taxable value of
46 such property upon which the levy shall be made."

47 7. Page 7, by adding the following new section:

48 Sec. Sections seven (7), eight (8), nine (9),
49 and ten (10) of this act shall be applicable to levies
50

1 made for the fiscal year beginning July 1, 1976.

2 Sec. _____ LOCAL REFERENDUM ON ALLOWABLE GROWTH.

3 If the governing body of a political subdivi-
4 sion wishes to exceed the maximum dollar levy es-
5 tablished by this Act for the fiscal year beginning
6 July 1, 1977 or any succeeding year, the governing
7 body shall direct the county commissioner of
8 elections to publish notice of and conduct a special
9 election within ten days after the date of publi-
10 cation. The notice shall be published as provided
11 in section forty-nine point fifty-three (49.53) of
12 the Code and shall include a comparison of the dollar
13 amount and percentage of maximum dollar levy estab-
14 lished by this Act and the dollar amount and percen-
15 tage of additional levy requested for the proposed
16 limited budget of the political subdivision. The
17 question to be voted on by the qualified electors
18 of the political subdivision shall be stated as
19 follows: "Shall the certified limited budget of
20 (name of political subdivision) for the fiscal year
21 beginning July 1, 19__ and ending June 30, 19__ be
22 limited to not more than the maximum dollar levy
23 established by the general assembly?" If a majority
24 of the votes cast for and against the proposition
25 favors the maximum dollar levy limitation established
26 by the general assembly, the levy shall be so limited.
27 If a majority of such votes cast does not favor the
28 maximum dollar levy established by the general assem-
29 bly, the political subdivision may increase its levy
30 by the amount requested and printed in the notice of
31 election. Thereafter, the levy shall be certified to
32 the county auditor, and such increased levy shall not
33 be subject to tax limitations otherwise provided by
34 law.
35

36 8. Page 7, by inserting after line 5 the follow-
37 ing:

38 Sec. _____. Section four hundred twenty-two point
39 sixty-nine (422.69), Code 1975, is amended by adding
40 the following new subsection:

41 NEW SUBSECTION. During the last quarter of each
42 fiscal year the amounts specified in this subsection
43 from the gross receipts from the sales tax collected
44 under division four (IV) of this chapter for the
45 fiscal year shall be transferred to the local tax
46 fund hereby created in the office of the treasurer
47 of state. The remainder of the net receipts from
48 the sales tax shall be credited to the general fund
49 of the state.
50

1 For the fiscal year beginning July 1, 1975, and each
2 succeeding fiscal year, an amount equal to fifty per-
3 cent of the net receipts from one-third of the sales
4 tax.

5 Annually, the treasurer of state shall transfer
6 three-fourths of the funds in the local tax fund to
7 the municipal assistance fund created by section four
8 hundred five point one (405.1) of the Code. The re-
9 mainder of the funds in the local tax fund shall be
10 transferred to the county government assistance fund.

11 Sec. ____ NEW SECTION. There is created a "county
12 government assistance fund" in the office of the
13 treasurer of state. The moneys appropriated to such
14 fund shall be used to provide financial assistance to
15 counties.

16 On or before December fifteenth of each year, the
17 state comptroller shall distribute the funds in the
18 county government assistance fund to each county in
19 the state in the proportion that the population re-
20 siding in the unincorporated area of each county is
21 to the total population residing in unincorporated
22 areas of all of the counties.

23 For purposes of this section "population" shall be
24 based on the most recent federal census."

25 9. Page 7, by inserting the following new section:

26 Sec. ____ NEW SECTION. The county auditor shall
27 reduce the property tax levy of each city and county
28 by such sum as is equal to an amount estimated by
29 the comptroller as being such city or counties per
30 capita share of funds specified by this Act to be
31 deposited to the municipal and county assistance
32 funds.

33 10. Page 7, by inserting the following new section:

34 Sec. ____ NEW SECTION. Section 6 of this Act shall be
35 retroactive to January 1, 1976."

36 11. Page 7, by inserting the following new section:

37 Sec. ____ NEW SECTION. PROPERTY TAX CARRYOVER. If a
38 political subdivision adopts a total budget for the
39 fiscal year beginning July 1, 1976 and ending June 30,
40 1977, which does not include an increase in the amount
41 of the property tax levy computed in dollars which
42 exceeds or is equal to the maximum allowed under the
43 provisions of this Act, the political subdivision may
44 levy property taxes for the succeeding fiscal year in
45 excess of the maximum provided by this Act and be
46 exempt from the provisions of this Act. However, this
47 shall only apply if the excess property tax levy does
48 not raise in dollars an amount which exceeds the maxi-
49 mum levy for the succeeding fiscal year and the differ-
50

1 ence between the amount in dollars which the political
2 subdivision levied during the base year and the amount
3 in dollars which the political subdivision could have
4 levied during that year under this Act.

5 12. Page 7, by striking everything after the word
6 committee in line 21 and inserting in lieu thereof the
7 following:

8 ", providing for a referendum to exceed maximum levy
9 limits, changing the assessed and taxable value on
10 residential and agricultural real property, and pro-
11 viding for a reduction of property tax levies by
12 allocating a part of the sales tax collection for
13 property tax stabilization."

H-5253 FILED, LOST *48-50* BY NIELSEN of Polk
FEBRUARY 18, 1976 (*p. 452*) SCHROEDER of Pottawattamie
motion to reconsider lost 2/18

SENATE FILE 1062

H-5250

1 Amend the Norland, Bina amendment, H-5241, to
2 Senate File 1062, as amended, passed and reprinted
3 by the Senate, as follows:

4 1. Page 1, by inserting the following new
5 section after line 33:

6 "Sec. 2. TAXABLE VALUATION. The property
7 tax budget of each assessing district shall be an
8 amount equal to the assessed valuation for the base
9 year or an equalized amount determined by the
10 director of revenue, whichever is greater. The
11 total increase ordered by the assessor and the
12 department of revenue shall not be greater than
13 the amount necessary to raise the total statewide
14 valuation of a class of property more than ten
15 percent per year."

16 2. Renumber the remaining sections.

H-5250 FILED - *Withdrawn 2/19* BY BENNETT of Ida
FEBRUARY 18, 1976 (*p. 549*)

SENATE FILE 1062

H-5256

1 Amend H-5241 to Senate File 1062 as follows:

2 1. Page 1, by inserting after the word "means"
3 in line 7 the following: "the state,".

H-5256 FILED - *Lost 2/18* BY CLARK of Lee
FEBRUARY 18, 1976 (*p. 511*)

H-5251

SENATE FILE 1062

7

1 Amend Senate File 1062 as follows:

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

4 "Section 1. NEW SECTION. DEFINITIONS.

5 1. "Base year" means the preceding fiscal year.

6 2. "Political subdivision" means any county or
7 city.

8 3. "Limited budget" means the budget including
9 amendments for all funds of a political subdivision
10 of this state excluding the amount of anticipated
11 receipts to and expenditures from these funds from
12 federal moneys, the amount of anticipated receipts
13 to and expenditures from any local sales, services,
14 and use tax levied under this Act, the amount of any
15 moneys collected or received from property taxes and
16 other sources for the paying of interest and principal
17 on any indebtedness authorized by law, the amount
18 of any moneys collected or received from property
19 taxes and other sources to pay the obligations of
20 the political subdivision for public officers' or
21 employees' pension or retirement systems and the
22 United States Social Security Act, the amount of money
23 for a fund or program collected from a property tax
24 levy authorized by a vote of the electorate after
25 the effective date of this Act and that part of the
26 budget of a school corporation subject to limitation
27 under chapter four hundred forty-two (442) of the
28 Code.

29 Sec. 2. NEW SECTION. RESTRICTIONS ON EXPENDI-
30 TURES.

31 1. The proposed expenditures in the certified
32 limited budget of a political subdivision, for the
33 fiscal year beginning July 1, 1976, and ending June
34 30, 1977, and for each succeeding fiscal year, may
35 not exceed the proposed expenditures in the certified
36 limited budget of that political subdivision for the
37 base year, plus the allowable growth for that political
38 subdivision as determined under section three (3)
39 of this Act, plus the unspent balance from the base
40 year's certified limited budget.

41 2. The limitations on the expenditures in the
42 certified limited budget of a political subdivision
43 provided in subsection one (1) of this section shall
44 be in lieu of any property tax levy limitation
45 otherwise provided by law for any fund or program
46 included in the certified limited budget.

47 Sec. 3. NEW SECTION. ALLOWABLE GROWTH.

48 1. For the fiscal year beginning July 1, 1976,
49 the state percent of growth shall be nine percent.

50 2. For the fiscal year beginning July 1, 1977

1 and each fiscal year thereafter, the state comptroller
 2 shall compute the state percent of growth and forward
 3 it to each county auditor. The state percent of
 4 growth shall be an average of the following six
 5 percentages of growth:

6 a. The difference in the state general fund
 7 revenues received during the year, adjusted for changes
 8 in rates or basis, computed or estimated as a
 9 percentage of change for each of the following periods:

10 (1) From the year immediately preceding the base
 11 year to the base year.

12 (2) From the base year to the budget year.

13 b. The difference in the statewide assessed
 14 valuation of real property adjusted for statewide
 15 changes in assessment practices computed or estimated
 16 as a percentage of change for each of the following
 17 periods:

18 (1) From January first of the year immediately
 19 preceding the base year to January first of the base
 20 year.

21 (2) From January first of the base year to January
 22 first of the budget year.

23 c. The difference in the Iowa consumer price index
 24 which shall be computed by the state comptroller prior
 25 to January 1, 1976, and recomputed each month
 26 subsequent to January 1, 1976, based upon a
 27 comprehensive sampling of the costs of goods and
 28 services within Iowa, and until an Iowa consumer price
 29 index is available, the consumer price index published
 30 by the bureau of labor statistics, United States
 31 department of labor computed or estimated as a
 32 percentage of change for the following periods:

33 (1) From July first of the base year to July first
 34 of the budget year.

35 (2) From July first of the budget year to July
 36 first of the year immediately following the budget
 37 year.

38 If the state percent of growth so computed is negative,
 39 that percentage shall not be used and the state percent
 40 of growth shall be zero.

41 3. The certified limited budget including
 42 amendments for the base year of a political subdivision
 43 shall be multiplied by the state percent of growth
 44 to determine the dollar amount of allowable growth
 45 for that political subdivision for the budget year,
 46 subject to modification by the appropriate budget
 47 review committee as provided in section four (4) of
 48 this Act.

49 Sec. 4. NEW SECTION. MODIFICATION OF ALLOWABLE
 50 GROWTH.

7

- 1 1. If a political subdivision has unusual
2 circumstances, creating a need for additional budget
3 expenditures, including but not limited to the
4 following circumstances, the appropriate budget review
5 committee as designated in this Act may establish
6 a modified allowable growth for such political
7 subdivision.
- 8 a. Any unusual increase in population as determined
9 by the preceding certified federal census.
- 10 b. Natural disasters or other emergencies.
- 11 c. Unusual problems relating to major new functions
12 required by state law.
- 13 d. Unusual staffing problems.
- 14 e. Unusual necessity for additional funds to
15 permit continuance of a program which provides
16 substantial benefit to residents.
- 17 f. Unusual need for a new program which will
18 provide substantial benefit to residents, if the
19 county establishes the need and the amount of necessary
20 increased cost.
- 21 2. A political subdivision not having a certified
22 budget for the base year shall submit its proposed
23 budget to the appropriate budget review committee
24 for its approval.
- 25 3. The committee may approve or modify the base
26 year costs of any county which changes accounting
27 procedures.
- 28 4. All decisions by a budget review committee
29 under this Act shall be made in accordance with
30 reasonable and uniform policies which shall be
31 consistent to carry out the provisions of this Act.
32 The committee shall take into account the intent of
33 this Act to provide property tax relief and to provide
34 reasonable control of costs of the political
35 subdivisions of the state.
- 36 5. Failure by any political subdivision to provide
37 information or appear before a budget review committee
38 as requested for the accomplishment of review or
39 hearing shall constitute justification for the
40 committee to instruct the state comptroller to withhold
41 any state payments to that political subdivision
42 until the committee's inquiries are satisfied
43 completely or to deny a request for a modified
44 allowable growth.
- 45 6. The committee shall report to each session
46 of the general assembly. The report shall include
47 any recommended changes in laws relating to county
48 budgeting or accounting, and shall specify the number
49 of hearings held annually, the reasons for the
50 committee's recommendations, and other information

1 as the committee deems advisable.

2 Sec. 5. NEW SECTION. COUNTY BUDGET REVIEW
3 COMMITTEE. There is created a county budget review
4 committee consisting of the following five members:

5 1. The state comptroller or his designee who shall
6 serve as chairperson.

7 2. Three county officers appointed by the governor
8 subject to, one member selected from a county having
9 an assessed valuation of:

10 a. Less than ninety-six million three hundred
11 thousand dollars.

12 b. Ninety-six million three hundred thousand
13 dollars or more but less than one hundred eighteen
14 million five hundred twenty thousand dollars.

15 c. One hundred eighteen million five hundred
16 twenty thousand dollars or more.

17 3. The certified public accountant appointed to
18 the city finance committee under section three hundred
19 eighty-four point thirteen (384.13) of the Code.

20 In addition to the circumstances creating a vacancy
21 under section sixty-nine point two (69.2) of the Code,
22 a vacancy shall exist when a county officer appointed
23 under subsection two (2) of this section no longer
24 holds a county office which qualifies such officer
25 for appointment to this committee.

26 The county budget review committee shall meet at
27 the call of the chairperson and adopt its own rules
28 of procedure. The committee may hold public hearings.
29 Actions taken or rules promulgated by the committee
30 shall be subject to the provisions of chapter seventeen
31 A (17A) of the Code.

32 The committee members, except the state comptroller
33 and county officers who are full-time public officers,
34 are entitled to a per diem of forty dollars for each
35 day spent in the performance of committee duties and
36 each member is entitled to reimbursement for his
37 actual and necessary expenses incurred in performance
38 of committee duties. The per diem and expenses shall
39 be paid from funds appropriated to the state
40 comptroller.

41 Sec. 6. NEW SECTION. DESIGNATED BUDGET REVIEW
42 COMMITTEES. The appropriate budget review committee
43 to which a political subdivision may petition for
44 a modified allowable growth is:

45 1. The city finance committee created under section
46 three hundred eighty-four point thirteen (384.13)
47 of the Code for any city subject to the provisions
48 of this Act.

49 2. The school budget review committee created
50 under section four hundred forty-two point twelve

1 (442.12) of the Code for the following political
2 subdivision:

3 a. A merged area school created under chapter
4 two hundred eighty A (280A) of the Code.

5 b. A school corporation created under chapter
6 two hundred seventy-four (274) of the Code for that
7 part of its budget which is not subject to limitation
8 under chapter four hundred forty-two (442) of the
9 Code.

10 3. The county budget review committee for any
11 other political subdivision subject to provisions
12 of this Act.

13 Sec. 7. NEW SECTION. ADJUSTMENT FOR MUNICIPAL
14 UTILITY. The allowable growth provided in section
15 three (3) of this Act for a political subdivision
16 shall be applicable to a municipal utility except
17 as provided in this section. A municipal utility
18 may adjust its rates under this Act where the product
19 which it distributes to the public for compensation
20 is produced or supplied by an investor-owned utility,
21 cooperative, other private supplier, or public agency
22 and the rates paid by the municipal utility are
23 adjusted. A municipal utility which produces the
24 heat or electric power which it distributes to the
25 public for compensation may adjust its rates if the
26 fossil fuels which it purchases to produce the
27 electrical energy which it distributes to the public
28 for compensation are increased.

29 The municipal utility may adjust its rates upon
30 the filing of a notice of the proposed adjustment
31 with the city finance committee. The notice to the
32 committee shall state the present rates and fuel costs
33 and the new rates and new fuel costs.

34 For the purposes of this section, "municipal
35 utility" means all or part of a waterworks, gasworks,
36 electric light and power plant and system, or heating
37 plant any of which are owned by a city, including
38 all land, easements, rights-of-way, fixtures,
39 equipment, accessories, improvements, appurtenances,
40 and other property necessary or useful for the
41 operation of the utility.

42 Sec. 8. NEW SECTION. SPECIAL CHARTERED CITIES.
43 It is the intention of the general assembly that the
44 budget limitations provided in this Act shall ap-
45 ply to special chartered cities. The city finance
46 committee may adopt rules, consistent with the
47 provisions of this Act, establishing procedures and
48 forms applicable to special chartered cities as deemed
49 necessary by the committee.

50 Sec. 9. NEW SECTION. LOCAL SALES TAX AUTHORIZA-

1 TION.

2 1. A city or a county may impose or discontinue
3 a local sales, services and use tax by ordinance or
4 resolution of the governing body of a city or county,
5 subject to this section.

6 2. Within thirty days after adoption of a
7 resolution or ordinance imposing a local sales,
8 services and use tax, a petition signed by qualified
9 electors of the city or the county as applicable equal
10 in number to ten percent or more of the persons who
11 voted at the preceding regular city election in the
12 case of a city or the preceding general election in
13 the case of a county, may be filed with the city
14 council or board of supervisors requesting an election
15 on the continued imposition of such tax. Upon receipt
16 of such petition, the city council or the board of
17 supervisors shall direct the county commissioner of
18 elections to submit the question to the county or
19 city electorate within sixty days after receipt of
20 the petition at a special or regular election.

21 3. If the imposition of the local sales, services
22 and use tax is not effective before the date of
23 election at which such imposition is disapproved by
24 a majority of the electorate voting on the question,
25 the ordinance or resolution shall be repealed and
26 not take effect. If the tax is effective and being
27 collected at the time of election at which the imposi-
28 tion is disapproved, the resolution or ordinance shall
29 be repealed effective on the succeeding July first
30 or January first, whichever date is earlier.

31 4. If the imposition of a local sales, services
32 and use tax is approved by a majority of the electorate
33 voting on the question at an election called under
34 subsection two (2) of this section, the tax shall
35 remain effective until July first or January first
36 following its repeal by action of the governing body
37 of a city or county or its disapproval at an election,
38 whichever date is earlier.

39 5. If a city is located in more than one county,
40 it shall be deemed to be in the county in which the
41 largest portion of its population resides, for the
42 purposes of a countywide election and the imposition
43 of the local tax.

44 Sec. 10. NEW SECTION. LOCAL SALES, SERVICES AND
45 USE TAX. The local sales, services and use tax imposed
46 under this Act shall be levied at a rate of not
47 exceeding one percent by a county and not exceeding
48 one percent by a city on the gross receipts taxed
49 by the state under chapter four hundred twenty-two
50 (422), division four (IV), of the Code, and the uses

1 taxed under chapter four hundred twenty-three (423)
2 of the Code. A local sales, services and use tax
3 shall be imposed on the same basis as the state sales,
4 services and use tax and shall not be imposed on the
5 sale or use of any property or on any service not
6 taxed by the state. A local sales, services and use
7 tax is applicable only to transactions within the
8 territorial limits of the county in which it is imposed
9 including those portions of a city located in another
10 county as provided in section nine (9), subsection
11 five (5) of this Act, and shall be collected by all
12 persons required to collect state gross receipts or
13 use taxes.

14 The amount of the sale, for purposes of determining
15 the amount of the local sales, services and use tax,
16 does not include the amount of any state gross receipts
17 or use taxes.

18 No tax permit other than the state tax permit
19 required under section four hundred twenty-two point
20 fifty-three (422.53) of the Code shall be required
21 by local authorities.

22 Sec. 11. NEW SECTION. ADMINISTRATION. A local
23 sales, services and use tax shall be imposed either,
24 January first or July first following a favorable
25 election.

26 The director of revenue shall administer the
27 provisions of a sales, services and use tax as nearly
28 as possible in conjunction with the administration
29 of state gross receipts and use tax laws. The director
30 shall provide appropriate forms, or provide on the
31 regular state tax forms, for reporting sales, services
32 and use tax liability.

33 A resolution of a county board of supervisors
34 imposing a sales, services and use tax shall adopt
35 by reference the applicable provisions of the
36 appropriate sections of chapter four hundred twenty-
37 two (422), division four (IV) and chapter four hundred
38 twenty-three (423) of the Code for a local sales,
39 services and use tax, and all powers of the director
40 and requirements of the director in administering
41 the state gross receipts and use tax law are applicable
42 to his administration of a sales, services and use
43 tax law including but not limited to powers to impose
44 interest and penalties, and requirements for hearing
45 and appeal. Local officials shall confer with the
46 director of revenue and obtain his assistance in
47 drafting the resolution imposing a sales, services
48 and use tax. A certified copy of the resolution
49 imposing a sales, services and use tax shall be filed
50 with the director as soon as possible after passage.

1 The director, in consultation with local officials,
2 shall collect and account for a sales, services and
3 use tax. The director shall credit the sales, services
4 and use tax receipts to a "local tax fund" hereby
5 established in the office of the treasurer of state.

6 Sec. 12. NEW SECTION. PAYMENT TO LOCAL
7 GOVERNMENTS. The treasurer of state shall remit
8 quarterly to the cities and counties in which a sales,
9 services and use tax has been imposed, and which have
10 qualified under section thirteen (13) or fourteen
11 (14) of this Act, their share of the balance in the
12 local tax fund. The local tax fund is appropriated
13 for this purpose.

14 Sec. 13. NEW SECTION. CITY PROPERTY TAX RELIEF.
15 All local sales, services and use tax moneys received
16 by a city shall be deposited in the general fund of
17 the city and may be expended for any lawful city
18 purpose. However, the city treasurer, or another
19 city official designated by the council, shall credit
20 at least one-half of all sales, services and use tax
21 moneys received to a special account for property
22 tax relief. Before the levies authorized under section
23 three hundred eighty-four point one (384.1) of the
24 Code are certified to the county auditor, the
25 certifying official shall subtract from the total
26 amount computed in dollars, as provided in section
27 four hundred forty-four point two (444.2) of the Code,
28 an amount equal to the amount credited to the special
29 account for property tax relief during the last
30 preceding twelve-month period, and shall certify only
31 the net amount to the county auditor and board of
32 supervisors. The limit on a city's tax levy for the
33 general fund, as stated in section three hundred
34 eighty-four point one (384.1) of the Code, shall be
35 reduced each year by the levy which would be necessary
36 to replace the amount credited to the special account
37 for property tax relief during the last preceding
38 twelve-month period. The county auditor shall base
39 the levies authorized under section four hundred
40 forty-four point three (444.3) of the Code upon the
41 net amount so computed. In order for a city to be
42 qualified to receive remittances from the treasurer
43 of state under this Act, the city clerk, before July
44 fifteenth of each year, shall certify to the treasurer
45 of state that the required reduction in the amount
46 certified to the county auditor and board of
47 supervisors for city taxes has been made.

48 Sec. 14. NEW SECTION. COUNTY PROPERTY TAX RELIEF.
49 All sales, services and use tax moneys received by
50 a county may be expended for any lawful county

1 government purpose applicable to the county. However,
 2 the county treasurer shall credit at least one-half
 3 of all sales, services and use tax moneys received
 4 to a special account for property tax relief. Before
 5 the levies authorized under section four hundred
 6 forty-four point nine (444.9) of the Code are made,
 7 the board of supervisors shall subtract from the total
 8 amount computed in dollars, as provided in section
 9 four hundred forty-four point two (444.2) of the Code,
 10 an amount equal to the amount credited to the special
 11 account for property tax relief during the last
 12 preceding twelve-month period, and shall base the
 13 levies authorized under section four hundred forty-
 14 four point nine (444.9) of the Code upon the net
 15 amount so computed. In order for a county to be
 16 qualified to receive remittances from the treasurer
 17 of state under this Act, the board of supervisors,
 18 before July fifteenth of each year, shall certify
 19 to the treasurer of state that the required reduction
 20 has been made.

21 Sec. 15. NEW SECTION. COUNTY FUNDS. In addition
 22 to other funds provided by law, each county shall
 23 have a general fund, a debt service fund, a secondary
 24 road fund, a human resources fund, a court expense
 25 fund, and a restricted trust and agency fund.

26 1. The general fund of the county shall consist
 27 of all revenue collected or received from taxes and
 28 other sources for the general operating expenses of
 29 the county including, as provided by law including
 30 the following:

31 a. Expenses for the general operation of county
 32 offices including the salaries and support of county
 33 officers and their employees and the maintenance,
 34 equipment and supplies of such offices, except as
 35 otherwise provided by law.

36 b. Expenses for the general operation of
 37 conservation, historic, and recreation programs
 38 including the salaries and support of the employees
 39 of the county conservation board and the purchase,
 40 repair, maintenance, equipment and supplies for land
 41 and facilities of the county conservation board.

42 c. Expenses relating to elections and the purchase
 43 of voting machines.

44 d. Expenses relating to public safety including
 45 civil defense, crime, controlled substances, pollution
 46 control, and prisoner board and care.

47 e. Expenses relating to the care and licensing
 48 of domestic animals, payment of bounty claims, and
 49 eradication of diseases among bees.

50 f. Expenses relating to agricultural promotion

1 and exposition including the purchase, erection, and
2 maintenance of fairgrounds and fairground facilities,
3 support of 4-H club work, and the payment of premiums
4 for agricultural and livestock exhibits.

5 g. Expenses relating to insurance costs, including
6 errors and omissions, health insurance, surety bonds,
7 torts, unemployment insurance, and workmen's
8 compensation.

9 h. Expenses relating to planning and zoning,
10 building codes, and the inspection and regulation
11 of electrical, heating, plumbing, air conditioning
12 or ventilation installation or repair including
13 salaries and support of employees of the zoning
14 commission or building and mechanical inspection
15 office and the maintenance, equipment and supplies
16 of such offices.

17 i. Expenses relating to acquisition,
18 reconstruction, repair and maintenance of county
19 buildings.

20 j. Expense relating to membership in the Iowa
21 state association of counties and attendance at schools
22 of instruction and meetings of such association.

23 k. Expenses relating to other programs and
24 activities to be paid from the general fund as provided
25 by law.

26 2. The debt service fund of the county shall
27 consist of all revenue collected or received from
28 taxes and other sources for the paying of interest
29 and principal on county bonds, court house bonds,
30 memorial hall bonds and other indebtedness authorized
31 by law.

32 3. The secondary road fund of the county shall
33 consist of all revenue collected or received from
34 taxes and other sources for the construction,
35 reconstruction, repair and maintenance of any roads
36 and streets under the jurisdiction of the county,
37 road clearing and eradication of weeds, including
38 the salaries and support of the county engineer,
39 employees of his office, the weed commissioner and
40 employees of the weed commission, the maintenance,
41 equipment and supplies of the county engineer's office
42 and the weed commission, and other expenses for
43 programs and activities to be paid from the secondary
44 road fund as provided by law.

45 4. The human resources fund of the county shall
46 consist of all revenue collected or received from
47 taxes and other sources to provide for the health
48 care and welfare of the public as provided by law
49 including the following:

50 a. Assistance to the poor and indigent, including

1 the relief of indigent veterans, their indigent
2 spouses, surviving spouses and minor children, and
3 the payment of funeral expenses of such veterans.

4 b. Care, treatment, and habilitation of the
5 mentally ill, mentally retarded or mentally and
6 physically handicapped.

7 c. Health care including the construction,
8 reconstruction, repair and maintenance of health care
9 facilities and ambulance services.

10 d. Care and education of delinquent and dependent
11 minors including the construction, reconstruction,
12 repair and maintenance of facilities for such purposes.

13 e. Salaries and support of officers and employees
14 responsible for county health care and welfare programs
15 who are not compensated from state funds and the
16 maintenance, equipment and supply of such offices.

17 f. Expenses for programs and activities to be
18 paid by the human resources fund as provided by law.

19 5. The court expense fund of the county shall
20 consist of all revenue collected or received from
21 taxes and other sources to provide for the general
22 operation of the district court of the county including
23 the salaries and support of the clerk of the district
24 court, deputy clerks, shorthand reporters, and other
25 employees of the court and the maintenance, equip-
26 ment and supplies of the district court and the office
27 of clerk of the district court, and the salaries,
28 support and other expenses of deputy sheriffs and
29 other employees appointed by the sheriff for the
30 purpose of carrying out the duties of the bailiff
31 as provided in section three hundred thirty-seven
32 point seven (337.7) of the Code.

33 6. The restricted trust and agency fund of the
34 county shall consist of all revenue collected or
35 received from taxes and other sources for particular,
36 restricted purposes as provided by law including the
37 following:

38 a. Money and property received as a gift by the
39 county for a particular purpose.

40 b. Money and property received by the county as
41 a trustee or custodian or in the capacity of an agent
42 of any public money as authorized by law.

43 c. Money collected or received from the taxation
44 of specific property, or from particular taxing
45 districts within the county, to be used for a
46 particular purpose including, but not limited to,
47 the planning and maintenance of sanitary disposal
48 projects, flood and erosion control, contracting for
49 library services, or the establishment and maintenance
50 of a county library.

1 d. Expenses relating to bovine or swine brucellosis
 2 eradication and bovine or swine tuberculosis
 3 eradication.

4 e. Money collected to pay the obligations of the
 5 county for the Iowa public employees' retirement
 6 system and the Social Security Act, Title two (II).

7 f. Other expenses for programs and activities
 8 to be paid from the restricted trust and agency fund
 9 as provided by law.

10 Sec. 16. Section twenty-four point twenty-two
 11 (24.22), Code 1975, is amended to read as follows:

12 24.22 TRANSFER OF ACTIVE FUNDS--~~PEER-FUND~~. Upon
 13 the approval of the state board, it shall be lawful
 14 to make temporary or permanent transfers of money
 15 from one fund of the municipality to another fund
 16 thereof; but in no event shall there be transferred
 17 for any purpose any of the funds collected and received
 18 for the construction and maintenance of secondary
 19 roads. The certifying board or levying board, as
 20 the case may be, shall provide that money temporarily
 21 transferred shall be returned to the fund from which
 22 it was transferred within such time and upon such
 23 conditions as the state board shall determine, provided
 24 that it shall not be necessary to return to the
 25 emergency fund, or to any other fund no longer
 26 required, any money transferred therefor to any other
 27 fund. ~~No-transfer-shall-be-made-to-a-peer-fund-unless~~
 28 ~~there-is-a-shortage-in-said-fund-after-the-maximum~~
 29 ~~permissible-levy-has-been-made-for-said-fund.~~

30 Sec. 17. Section twenty-nine C point seven (29C.7),
 31 unnumbered paragraph one (1), Code 1975, is amended
 32 to read as follows:

33 County boards of supervisors, city councils and
 34 school boards are hereby authorized to cooperate with
 35 the civil defense division, department of public
 36 defense to carry out the provisions of this chapter,
 37 and shall form a joint county-municipal civil defense
 38 and emergency planning administration, hereinafter
 39 referred to as the joint administration. Such joint
 40 administration shall be composed of a member of the
 41 county board of supervisors and the mayor or his
 42 representative of the city governments within the
 43 county and the sheriff of such county. One member
 44 of the joint administration shall be designated as
 45 chairman and one as vice-chairman. The joint
 46 administration shall appoint a director who shall
 47 be responsible to the joint administration for the
 48 administration and co-ordination of all civil defense
 49 and emergency planning matters throughout the county,
 50 subject to the direction and control of the joint

1 administration. Each ~~county~~ and city located therein
 2 is authorized to appropriate money out of any funds
 3 that are not restricted and each county may appropriate
 4 money from the general fund of the county for the
 5 purpose of paying expenses relating to civil defense
 6 and emergency planning matters of such joint
 7 administration, and to establish a joint county-
 8 municipal civil defense fund account of the restricted
 9 trust and agency fund in the office of the county
 10 treasurer, and the county and cities located in that
 11 county may deposit moneys in such fund account, which
 12 fund account shall be for the purpose of paying
 13 expenses relating to civil defense and emergency
 14 planning matters of such joint administration. Any
 15 reimbursement, matching funds, or moneys received
 16 from sale of property obtained through the surplus
 17 property program, or moneys obtained from any source
 18 whatever in connection with the civil defense and
 19 emergency planning program, shall be deposited in
 20 the joint civil defense fund, herein-established
 21 account. Withdrawal of moneys from the joint county-
 22 municipal civil defense and emergency planning account
 23 maintained by the office of the county treasurer to
 24 reimburse both county and city governments for their
 25 share of funds received by the joint county-municipal
 26 civil defense and emergency planning agency, and
 27 deposited with the county treasurer, may be made on
 28 warrants drawn by the county auditor, supported by
 29 claims from the county or city government concerned,
 30 and these claims verified and vouchers signed by the
 31 chairman or vice-chairman of the joint administration
 32 and the director of the joint county-municipal civil
 33 defense and emergency planning administration.

34 Sec. 18. Section thirty-seven point seventeen
 35 (37.17), Code 1975, is amended to read as follows:

36 37.17 GIFTS AND BEQUESTS. Gifts and bequests
 37 to any county, city, or to the commission, for any
 38 of the purposes provided in this chapter, may be
 39 accepted and the property shall be used in accordance
 40 with the provisions of this chapter, and as may be
 41 expressly designated by the donor. Each gift or
 42 bequest to a county under this chapter shall be placed
 43 in a separate account in the restricted trust and
 44 agency fund of the county.

45 Sec. 19. Section fifty-two point three (52.3),
 46 Code 1975, as amended by Acts of the Sixty-sixth
 47 General Assembly, 1975 Session, chapter eighty-one
 48 (81), section ninety-three (93), is amended to read
 49 as follows:

50 52.3 TERMS OF PURCHASE--TAX LEVY. The county

1 board of supervisors, on the adoption and purchase
 2 of a voting machine or an electronic voting system,
 3 may provide for the payment ~~therefor~~ from the general
 4 fund of the county or provide for payment in such
 5 manner as they may deem for the best interest of the
 6 county, and may for that purpose issue bonds,
 7 certificates of indebtedness, or other obligations,
 8 which shall be a charge on the county, ~~or levy not~~
 9 ~~to exceed thirteen and one-half cents per thousand~~
 10 ~~dollars of assessed value. -- Any amounts so levied~~
 11 ~~and collected in excess of actual costs of voting~~
 12 ~~machines shall revert to the general fund of the~~
 13 ~~county.~~ Such bonds, certificates, or other obligations
 14 may be issued with or without interest, payable at
 15 such time or times as the county board may determine,
 16 but shall not be issued or sold at less than par.

17 Sec. 20. Section one hundred eleven A point six
 18 (111A.6), unnumbered paragraphs one (1) and two (2),
 19 Code 1975, are amended to read as follows:

20 Upon the adoption of any county of the provisions
 21 of this chapter, the county board of supervisors of
 22 such county may by resolution appropriate an amount
 23 of money from the general fund of the county for the
 24 payment of expenses incurred by the county conservation
 25 board in carrying out its powers and duties, ~~and it~~
 26 ~~may levy or cause to be levied an annual tax, in~~
 27 ~~addition to all other taxes, of not more than twenty-~~
 28 ~~seven cents per thousand dollars of the assessed value~~
 29 ~~of all real and personal property subject to taxation~~
 30 ~~within such county, upon proper certification by said~~
 31 ~~county conservation board made pursuant to and in~~
 32 ~~compliance with all of the provisions of chapter~~
 33 ~~24, which tax shall be collected by the county~~
 34 ~~treasurer as other taxes are collected, and shall~~
 35 ~~be paid into a separate and distinct fund to be known~~
 36 ~~as the county conservation fund, to.~~ The money shall
 37 be paid out upon the warrants drawn by the county
 38 auditor upon requisition of the county conservation
 39 board for the payment of expenses incurred in carrying
 40 out the powers and duties of said conservation board.
 41 The county conservation board shall have no power
 42 or authority to contract any debt or obligation in
 43 any year in excess of the moneys in the hands of the
 44 county treasurer immediately available for such
 45 purposes, except the board of supervisors may authorize
 46 deferred payments for land acquisition purchases not
 47 to exceed ~~one-fourth of the annual conservation fund~~
 48 ~~levy nor~~ six and three-fourth cents per thousand dol-
 49 lars of assessed value of the taxable property in
 50 the county not to extend over a period of ten years.

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1 Any single expenditure of, or contract to expend,
 2 a sum of five thousand dollars shall be subject to
 3 the provisions of chapter 23. Gifts, contributions
 4 and bequests of money and all rent, licenses, fees
 5 and charges and other revenue or money received or
 6 collected by the board shall be deposited in ~~the~~
 7 county-conservation-fund a separate account of the
 8 restricted trust and agency fund to be used for the
 9 purchase of land, property and equipment and the pay-
 10 ment of expenses incurred in carrying out the
 11 activities of the board, except that moneys given,
 12 bequeathed, or contributed upon specified trusts shall
 13 be held and applied in accordance with the trust
 14 specified.

15 In order to make immediately available to the
 16 county conservation board ~~the-proceeds-of-the-annual~~
 17 ~~tax-hereinbefore-authorized-to-be-levied~~ money for
 18 recreation and conservation purposes, bonds of any
 19 county may be issued in anticipation of the collection
 20 of ~~such~~ tax revenues in the manner hereinafter
 21 provided. Upon the filing of a petition by the
 22 conservation board with the county board of super-
 23 visors asking that bonds be issued in a specified
 24 amount for the purpose of paying the cost of acquiring
 25 land and developing the same for public museum, park,
 26 parkway, preserve, playground, or other recreation
 27 or conservation purposes within the county, then the
 28 board of supervisors may call a special election to
 29 be held in the county to vote on the proposition of
 30 issuing such bonds. Notice of such election shall
 31 be published once each week for at least four
 32 consecutive weeks in one of the official county
 33 newspapers, and the election shall be held on a day
 34 not less than five nor more than twenty days after
 35 the last publication of such notice. Voting machines
 36 may be used for the purpose of voting on said propo-
 37 sition or, in the discretion of the board of
 38 supervisors, the proposition may be submitted to the
 39 voters on paper ballots. The proposition shall be
 40 submitted in substantially the following form:

41 "Shall County, Iowa, issue its bonds
 42 in the amount of \$. for the purpose of?"
 43 The expenses incurred in connection with the conduct
 44 of such election shall be paid by ~~the-conservation~~
 45 ~~board~~ from the county-conservation general fund.
 46 If the vote in favor of issuing the bonds is equal
 47 to at least sixty percent of the total votes cast
 48 for and against the proposition, the board of
 49 supervisors shall issue the bonds in the amount voted,
 50 and shall provide for the levy of an annual tax,

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1 ~~within the limits of the special tax hereinbefore~~
 2 ~~authorized not to exceed twenty-seven cents per~~
 3 ~~thousand dollars of assessed value of the taxable~~
 4 ~~property in the county, sufficient to pay said bonds~~
 5 ~~and the interest thereon as the same respectively~~
 6 ~~become due. Said bonds shall mature in not more than~~
 7 ~~twenty years, shall bear interest at a rate or rates~~
 8 ~~not exceeding seven percent per annum, shall be in~~
 9 ~~such form as the board of supervisors shall by~~
 10 ~~resolution provide, and shall be payable as to both~~
 11 ~~principal and interest from the proceeds of the annual~~
 12 ~~levy of the tax hereinbefore authorized to be levied~~
 13 ~~for recreation and conservation purposes of twenty-~~
 14 ~~seven cents per thousand dollars of assessed value~~
 15 ~~in the county, or so much thereof as will be sufficient~~
 16 ~~to pay the principal thereof and interest thereon,~~
 17 ~~and prior to the authorization and issuance of such~~
 18 ~~bonds the board of supervisors may, with or without~~
 19 ~~notice, negotiate and enter into an agreement or~~
 20 ~~agreements with any bank, investment banker, trust~~
 21 ~~company or insurance company or group thereof~~
 22 ~~whereunder the marketing of such bonds may be assured~~
 23 ~~and consummated. The proceeds of such bonds shall~~
 24 ~~be deposited in a special account of the debt service~~
 25 ~~fund, to be kept separate and apart from all other~~
 26 ~~funds of the county, and shall be paid out upon~~
 27 ~~warrants drawn by the county auditor upon requisition~~
 28 ~~of the conservation board to pay the cost of acquiring~~
 29 ~~land and developing the same for recreation and~~
 30 ~~conservation purposes as specified in the election~~
 31 ~~proposition.~~

32 Sec. 21. Section one hundred eleven A point six
 33 (111A.6), Code 1975, is amended by striking unnumbered
 34 paragraph three (3).

35 Sec. 22. Section one hundred twenty-three point
 36 thirty-six (123.36), unnumbered paragraph three (3),
 37 Code 1975, is amended to read as follows:

38 The department shall credit all fees to the beer
 39 and liquor control fund and shall remit to the
 40 appropriate local authority, a sum equal to sixty-
 41 five percent of the fees collected for each class
 42 "A", class "B", or class "C" license covering premises
 43 located within their respective jurisdictions.
 44 However, that amount remitted to the appropriate local
 45 authority out of the fee collected for the privilege
 46 authorized under subsection 6 shall be deposited in
 47 the county ~~mental health and institutions~~ human
 48 resources fund to be used only for the care and
 49 treatment of persons admitted or committed to the
 50 alcoholic treatment center at Oakdale or any facilities

1 as provided in chapter 125.

2 Sec. 23. Section one hundred twenty-three point
3 one hundred forty-three (123.143), subsection one
4 (1), Code 1975, is amended to read as follows:

5 1. All retail beer permit fees collected by any
6 local authority at the time application for the permit
7 is made, and remitted with the permit application
8 to the department, shall be refunded by the department
9 to the local authority at the time the permit is
10 issued. Those amounts refunded to the appropriate
11 local authority out of the fee collected for the
12 privilege authorized under section 123.134, subsection
13 5, shall be deposited in the county ~~mental-health~~
14 ~~and-institutions~~ human resources fund to be used only
15 for the care and treatment of persons admitted or
16 committed to the alcoholic treatment center at Oakdale
17 or any facilities as provided in chapter 125.

18 Sec. 24. Section one hundred twenty-five point
19 twenty-eight (125.28), Code 1975, as amended by Acts
20 of the Sixty-sixth General Assembly, 1975 Session,
21 chapter ten (10), section four (4), is amended to
22 read as follows:

23 125.28 COUNTIES TO SHARE HALF OF COST. Except
24 as provided in section 125.26, counties shall pay
25 for the remaining twenty-five percent of the cost
26 of the care, maintenance, and treatment of an alcoholic
27 from the ~~county-mental-health-and-institutions~~ human
28 resources fund as provided in section 444.12. The
29 commission shall establish guidelines for use by the
30 counties in estimating the amount of expense which
31 the county will incur each year. The facility shall
32 certify to the county of the alcoholic's legal
33 settlement once each month twenty-five percent of
34 the unpaid cost of the care, maintenance, and treatment
35 of an alcoholic. Such county shall pay the cost so
36 certified to the facility from its ~~county-mental~~
37 ~~health-and-institutions~~ human resources fund. How-
38 ever, the approval of the board of supervisors shall
39 be required before payment is made by a county for
40 costs incurred which exceed a total of five hundred
41 dollars for one year for treatment provided to any
42 one alcoholic or intoxicated person, except that such
43 approval is not required for the cost of treatment
44 provided to an alcoholic or intoxicated person who
45 is committed pursuant to sections 125.18 and 125.19.
46 A facility may, upon approval of the board of
47 supervisors, submit to a county a billing for the
48 aggregate amount of all care, maintenance, and
49 treatment of alcoholics for each month. The board
50 of supervisors may demand an itemization of such

1 billings at any time or may audit the same.

2 Sec. 25. Section one hundred twenty-five point
3 thirty-two (125.32), Code 1975, is amended to read
4 as follows:

5 125.32 TRANSFER FROM INSTITUTIONAL HUMAN RESOURCES
6 FUND. The county auditor upon receipt of such
7 certification by the facility shall enter the same
8 to the credit of the facility and issue a notice to
9 the county treasurer, authorizing him to transfer
10 the amount from the ~~county-mental-health-and~~
11 ~~institutions~~ human resources fund to the state general
12 fund, which notice shall be filed by the treasurer
13 as his authority for making such transfer, and shall
14 include the amount transferred in his next remittance
15 to the facility.

16 Sec. 26. Section one hundred thirty-seven point
17 twenty (137.20), Code 1975, is amended to read as
18 follows:

19 137.20 APPROPRIATION FROM GENERAL HUMAN RESOURCES
20 FUND OF COUNTY. The board of supervisors of any
21 county may appropriate from the ~~county-general human~~
22 ~~resources~~ fund for the purpose of providing local
23 health services. A county appropriation shall not
24 exceed the statutory limitation found in chapter 444.
25 Moneys appropriated for this purpose shall be deposited
26 in the local health fund as specified in section
27 137.18.

28 Sec. 27. Section one hundred sixty-three A point
29 twelve (163A.12), Code 1975, is amended to read as
30 follows:

31 163A.12 OWNER REQUESTING TEST. If the owner
32 requests the department to inspect and test his
33 breeding swine for brucellosis, and agrees to comply
34 with the rules and regulations made by the department
35 under section 163A.9, the department may designate
36 a veterinarian to make an inspection and test, with
37 the expense to be paid as provided in section 164.6
38 for cattle brucellosis testing, but only to the extent
39 the funds provided in that section are not required
40 for the cattle testing program. The board of
41 supervisors shall reimburse the department for the
42 expense of the inspection and testing program for
43 swine brucellosis, from the "~~County-Brucellosis~~
44 ~~Eradication-Fund~~" county brucellosis eradication
45 account of the restricted trust and agency fund
46 established in section 164.24, but only to the extent
47 that the moneys in the ~~fund~~ account are not required
48 for expenses incurred under chapter 164.

49 Sec. 28. Section one hundred sixty-four point
50 twenty-three (164.23), Code 1975, is amended to read

1 as follows:

2 164.23 TAX LEVY. In each county in the state,
3 the board of supervisors shall each year, when it
4 makes the levy for taxes, levy a tax sufficient to
5 provide ~~a fund~~ funds to pay the indemnity, as set
6 out in section ~~164.21~~, and other expenses provided
7 in this chapter, and expenses of the inspection and
8 testing program provided in chapter 163A, and such
9 levy shall not exceed in any year thirteen and one-
10 half cents per thousand dollars of assessed value
11 of the taxable value of all the property in the county.

12 Sec. 29. Section one hundred sixty-four point
13 twenty-four (164.24), Code 1975, as amended by Acts
14 of the Sixty-sixth General Assembly, 1975 Session,
15 chapter one hundred twenty-seven (127), section six
16 (6), is amended to read as follows:

17 164.24 COLLECTION OF TAX--TRANSFER. Such levy
18 shall be placed upon the tax list by the county auditor
19 and collected by the county treasurer in the same
20 manner and at the same time as other taxes of the
21 county. The money derived from such levy shall be
22 placed in ~~a fund to be known as the "County Brucellosis~~
23 ~~Eradication Fund~~ the county brucellosis eradication
24 account of the restricted trust and agency fund, and
25 shall be used only for the payment of claims as
26 provided in this chapter, and for payment of the
27 expenses of the inspection and testing program provided
28 in chapter 163A. However, the board of supervisors
29 may transfer any unexpended funds from the county
30 brucellosis eradication ~~fund~~ account to the county
31 tuberculosis eradication ~~fund~~ account to meet any
32 unpaid obligations of the county tuberculosis
33 eradication ~~fund~~ account.

34 Sec. 30. Section one hundred sixty-four point
35 twenty-five (164.25), Code 1975, is amended to read
36 as follows:

37 164.25 ANNUAL REPORT. The county auditor of each
38 county shall, not later than July 15 of each year,
39 certify to the secretary of agriculture a report
40 showing the amount in the brucellosis eradication
41 ~~fund~~ account on July 1 of each year.

42 Sec. 31. Section one hundred sixty-four point
43 twenty-six (164.26), Code 1975, is amended to read
44 as follows:

45 164.26 NEED FOR LEVY DETERMINED. Should it appear
46 to the secretary of agriculture that the balance in
47 such ~~fund~~ account is sufficient, with the county's
48 allotment of state and federal funds available, to
49 carry on the work in such county for the ensuing year,
50 he shall so certify to the county auditor, and, when

1 such certification has been made, the board of
 2 supervisors shall make no levy for such brucellosis
 3 eradication fund account for such year.

4 Sec. 32. Section one hundred sixty-four point
 5 twenty-seven (164.27), Code 1975, is amended to read
 6 as follows:

7 164.27 LIMIT ON CLAIMS. Whenever the balance
 8 of such fund account becomes less than twenty-five
 9 hundred dollars, the county auditor shall notify the
 10 department in writing of such fact, and no expense
 11 shall be incurred on-such-account for such purposes
 12 in excess of the cash available in such fund account.

13 Sec. 33. Section one hundred sixty-five point
 14 eighteen (165.18), Code 1975, is amended to read as
 15 follows:

16 165.18 ERADICATION FUND ACCOUNT. In each county
 17 in the state, the board of supervisors shall each
 18 year when it makes the levy for taxes, levy a tax
 19 sufficient to provide a-fund funds to pay the indemnity
 20 and other expenses provided in this chapter and section
 21 159.5, subsection 12, except as provided herein, but
 22 such levy shall not exceed twenty and one-fourth cents
 23 per thousand dollars in any year upon the taxable
 24 value of all the property in the county. However,
 25 moneys shall be paid on expenses arising under section
 26 159.5, subsection 12, only to the extent that such
 27 moneys are not required to pay expenses for bovine
 28 tuberculosis under this chapter.

29 Sec. 34. Section one hundred sixty-five point
 30 nineteen (165.19), Code 1975, as amended by Acts of
 31 the Sixty-sixth General Assembly, 1975 Session, chapter
 32 one hundred twenty-seven (127), section seven (7),
 33 is amended to read as follows:

34 165.19 COLLECTION--TRANSFER. Such levy shall
 35 be placed upon the tax list by the county auditor
 36 and collected by the county treasurer in the same
 37 manner and at the same time as other taxes of the
 38 county. The money derived from such levy shall be
 39 placed in a fund-to-be-known-as-the county tubercu-
 40 losis eradication account of the restricted trust
 41 and agency fund, and the same shall only be used for
 42 the payment of claims as provided in this chapter
 43 and for payment of the expenses of the inspection,
 44 testing and indemnification program provided for the
 45 eradication of tuberculosis in swine. However, the
 46 board of supervisors may transfer any unexpended funds
 47 from the county tuberculosis eradication fund account
 48 to the county brucellosis eradication fund account
 49 to meet any unpaid obligations of the county brucel-
 50 losis eradication fund account.

1 Sec. 35. Section one hundred sixty-five point
2 twenty (165.20), Code 1975, is amended to read as
3 follows:

4 165.20 REPORT BY AUDITOR. The county auditor
5 of each county shall, not later than July 15 of each
6 year, certify to the secretary of agriculture a report
7 showing the amount in the tuberculosis eradication
8 fund account on July 1 of each year.

9 Sec. 36. Section one hundred sixty-five point
10 twenty-one (165.21), Code 1975, is amended to read
11 as follows:

12 165.21 LEVY OMITTED. Should it appear to the
13 secretary of agriculture that the balance in such
14 fund is sufficient, with the county's allotment of
15 state and federal funds available, to carry on the
16 work in such county for the ensuing year, he shall
17 so certify to the county auditor and when such
18 certification has been made the board shall make no
19 levy for such tuberculosis eradication fund account
20 for such year.

21 Sec. 37. Section one hundred sixty-five point
22 twenty-two (165.22), Code 1975, is amended to read
23 as follows:

24 165.22 AVAILABILITY OF COUNTY ACCOUNT. After
25 the amount allotted in any year by the department to
26 any county has been expended or contracted in said
27 county, or at any time that there ceases to be
28 available for such county any federal funds for the
29 eradication of bovine tuberculosis, the county
30 tuberculosis eradication fund account provided in
31 this chapter shall become available as a substitute
32 for either or both such funds for the payment of
33 materials, indemnities, inspectors, and assistants
34 as herein provided.

35 Sec. 38. Section one hundred sixty-five point
36 twenty-three (165.23), Code 1975, is amended to read
37 as follows:

38 165.23 EXHAUSTION OF STATE ALLOTMENT. As soon
39 as the allotment to the county has been spent or
40 contracted, the department shall certify such fact
41 to the county auditor, which certificate shall be
42 full authority for the board of supervisors to pay
43 claims as presented to the board by the department
44 of agriculture out of the county tuberculosis
45 eradication fund account.

46 Sec. 39. Section one hundred sixty-five point
47 twenty-four (165.24), Code 1975, is amended to read
48 as follows:

49 165.24 EXHAUSTION OF COUNTY ~~FUND~~ ACCOUNT. When-
50 ever the balance in such fund account becomes less

1 than twenty-five hundred dollars the county auditor
 2 shall notify the department in writing of such fact
 3 and no expense shall be incurred ~~on such account~~ for
 4 such purposes in excess of the cash available in such
 5 fund account.

6 Sec. 40. Section one hundred seventy-four point
 7 thirteen (174.13), Code 1975, is amended to read as
 8 follows:

9 174.13 COUNTY AID. The board of supervisors of
 10 the county in which any such society is located may
 11 ~~levy a tax of not to exceed six and three-fourths~~
 12 ~~cents per thousand dollars of assessed value of the~~
 13 ~~taxable property of the county, the funds realized~~
 14 ~~therefrom to be known as the fairground fund, and~~
 15 ~~to be used~~ appropriate moneys from the general fund
 16 for the purpose of fitting up or purchasing fairgrounds
 17 for the society, or for the purpose of aiding boys
 18 and girls 4-H Club work and payment of agricultural
 19 and livestock premiums in connection with said fair,
 20 provided such society shall be the owner in fee simple,
 21 or the lessee of at least ten acres of land for
 22 fairground purposes, and shall own or lease buildings
 23 and improvements thereon of at least eight thousand
 24 dollars in value.

25 Sec. 41. Section one hundred seventy-four point
 26 seventeen (174.17), Code 1975, is amended by striking
 27 the section and inserting in lieu thereof the
 28 following:

29 174.17 CAPITAL IMPROVEMENTS ON FAIRGROUNDS. The
 30 board of supervisors of any county which has acquired
 31 real estate for county or district fair purposes and
 32 which has a society using such real estate, may
 33 appropriate moneys from the general fund for the
 34 purpose of erecting and repairing buildings and other
 35 permanent improvements on such real estate, paying
 36 debts contracted in such erection or repair, and
 37 paying agricultural and livestock premiums.

38 Sec. 42. Section one hundred seventy-four point
 39 twenty-five (174.25), Code 1975, is amended to read
 40 as follows:

41 174.25 SELLING FAIRGROUNDS. In the event that
 42 a new fairgrounds site is acquired by any county,
 43 the board of supervisors of such county may sell any
 44 existing fairground site to which the county has title
 45 and such board may sell any structure located on the
 46 old fairground site, that it is not practicable to
 47 move or transfer to the new fairground site, at public
 48 or private sale for the best price obtainable. The
 49 net proceeds from the sale of fairground sites and
 50 structures on such sites shall be placed in the "fair-

ground-fund" a separate account in the restricted trust and agency fund to be expended for the erection of permanent buildings on the new fairground site, or for the payment of debts contracted in the removal, transporting, erection or repair of structures moved from the old fairground site to the new fairground site.

Sec. 43. Section two hundred twenty-two point seventy-four (222.74), Code 1975, is amended to read as follows:

222.74 DUPLICATE TO COUNTY. When certifying to the comptroller amounts to be charged against each county as provided in section 222.73, the superintendent shall send to the county auditor of each county against which he has so certified any amount, a duplicate of such certificate. The county auditor upon receipt of the duplicate certificate shall enter the same to the credit of the state in his ledger of state accounts, and shall immediately issue a notice to the county treasurer authorizing the treasurer to transfer the amount from the ~~county mental-health-and-institutions~~ human resources fund to the general state revenue. The treasurer shall file such notice as his authority for making such transfer and shall include the amount so transferred in his next remittance of state taxes to the treasurer of state, designating the fund to which the amount belongs.

Sec. 44. Section two hundred twenty-two point seventy-six (222.76), Code 1975, is amended to read as follows:

222.76 PAID FROM ~~INSTITUTION~~ HUMAN RESOURCES FUNDS. All expenses required to be paid by counties under section 222.60 shall be paid from the ~~state institution~~ human resources fund of the county. The cost of care of patients discharged or removed from the hospital-schools or a special unit for placement within a county may be paid from the ~~state-institution fund-or-the-county-fund-for-mental-health~~ human resources fund of the county of legal settlement.

Sec. 45. Section two hundred twenty-five point twenty-one (225.21), Code 1975, is amended to read as follows:

225.21 VOUCHERS. The person making claim to such compensation shall present to the court or judge an itemized sworn statement thereof, and when such claim for compensation has been approved by the court or judge or clerk, the same shall be filed in the office of the county auditor and shall be allowed by the board of supervisors and paid from the state

1 institution human resources fund.

2 Sec. 46. Section two hundred twenty-five point
3 twenty-four (225.24), Code 1975, is amended to read
4 as follows:

5 225.24 COLLECTION OF PRELIMINARY EXPENSE. Unless
6 said committed private patient or those legally
7 responsible for him offer to make such settlement,
8 it shall also be the duty of the county auditor of
9 the proper county as aforesaid to proceed to collect,
10 by action if necessary, in the name of the said county,
11 the amount of all claims for per diem and expenses
12 that have been approved by the said court or judge
13 and paid by the county treasurer of said county as
14 provided for under the provisions of section 225.21,
15 and when collected to pay the same into the county
16 treasury human resources fund.

17 Sec. 47. Section two hundred twenty-seven point
18 eighteen (227.18), Code 1975, is amended to read as
19 follows:

20 227.18 CLAIMS FILED QUARTERLY. The state aid
21 herein provided for shall be paid to the claimant
22 county upon a verified claim being filed quarterly
23 with the state director setting forth the total of
24 weekly patient care furnished to transferees in county
25 or private institutions from the county-mental-health
26 and-institutions human resources fund. Approval of
27 said verified claim by the state director shall be
28 authority for the state comptroller to issue a warrant
29 upon the state mental aid fund payable to the claimant
30 county which shall be credited by that county to the
31 county-mental-health-and-institutions human resources
32 fund established-by-section-444-12.

33 Sec. 48. Section two hundred thirty point twenty-
34 one (230.21), Code 1975, is amended to read as follows:

35 230.21 DUTY OF COUNTY AUDITOR AND TREASURER.
36 The county auditor, upon receipt of such certificate,
37 shall thereupon enter the same to the credit of the
38 state in his ledger of state accounts, and at once
39 issue a notice to his county treasurer, authorizing
40 him to transfer the amount from the county-mental
41 health-and-institutions human resources fund to the
42 general state revenue, which notice shall be filed
43 by the treasurer as his authority for making such
44 transfer, and shall include the amount so transferred
45 in his next remittance of state taxes to the treasurer
46 of state, designating the fund to which it belongs.

47 Sec. 49. Section two hundred thirty point twenty-
48 three (230.23), Code 1975, is amended to read as
49 follows:

50 230.23 COST PAID FROM INSTITUTION FUND. All

7
 1 expenses required to be paid by counties for the care,
 2 admission, commitment, and transportation of mentally
 3 ill patients in state hospitals shall be paid by the
 4 board of supervisors from the ~~state-institution~~ human
 5 resources fund.

6 Sec. 50. Section two hundred thirty point twenty-
 7 four (230.24), Code 1975, is amended to read as
 8 follows:

9 230.24 PSYCHIATRIC TREATMENT--MENTAL HEALTH CENTER.

10 The county board of supervisors ~~are-authorized-to~~
 11 may expend from the ~~county-mental-health-and~~
 12 ~~institutions~~ human resources fund ~~established-by~~
 13 ~~section-444.72~~ funds for psychiatric examination and
 14 treatment of persons in need thereof, or for
 15 professional evaluation, treatment, and habilitation
 16 of mentally retarded persons, in each county which
 17 has facilities available for such treatment, and any
 18 county not having such facilities may contract through
 19 its board of supervisors with any other county, which
 20 has facilities for psychiatric examination and
 21 treatment or for professional evaluation, treatment,
 22 and habilitation of mentally retarded persons, for
 23 the use thereof. However, the county board of
 24 supervisors shall not expend from such fund for treat-
 25 ment other than in a state institution an amount which
 26 would exceed eight dollars per capita for counties
 27 having less than forty thousand population.

28 Sec. 51. Section two hundred thirty-one point
 29 twelve (231.12), Code 1975, is amended to read as
 30 follows:

31 231.12 SALARIES--EXPENSES--HOW PAID. The judges
 32 making the appointments shall fix the salaries of
 33 all appointees at not exceeding the amount authorized
 34 by law. All appointees shall serve during the pleasure
 35 of such judges, and in addition to salaries shall
 36 receive their necessary and actual expenses incurred
 37 while performing their duties. For use of an
 38 automobile in the discharge of their duties within
 39 the particular county or counties for which they are
 40 appointed such officers may receive the mileage rate
 41 provided by law, or, in lieu thereof, they may receive
 42 a monthly allowance in such amounts as the judge or
 43 judges of the juvenile court may determine and order.
 44 For use of an automobile outside the county or counties
 45 for which they have been appointed such officers shall
 46 be paid the regular mileage rate. All salaries and
 47 expenses shall be paid by the county ~~either-from-the~~
 48 ~~general-county-fund-or~~ from the court expense fund.

49 Sec. 52. Section two hundred thirty-two point
 50 twenty-two (232.22), Code 1975, is amended to read

as follows:

232.22 ISSUANCE OF BONDS. For the purpose of providing and maintaining a county or multicounty juvenile home, the board of supervisors of any county may issue bonds and authorize the expenditure of such amounts as are consistent with the provisions of chapter 345. The board of supervisors of any county ~~is authorized to levy a tax not to exceed thirteen and one-half cents per thousand dollars of assessed value~~ may appropriate moneys from the human resources fund for the purpose of maintaining a county or multicounty juvenile home. ~~In counties of over one hundred fifty thousand population, the board of supervisors is authorized to levy a tax not to exceed twenty and one-fourth cents per thousand dollars of assessed value for the maintenance of a juvenile home.~~ Expenses for providing and maintaining a juvenile home shall be paid by the county or counties participating in a manner to be determined by board or boards of supervisors of participating counties.

Sec. 53. Section two hundred forty-four point fourteen (244.14), unnumbered paragraph one (1), Code 1975, is amended to read as follows:

Each county shall be liable for sums paid by the home in support of all its children to the extent of a sum equal to one-half of the net cost of the support and maintenance of its children. The superintendent of The Iowa Annie Wittenmyer Home and the Iowa juvenile home shall certify to the state comptroller on the first day of each fiscal quarter the amount chargeable to each county for such support. The sums for which each county is so liable shall be charged to the county and collected as a part of the taxes due the state, and paid by the county from the ~~county mental health and institutions~~ human resources fund at the same time state taxes are paid.

Sec. 54. Section two hundred fifty point one (250.1), Code 1975, as amended by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter seventy-six (76), section four (4), is amended to read as follows:

250.1 FAX APPROPRIATION. ~~A tax not exceeding twenty-seven cents per thousand dollars of assessed value may be levied by the board of supervisors upon all taxable property within the county, to be collected at the same time and in the same manner as other taxes, to create a veteran affairs~~ The board of supervisors may appropriate moneys from the human resources fund for the relief of, and to pay the funeral expenses of honorably discharged, indigent

7
 1 men and women of the United States who served in the
 2 military or naval forces of the United States in any
 3 war including the Korean Conflict at any time between
 4 June 25, 1950, and January 31, 1955, both dates
 5 inclusive, and including the Vietnam Conflict at any
 6 time between August 5, 1964 and ending on the date
 7 the armed forces of the United States are directed
 8 by formal order of the government of the United States
 9 to cease hostilities, both dates inclusive, and their
 10 indigent wives, widows and minor children not over
 11 eighteen years of age, having a legal residence in
 12 the county.

13 Sec. 55. Section two hundred fifty point two
 14 (250.2), Code 1975, is amended to read as follows:

15 250.2 CONTROL OF FUND FUNDS. ~~Said-fund~~ The funds
 16 appropriated by the board of supervisors shall be
 17 expended for the purposes aforesaid by the joint
 18 action and control of the board of supervisors and
 19 the commission of veteran affairs hereinafter provided
 20 for.

21 Sec. 56. Section two hundred fifty point five
 22 (250.5), Code 1975, is amended to read as follows:

23 250.5 COMPENSATION. The members of said commission
 24 shall be paid for their services the sum of five
 25 dollars per day for each day actually employed in
 26 the work of ~~said~~ the commission, and also the same
 27 mileage that is paid to the members of the board of
 28 supervisors. ~~Said~~ The per diem and mileage shall
 29 be paid out of the ~~taxes-raised~~ funds appropriated
 30 under the provisions of section 250.1. In the event
 31 the commission has employed administrative or clerical
 32 help, the members of the commission shall receive
 33 compensation for attendance at the annual and monthly
 34 meetings only.

35 Sec. 57. Section two hundred fifty point ten
 36 (250.10), Code 1975, is amended to read as follows:

37 250.10 DISBURSEMENTS--INSPECTION OF RECORDS.
 38 On the first Monday in each month, all claims certified
 39 shall be reviewed by the board of supervisors and
 40 the county auditor shall issue his warrants in payment
 41 of same drawn upon the ~~veteran-affairs~~ human resources
 42 fund. All applications, investigation reports and
 43 case records shall be privileged communications and
 44 held confidential, subject to use and inspection only
 45 by persons authorized by law in connection with their
 46 official duties relating to financial audits and the
 47 administration of the provisions of this chapter.
 48 Provided, however, that the county commission of
 49 veteran affairs shall prepare and file in the office
 50 of the county auditor on or before the thirtieth day

of each January, April, July and October a report showing the names and addresses of all recipients receiving assistance under this chapter, together with the amount paid to each during the preceding quarter. Each report so filed shall be securely fixed in a record book to be used only for such reports made under this chapter.

Sec. 58. Section two hundred fifty-one point four (251.4), Code 1975, is amended to read as follows:

251.4 GRANTS FROM STATE FUNDS TO COUNTIES. The state division shall have the authority to require as a condition of making available state assistance to counties for emergency relief purposes, that the county boards of supervisors shall make maximum tax levies for relief as authorized under this Act and establish such budgets as are needed in respect to the relief situation in the counties. The state division shall also have the authority to require as a condition of grants of state aid to the counties that the county board of supervisors shall make no transfers from the ~~county-peer~~ human resources fund or charges against the ~~county-peer~~ human resources fund for purposes other than that for which the ~~county-peer~~ human resources fund is established by law, and it is hereby made mandatory upon the county board of supervisors, that taxes levied and collected for the ~~county-peer~~ human resources fund shall be expended only for the purposes levied.

Sec. 59. Section two hundred fifty-two point twenty-six (252.26), Code 1975, is amended to read as follows:

252.26 OVERSEER OF POOR. The board of supervisors in any county in the state may appoint an overseer of the poor for any part, or all of the county, who shall have within said county, or any part thereof, all the powers and duties conferred by this chapter on the township trustees. Said overseer shall receive as compensation an amount to be determined by the county board and may be paid ~~either~~ from the ~~general~~ er-peer human resources fund of the county.

Sec. 60. Section two hundred fifty-two point forty-two (252.42), Code 1975, is amended to read as follows:

252.42 CO-OPERATION ON WORK-RELIEF PROJECTS. Notwithstanding the provisions of any laws to the contrary, the county board of supervisors shall have the power to use the ~~peer~~ human resources fund to join and co-operate with the United States government, or cities and towns within their boundaries, or both the United States government and cities and towns

1 within their boundaries, in sponsoring work projects,
 2 provided that the money used from the ~~poor~~ human
 3 resources fund for such purposes does not exceed the
 4 cost per month of supplying relief to the certified
 5 persons working on projects who would be receiving
 6 direct relief if they were not employed on said the
 7 work projects.

8 Sec. 61. Section two hundred fifty-two point
 9 forty-three (252.43), unnumbered paragraphs one (1)
 10 and two (2), Code 1975, is amended to read as follows:

11 The expense of supporting the poor shall be paid
 12 out of the ~~county-treasury~~ human resources fund in
 13 the same manner as other disbursements for county
 14 purposes, ~~and in case the ordinary revenue of the~~
 15 ~~county proves insufficient for the support of the~~
 16 ~~poor, the board may levy a poor tax, not exceeding~~
 17 ~~forty and one-half cents per thousand dollars of~~
 18 ~~assessed value, to be entered on the tax list and~~
 19 ~~collected as the ordinary county tax.~~

20 Should the ~~forty and one-half cent levy~~ human
 21 resources fund fail to provide adequate funds to take
 22 care of the poor, then the board of supervisors, with
 23 the approval of the ~~state comptroller~~ county budget
 24 review committee, shall levy an additional tax of
 25 ~~not to exceed eighty one cents per thousand dollars~~
 26 ~~of assessed value~~, to be entered on the tax list and
 27 collected as the ordinary county tax. Before any
 28 such additional levy is made, a showing of the
 29 necessity for such additional levy shall be made to
 30 the ~~state comptroller~~ county budget review committee
 31 and no such additional levy shall be made unless it
 32 shall be approved in writing by the ~~comptroller~~
 33 committee.

34 Sec. 62. Section two hundred fifty-four point
 35 four (254.4), Code 1975, is amended to read as follows:

36 254.4 ALLOWANCE FOR SUPPORT. The board of
 37 supervisors may allow, from the ~~county-mental-health~~
 38 ~~and-institutions~~ human resources fund of the county,
 39 for the care and support of each tuberculous patient
 40 cared for in any such institution, a sum not exceeding
 41 the average per patient per day cost of treatment
 42 in any such institution.

43 Sec. 63. Section two hundred fifty-five point
 44 twenty-six (255.26), unnumbered paragraph two (2),
 45 Code 1975, is amended to read as follows:

46 The county auditor, upon receipt of such
 47 certificate, shall thereupon enter the same to the
 48 credit of the state in his ledger of state accounts,
 49 and at once issue a notice to his county treasurer
 50 authorizing him to transfer the amount from the ~~poor~~

1 ~~er-county~~ human resources fund to the general state
 2 revenue, which notice shall be filed by the treasurer
 3 as his authority for making such transfer; and he
 4 shall include the amount so transferred in his next
 5 remittance of state taxes to the treasurer of state,
 6 to accrue to the credit of the university hospital
 7 fund.

8 Sec. 64. Section two hundred seventy-two point
 9 five (272.5), Code 1975, is amended to read as follows:

10 272.5 FUNDS. ~~The~~ There is created a separate
 11 account in the restricted trust and agency fund for
 12 carrying out the purpose of this chapter which shall
 13 consist of:

14 1. Fifty dollars annually, which is hereby appro-
 15 priated.

16 2. One-half of all examination fees collected
 17 in the county.

18 3. One hundred fifty dollars from the general
 19 ~~county~~ fund in any county having a population of
 20 thirty thousand or less, which amount shall be
 21 appropriated by the board of supervisors of such
 22 county at the ~~January~~ July session of each year.
 23 Two hundred dollars from the general ~~county~~ fund in
 24 any county having a population of over thirty thou-
 25 sand, to be appropriated by the board of supervisors
 26 in like manner.

27 4. Such reasonable sum as may be appropriated
 28 by the board from the general fund of any city
 29 independent district.

30 Sec. 65. Section two hundred seventy-two point
 31 six (272.6), Code 1975, is amended to read as follows:

32 272.6 USE OF ~~FUND~~ FUNDS. No part of ~~this the~~
 33 account for the improvement of instruction fund may
 34 be used for any other purpose than to pay the expenses
 35 of the plans formed and approved for this work.

36 Sec. 66. Section two hundred seventy-two point
 37 seven (272.7), Code 1975, is amended to read as
 38 follows:

39 272.7 DISBURSEMENT REQUIREMENTS. All disbursements
 40 from the ~~fund~~ account provided by this chapter shall
 41 be by warrants drawn by the county auditor of each
 42 county in the area education agency upon the written
 43 order of the area education agency administrator,
 44 and said written order must be accompanied by an
 45 itemized bill for services rendered or expenses
 46 incurred in connection therewith, which bill must
 47 be signed and sworn to by the party in whose favor
 48 the order is made and must be verified by the area
 49 education agency administrator. All said orders and
 50 bills shall be kept on file in the auditor's office

1 until the final settlement of the area education
 2 agency administrator with each board of supervisors
 3 in the area education agency at the close of his term
 4 of office. No warrant shall be drawn by the auditor
 5 in excess of the amount then in the ~~county-treasury~~
 6 account.

7 Sec. 67. Section three hundred nine point eight
 8 (309.8), Code 1975, is amended to read as follows:

9 309.8 SECONDARY ROAD FUND. There is hereby created
 10 a secondary road account of the secondary road fund
 11 which fund account shall consist of:

12 1. All funds derived from the secondary road tax
 13 levies.

14 2. All funds allotted to the county from the state
 15 road use tax fund.

16 3. All funds provided by individuals for the
 17 improvement of any secondary road from their own
 18 contributions.

19 4. All other funds which may by law be dedicated
 20 to said fund account.

21 Sec. 68. Section three hundred nine point nine
 22 (309.9), unnumbered paragraph one (1), Code 1975,
 23 is amended to read as follows:

24 The secondary road account of the secondary road
 25 fund is hereby pledged to and shall be used for any
 26 or all of the following purposes at the option of
 27 the board of supervisors:

28 Sec. 69. Section three hundred nine point twelve
 29 (309.12), Code 1975, is amended to read as follows:

30 309.12 CONSTRUCTION OF TERMS. The classification
 31 of county road funds into "secondary road construction
 32 funds" and "secondary road maintenance funds" is
 33 hereby abolished. Wherever in any statute the words,
 34 "secondary road construction fund" or "secondary road
 35 maintenance fund" appear, they shall be construed
 36 to mean, "secondary road account of the secondary
 37 road fund".

38 Sec. 70. Section three hundred nine point eighteen
 39 (309.18), unnumbered paragraph one (1), Code 1975,
 40 is amended to read as follows:

41 The board shall fix the compensation of said
 42 engineer or engineers, and pay the same, together
 43 with all engineering costs, from the ~~general-county~~
 44 ~~fund, or from the secondary road construction fund~~
 45 ~~or from the secondary road maintenance fund, or from~~
 46 ~~any or all of said funds~~ secondary road account of
 47 the secondary road fund.

48 Sec. 71. Section three hundred nine point forty-
 49 six (309.46), Code 1975, is amended to read as follows:

50 309.46 CONSTRUCTION FUND FUNDS ANTICIPATED. The

1 board before issuing anticipatory certificates shall
 2 seek the advice of the department and issue said
 3 certificates to an amount not exceeding fifty percent
 4 of the estimated funds which will accrue to the
 5 secondary road ~~fund~~ account during any stated period
 6 of from one to two years.

7 Sec. 72. Section three hundred nine point forty-
 8 seven (309.47), subsection one (1), Code 1975, is
 9 amended to read as follows:

10 1. The ~~secondary-read~~ funds, of the secondary
 11 road account specifying the year or years, which are
 12 to be anticipated.

13 Sec. 73. Section three hundred nine point forty-
 14 eight (309.48), subsections one (1) and three (3),
 15 Code 1975, are amended to read as follows:

16 1. The ~~annual-accruing-secondary-read~~ funds
 17 annually accruing to the secondary road account (naming
 18 the year) of which the certificate is anticipatory.

19 3. That said certificate is payable solely from
 20 ~~said-accruing-secondary-read~~ funds accruing to the
 21 secondary road account.

22 Sec. 74. Section three hundred nine point fifty-
 23 two (309.52), Code 1975, is amended to read as follows:

24 309.52 DUTY OF TREASURER. The treasurer shall
 25 sell said certificates in accordance with the
 26 provisions of chapter 75, and shall credit the amount
 27 received to said secondary road ~~fund~~ account, or if
 28 unable to sell said certificates for par plus accrued
 29 interest, the treasurer may apply said certificates
 30 at par plus accrued interest in payment of any warrants
 31 duly authorized and issued for secondary road work.

32 Sec. 75. Section three hundred nine point sixty-
 33 three (309.63), Code 1975, is amended to read as
 34 follows:

35 309.63 GRAVEL BEDS. The board of supervisors
 36 of any county may, within the limits of such county
 37 and without the limits of any city or town, purchase
 38 or condemn any lands for the purpose of obtaining
 39 gravel or other suitable material with which to improve
 40 the secondary highways of such county, including a
 41 sufficient roadway to such land by the most reasonable
 42 route, or the board may purchase such material outside
 43 the limits of their county, and in either case pay
 44 for the same out of the secondary road ~~fund~~ account.

45 Sec. 76. Section three hundred nine point seventy-
 46 three (309.73), unnumbered paragraph two (2), Code
 47 1975, is amended to read as follows:

48 Cities which have a common boundary and are situated
 49 in counties having a population in excess of two
 50 hundred thousand and the county in which such cities

1 are located may contract, each with the other, for
 2 the joint construction and financing of a bridge to
 3 be located within one hundred feet of such common
 4 boundary and partly within one of the cities and
 5 partly within the county. Such contracts may also
 6 provide for the acquisition of right of way for, and
 7 construction of, highways connecting such bridge to
 8 existing city streets or secondary roads. Such bridge
 9 and highways shall be constructed under plans and
 10 specifications jointly agreed on by the respective
 11 contracting bodies. Such contract shall set forth
 12 the amount of money to be contributed by each con-
 13 tracting party and may provide for the amount of money
 14 to be contributed annually by each contracting party
 15 for the maintenance of the said public improvements.
 16 When such county and cities have agreed upon their
 17 respective portions of the cost of such bridge and
 18 highways they may pay same from their respective
 19 secondary road fund account, street fund, or other
 20 funds available for highway or bridge purposes, or
 21 they may issue general obligation bonds to provide
 22 funds for the payment of their respective shares of
 23 such cost.

24 Sec. 77. Section three hundred nine point ninety-
 25 three (309.93), subsection six (6), Code 1975, is
 26 amended to read as follows:

27 6. The cash balance of each road-fund account
 28 of the secondary road fund, which relates to the
 29 construction and maintenance of secondary roads at
 30 the end of the last prior year, an estimate of the
 31 cash balance at the end of the current year, and an
 32 estimate of the cash balance at the end of the next
 33 calendar year.

34 Sec. 78. Section three hundred ten point one
 35 (310.1), subsection one (1), Code 1975, is amended
 36 to read as follows:

37 1. "County's allotment of road use tax fund" or
 38 "allotment of road use tax fund" shall mean that part
 39 of the road use tax fund allotted to any county by
 40 the treasurer of state from the portion of the state
 41 road use tax fund which he has credited to the
 42 secondary road ~~construction~~ fund of the counties.

43 Sec. 79. Section three hundred ten point three
 44 (310.3), unnumbered paragraph one (1), Code 1975,
 45 is amended to read as follows:

46 There is hereby created a ~~fund which shall be known~~
 47 ~~as the~~ farm-to-market road fund in the state treasury
 48 which shall be made up as follows:

49 Sec. 80. Section three hundred ten point six
 50 (310.6), Code 1975, is amended to read as follows:

1 310.6 ACCOUNTS BY DEPARTMENT. The department
2 shall keep accounts in relation to the farm-to-market
3 road fund and each county's allotment thereof,
4 crediting each account of such fund with all amounts
5 by law creditable thereto, and charging each with
6 all duly and finally approved vouchers for claims
7 properly chargeable thereto.

8 Sec. 81. Section three hundred ten point twenty-
9 nine (310.29), Code 1975, is amended to read as
10 follows:

11 310.29 MAINTENANCE BY COUNTY. Any farm-to-market
12 road constructed under the provisions of this chapter
13 shall be maintained by the county in a manner
14 satisfactory to the federal authorities and to the
15 department. Should any county fail to so maintain
16 any such road, the department shall give the board
17 of supervisors notice of that fact. If within sixty
18 days after receipt of such notice the said highway
19 has not been placed in proper condition of maintenance
20 the department shall proceed immediately to have such
21 highway placed in proper condition of maintenance
22 and charge the cost thereof against said county's
23 allotment of the farm-to-market road fund. The amount
24 so expended for maintenance work by the department
25 shall be reimbursed to said county's allotment of
26 the farm-to-market road fund, from said county's
27 secondary road ~~maintenance-fund~~ account, before any
28 more farm-to-market road projects in said county are
29 approved by the department.

30 Sec. 82. Section three hundred eleven point twenty-
31 three (311.23), Code 1975, is amended to read as
32 follows:

33 311.23 PAYMENT OF CONSTRUCTION COSTS. The total
34 cost of any secondary road assessment district project
35 shall in the first instance be paid out of the
36 secondary road account of the secondary road fund
37 of said county. Any assessments which are paid in
38 cash and in anticipation of which assessments no
39 certificates have been issued, shall be transferred
40 to the secondary road account of the secondary road
41 fund.

42 If no special assessment certificates are issued
43 and sold on account of any particular secondary road
44 assessment district, the special assessments on lands
45 included in that district, and the interest on such
46 assessments when collected, shall be transferred to
47 the secondary road ~~fund~~ account of said county. If
48 certificates are issued and sold in anticipation
49 of the special assessments levied on any such dis-
50 trict as herein provided, the proceeds of such

1 certificates shall be credited to the secondary road
 2 fund account of said county. In that event, the
 3 special assessments in anticipation of which
 4 certificates have been issued, and the interest on
 5 such assessments shall, when collected, be used to
 6 retire such certificates.

7 Sec. 83. Section three hundred eleven point twenty-
 8 nine (311.29), Code 1975, is amended to read as
 9 follows:

10 311.29 SALE OF CERTIFICATES. Upon the signing
 11 of each of said certificates by the chairman of the
 12 board, said certificates shall be delivered to the
 13 county auditor, who shall countersign the same, charge
 14 the county treasurer with the amount thereof, and
 15 deliver the same to the latter officer, who shall
 16 be responsible therefor on his bond. The treasurer
 17 may apply said certificates in payment of any warrants
 18 duly authorized and issued for surfacing the roads
 19 within said district, or he may sell the same for
 20 the best attainable price and for not less than par,
 21 plus accrued interest, and credit the proceeds to
 22 the secondary road account of the secondary road fund.
 23 Such certificates shall be retired in the order of
 24 the consecutive numbering thereof.

25 Sec. 84. Section three hundred twelve point three
 26 (312.3), subsection one (1), Code 1975, is amended
 27 to read as follows:

28 1. Apportion among the counties in the ratio that
 29 the needs of the secondary roads of each county bear
 30 to the total needs of the secondary roads of the state
 31 for the twenty-year improvement program developed
 32 by the automotive safety foundation and filed with
 33 the Iowa highway study committee created by chapter
 34 426, Acts of the Fifty-eighth General Assembly, and
 35 which is on record at the department, sixty percent
 36 of the allocation from road use tax funds which he
 37 has credited to the secondary road fund of the
 38 counties, and apportion among the counties in the
 39 ratio that the area of such county bears to the total
 40 area of the state, forty percent of the allocation
 41 from road use tax funds which he has credited to the
 42 secondary road fund of the counties. The funds
 43 apportioned to each county under this subsection shall
 44 be credited to the secondary road account of the
 45 secondary road fund of the county.

46 Sec. 85. Section three hundred twelve point five
 47 (312.5), Code 1975, is amended by adding the following
 48 new unnumbered paragraph:

49 NEW UNNUMBERED PARAGRAPH. There is created in
 50 the secondary road fund of each county a farm-to-

1 market road account. The farm-to-market road funds
2 allotted to each county under this section shall be
3 credited to the farm-to-market road account of the
4 secondary road fund of the county.

5 Sec. 86. Section three hundred sixteen point
6 fourteen (316.14), Code 1975, is amended to read as
7 follows:

8 316.14 FUNDING. Payments and expenditures under
9 the provisions of this chapter are incident to and
10 arise out of the construction, maintenance, and
11 supervision of public highways and streets, and, in
12 the case of any federal-aid highway project, may be
13 made by the department from the primary road fund
14 and funds made available by the federal government
15 for the purpose of carrying out the provisions of
16 this chapter. Payments made under authority of section
17 316.10 may be made from the primary road fund in case
18 of a primary road project only, and in other cases
19 may be made from the secondary road account of the
20 secondary road fund or from appropriate funds under
21 control of a political subdivision.

22 Sec. 87. Section three hundred seventeen point
23 three (317.3), unnumbered paragraph one (1), Code
24 1975, is amended to read as follows:

25 The board of supervisors of each county shall
26 annually appoint a county weed commissioner who shall
27 be a person not otherwise employed by the county and
28 one who is familiar with the various types of weeds
29 and the recognized methods for their control and
30 elimination. The county weed commissioner's
31 appointment shall be effective as of March 1 and
32 continue for a term of one year unless he is sooner
33 removed from office as provided for by law. The
34 county weed commissioner may, with the approval of
35 the board of supervisors, appoint a deputy or such
36 number of deputies as are necessary to carry out the
37 purposes of this chapter. The name and address of
38 the person appointed as county weed commissioner
39 shall, within ten days of the making of the
40 appointment, be certified to the county auditor and
41 to the secretary of agriculture. The board of
42 supervisors shall fix the compensation of the county
43 weed commissioner and his deputies, if any, and in
44 addition to said compensation, they shall be paid
45 their necessary travel expense; said compensation
46 and expense shall be paid from the county general
47 fund or the weed eradication and-equipment account
48 of the secondary road fund.

49 Sec. 88. Section three hundred seventeen point
50 nineteen (317.19), Code 1975, is amended to read as

1 follows:

2 317.19 ROAD CLEARING FUND ACCOUNT. The board
 3 of supervisors in any county may levy against all
 4 the taxable property, other than incorporated cities
 5 and towns, in said county not to exceed twenty and
 6 one-fourth cents per thousand dollars of assessed
 7 value, the proceeds of which ~~said~~ levy shall be known
 8 as the "road-clearing account of the secondary road
 9 fund" and shall be used for no purpose except to cut,
 10 burn or otherwise destroy all weeds, second or
 11 undergrowth brush on ~~said~~ the county trunk and local
 12 county roads between the fence rows of such roads
 13 thereof in time to prevent reseeding.

14 Out of ~~said-fund~~ the account so provided for in
 15 this section the board of supervisors shall have the
 16 power to purchase or hire necessary equipment or to
 17 contract with the adjoining landowner to carry out
 18 the purposes of this section.

19 Sec. 89. Section three hundred seventeen point
 20 twenty (317.20), Code 1975, is amended to read as
 21 follows:

22 317.20 LEVY FOR EQUIPMENT AND MATERIALS--USE ON
 23 PRIVATE PROPERTY.

24 1. There is created in the secondary road fund
 25 of the county a weed eradication account. The revenue
 26 obtained from the levy provided in this section shall
 27 be credited to the weed eradication account.

28 2. An additional six and three-fourths cents per
 29 thousand dollars of assessed value may be levied by
 30 the county board of supervisors for the purpose of
 31 purchasing weed eradicating equipment and materials
 32 to carry out the duties of the county weed commissioner
 33 for use on all lands in the county, public or private,
 34 and for the payment of the necessary expenses and
 35 compensation of the county weed commissioner, and
 36 his deputies, if any. Whenever equipment or materials
 37 so purchased are used on private property within the
 38 corporate limits of cities or towns by the weed commis-
 39 sioner, the cost of materials used and an amount to
 40 be fixed by the board of supervisors for the use of
 41 said equipment shall be returned to this ~~fund~~ account
 42 by the county treasurer upon the collection of the
 43 special assessment taxed against said property. In
 44 the certification to the county auditor and the county
 45 treasurer by the clerk of the board of supervisors
 46 this apportionment shall be designated along with
 47 the special tax assessed under the provisions of
 48 section 317.21. Such equipment and its use shall
 49 be subject to the authorization and direction of the
 50 county board of supervisors.

1 Sec. 90. Section three hundred seventeen point
2 twenty-one (317.21), subsection one (1), Code 1975,
3 is amended to read as follows:

4 1. Annually, after the weed commissioner has
5 completed his program of destruction of weeds by
6 reason of noncompliance by persons responsible
7 therefor, the board of supervisors shall determine
8 as to each tract of real estate the actual cost of
9 labor and materials used by the commissioner in cut-
10 ting, burning or otherwise destroying said weeds,
11 the cost of serving notice and special meetings or
12 proceedings, if any. To the total of all such sums
13 expended, they shall add an amount equal to twenty-
14 five percent thereof to compensate for the cost of
15 supervision and administration and assess the resulting
16 sum against said tract of real estate by a special
17 tax, which shall be certified to the county auditor
18 and county treasurer by the clerk of the board of
19 supervisors, and shall be placed upon the tax books,
20 and collected, together with interest and penalty
21 after due, in the same manner as other unpaid taxes.
22 Such tax shall be due on March first after such
23 assessment, and shall be delinquent after March
24 thirtieth. When collected, said funds shall be paid
25 into the fund account from which said costs were
26 originally paid.

27 Sec. 91. Section three hundred thirty-two point
28 three (332.3), Code 1975, as amended by Acts of the
29 Sixty-sixth General Assembly, 1975 Session, chapter
30 one hundred eighty-seven (187), is amended by adding
31 the following new subsection:

32 NEW SUBSECTION. To take a special federal census
33 for the county, which census shall prevail for the
34 purposes of section twenty-six point six (26.6) of
35 the Code upon certification to the secretary of state
36 and the treasurer of state until the next decennial
37 federal census.

38 Sec. 92. Section three hundred thirty-two point
39 thirty-two (332.32), Code 1975, is amended to read
40 as follows:

41 332.32 TAX LEVY. Said boards may within their
42 respective jurisdictions make a determination of which
43 townships of the county will be best served by such
44 disposal ground and levy a tax of not to exceed six
45 and three-fourths cents per thousand dollars of
46 assessed value of all the property in said townships
47 outside the incorporated limits of any city or town
48 for the purpose of acquiring and maintaining such
49 disposal grounds. Such funds shall be placed in a
50 township dump account of the restricted trust and

1 agency fund.

2 Sec. 93. Section three hundred thirty-two point
3 thirty-three (332.33), Code 1975, is amended to read
4 as follows:

5 332.33 RULES. The board of supervisors may make
6 such rules and regulations for the use of such disposal
7 grounds as it shall deem necessary, and may adopt
8 and enter into contractual agreements with cities
9 and towns for the use of such disposal grounds. Any
10 funds derived from such agreements shall be placed
11 in the township dump account of the restricted trust
12 and agency fund established for that purpose and none
13 other.

14 Sec. 94. Section three hundred thirty-two point
15 thirty-four (332.34), Code 1975, is amended to read
16 as follows:

17 332.34 CONTRACTUAL AGREEMENTS. The county boards
18 of supervisors may enter into contractual agreements
19 with cities and towns, or with private corporations
20 and persons for the use by residents of the county
21 residing outside of incorporated cities or towns,
22 of dumps, disposal grounds, and sanitary land fills
23 owned or operated by cities, towns, private
24 corporations or private individuals, and that funds
25 from the township dump account of the restricted trust
26 and agency fund may be used for such purpose. County
27 boards of supervisors may also use funds from said
28 township ~~fund~~ account, for the purpose of acquiring,
29 constructing, operating, and maintaining, sanitary
30 land fills.

31 Sec. 95. Section three hundred thirty-two point
32 thirty-eight (332.38), Code 1975, as amended by Acts
33 of the Sixty-sixth General Assembly, 1975 Session,
34 chapter one hundred eighty-nine (189), section two
35 (2), is amended to read as follows:

36 332.38 TAX APPROPRIATION TO SUPPORT FUND. If
37 the balance in the fund on September 30 thirtieth
38 of any year is less than six hundred thousand dollars,
39 the treasurer of state shall notify the board of
40 supervisors of each county to again ~~levy for that~~
41 year budget an amount equal to one half cent per
42 thousand dollars of assessed value to-be-collected
43 with-other-taxes in the limited budget of the general
44 fund for the next year.

45 Sec. 96. Section three hundred thirty-two point
46 thirty-nine (332.39), Code 1975, is amended to read
47 as follows:

48 332.39 DEPOSIT OF TAX--INVESTMENT. Not later
49 than December 15 or June 15 of each year in which
50 ~~the tax is collected~~ payment to the county

1 indemnification fund is required, the county auditor
 2 shall transmit the amount ~~of-the-tax-levied-and~~
 3 ~~collected~~ required from the general fund, by warrant,
 4 to the treasurer of state who shall credit it to the
 5 county indemnification fund. The treasurer of state
 6 shall invest any moneys in the fund in the same manner
 7 as other public funds and shall credit any interest
 8 received from that investment to the county
 9 indemnification fund.

10 Sec. 97. Section three hundred thirty-three point
 11 eleven (333.11), subsection eight (8), Code 1975,
 12 is amended to read as follows:

13 8. The various classes of warrants drawn on the
 14 ~~poor~~ human resources fund for programs providing
 15 assistance to the poor for the preceding year, with
 16 a comparison with the total amount of warrants drawn
 17 on such fund each year for the last five years.

18 Sec. 98. Section three hundred thirty-six A point
 19 two (336A.2), Code 1975, is amended to read as follows:

20 336A.2 CONTRIBUTIONS TO FUNDS. In addition to
 21 such funds as may be appropriated from the court
 22 expense fund by the county for this purpose, a county
 23 may accept money and other contributions from private
 24 organizations and individuals, and other public
 25 agencies, in order to finance the establishment or
 26 operation of the office of public defender, and be
 27 strictly accountable therefor.

28 Sec. 99. Section three hundred thirty-seven point
 29 twelve (337.12), Code 1975, is amended to read as
 30 follows:

31 337.12 COSTS--WHEN PAYABLE BY COUNTY. In all
 32 criminal cases where the prosecution fails, or where
 33 the money cannot be made from the person liable to
 34 pay the same, the facts being certified by the clerk
 35 or judicial magistrate as far as their knowledge
 36 extends, and verified by the affidavit of the sheriff,
 37 the fees allowed by law in such cases shall be audited
 38 by the county auditor and paid out of the county
 39 treasury. The board of supervisors ~~may~~ shall pay
 40 same out of the ~~general-fund-or-the~~ court expense
 41 fund.

42 Sec. 100. Section three hundred thirty-seven point
 43 seventeen (337.17), Code 1975, is amended to read
 44 as follows:

45 337.17 DUTY AND LIABILITY OF TREASURER. The
 46 county treasurer receiving such funds shall enter
 47 the same in detail in a book kept for that purpose,
 48 listing the names of the parties to whom such funds
 49 are due, description of property condemned, and amount
 50 of each item so due. The funds shall be placed in

7

1 a separate account of the restricted trust and agency
 2 fund and the same shall be paid out by him to the
 3 parties to whom the same is due, upon warrants ordered
 4 by the board of supervisors and issued by the county
 5 auditor, drawn upon said condemnation fund account,
 6 and shall not be payable out of any other fund. Such
 7 county treasurer and his sureties shall be liable
 8 for such funds the same as for other funds received
 9 in his official capacity.

10 Sec. 101. Section three hundred forty point
 11 seventeen (340.17), Code 1975, is amended to read
 12 as follows:

13 340.17 EXCEPTION. The salaries fixed for the
 14 clerk of the district court and his deputies, and
 15 deputy sheriffs and other employees appointed by the
 16 sheriff to carry out the duties of bailiff may shall
 17 be paid from the court expense fund. If a deputy
 18 sheriff or other employee appointed by the sheriff
 19 divides his time between bailiff duties and other
 20 law enforcement duties, the salary of such deputy
 21 or other employee shall be apportioned between the
 22 general fund and the court expense fund according
 23 to the time to be spent on each type of duty.

24 Sec. 102. Section three hundred forty-one point
 25 seven (341.7), Code 1975, is amended to read as
 26 follows:

27 341.7 TEMPORARY ASSISTANCE FOR COUNTY ATTORNEY.
 28 The county attorney may with the approval of a judge
 29 of the district court procure such assistants in the
 30 trial of a person charged with felony as he shall
 31 deem necessary and for such assistants upon presenting
 32 to the board of supervisors a certificate of the
 33 district judge before whom said cause was tried,
 34 certifying to the services rendered, shall be allowed
 35 a reasonable compensation therefor, to be fixed by
 36 the board of supervisors, but nothing in this chapter
 37 shall prevent the board of supervisors from employing
 38 an attorney to assist the county attorney in any cause
 39 or proceeding in which the state or county is
 40 interested. The compensation allowed to any such
 41 assistants shall be paid out of the court expense
 42 fund of the county.

43 Sec. 103. Section three hundred forty-six point
 44 eight (346.8), Code 1975, is amended to read as
 45 follows:

46 346.8 TREASURER TO REPORT BONDS SOLD. The
 47 treasurer shall also report under oath to the board,
 48 at each regular session, a statement of all bonds
 49 sold or exchanged by him since the preceding report,
 50 and the date of such sale or exchange; and, when

1 exchanged, a list or description of the county
 2 indebtedness exchanged therefor, and the amount of
 3 accrued interest received by him on such sale or
 4 exchange, which latter sum shall be charged to him
 5 as money received on ~~bond~~ the debt service fund, and
 6 so entered by him on his books; but such bonds shall
 7 not be exchanged for any indebtedness of the county
 8 except by the approval of the board of supervisors
 9 of said county.

10 Sec. 104. Section three hundred forty-six point
 11 twelve (346.12), Code 1975, is amended to read as
 12 follows:

13 346.12 BOND DEBT SERVICE FUND--SEPARATE ACCOUNT.
 14 The money arising from such levies shall be ~~known~~
 15 ~~as-the-bond~~ credited to the debt service fund, and
 16 shall be used for the payment of bonds and interest
 17 coupons, and for no other purpose whatever; and the
 18 treasurer shall open and keep in his books a separate
 19 account thereof, which shall at all times show the
 20 exact condition of ~~said~~ each bond fund account.

21 Sec. 105. Section three hundred forty-six point
 22 thirteen (346.13), Code 1975, is amended to read as
 23 follows:

24 346.13 REDEMPTION--NOTICE--INTEREST. When the
 25 amount in the hands of the treasurer belonging to
 26 ~~the a bond fund account~~, after setting aside the sum
 27 required to pay interest maturing before the next
 28 levy, is sufficient to redeem one or more bonds, which
 29 by their terms are subject to redemption, he shall
 30 notify the owner of such bond or bonds, in the manner
 31 hereinbefore prescribed, that he is prepared to pay
 32 the same, with all the interest accrued thereon.
 33 If not presented for payment or redemption within
 34 thirty days after the date of such notice, the interest
 35 on such bond or bonds shall cease, and the amount
 36 due thereon shall be set aside for its payment whenever
 37 presented. All redemptions shall be made in the order
 38 of their numbers.

39 Sec. 106. Section three hundred forty-six point
 40 fourteen (346.14), Code 1975, is amended to read as
 41 follows:

42 346.14 BALANCE TO PARTICULAR FUND. If after the
 43 payment of all bonds and interest as hereinbefore
 44 provided, there remains any money in said ~~bond fund~~
 45 account, the board of supervisors may by resolution
 46 transfer said funds to the particular fund or funds
 47 on account of which the indebtedness arose for which
 48 said bonds were issued.

49 Sec. 107. Section three hundred forty-six point
 50 twenty-three (346.23), unnumbered paragraph two (2),

1 Code 1975, is amended to read as follows:

2 Such bonds shall be in denominations of not less
3 than one hundred dollars nor more than ten thousand
4 dollars, and shall draw interest at a rate not to
5 exceed seven percent per annum, payable annually or
6 semiannually. Such bonds shall be due and payable
7 in not more than twenty years from the date of issuance
8 but may be made subject to redemption in such manner
9 and upon such terms as is stated on the face thereof,
10 shall be in such form as the board of supervisors
11 shall by resolution provide, and shall show on their
12 face that they are county sanitary disposal bonds
13 payable from the fund hereinafter provided. Funds
14 available pursuant to the levy authorized by section
15 455B.81 shall be used to pay the interest and principal
16 of such bonds as they become due. The limitation
17 referred to in section 455B.81 shall not limit the
18 source of payment of bonds and interest but shall
19 only restrict the amount of bonds which may be issued.
20 The money arising from such levies shall be known
21 as the sanitary disposal bond account of the debt
22 service fund and shall be used for the payment of
23 such bonds and interest thereon only; and the treasurer
24 shall open and keep in his books a separate account
25 thereof, which shall show the exact condition of such
26 fund account. Such bonds shall be sold at public
27 sale and the county treasurer shall comply with and
28 be governed by all provisions of chapter 75.

29 Sec. 108. Section three hundred forty-six A point
30 two (346A.2), Code 1975, is amended to read as follows:

31 346A.2 AUTHORIZED IN CERTAIN COUNTIES. Subject
32 to and in accordance with the provisions of this
33 chapter, counties having a population over one hundred
34 thousand, as determined by the last official United
35 States census, are hereby authorized to undertake
36 and carry out any project as hereinbefore defined,
37 and the boards thereof are authorized to operate,
38 control, maintain and manage health centers and
39 additions thereto and facilities therefor. The boards
40 thereof are further authorized to appoint such
41 committees, groups, or operating boards as they may
42 deem necessary and advisable to facilitate the opera-
43 tion and management of such health centers, additions
44 and facilities. The board is further authorized to
45 lease space in any health center to other public
46 corporations, public agencies and private nonprofit
47 agencies engaged in furnishing health, welfare and
48 social services which lease shall be on such terms
49 and conditions as the board may deem advisable. All
50 contracts for the construction, reconstruction, comple-

1 tion, equipment, improvement, repair or remodeling
 2 of any buildings, additions or facilities shall be
 3 let in accordance with the provisions of sections
 4 332.7, 332.8, and chapter 23. To pay the cost of
 5 operating, maintaining and managing a health center
 6 the board of any such county ~~is authorized to levy~~
 7 ~~an annual tax not exceeding fifty-four cents per~~
 8 ~~thousand dollars of assessed value per annum on all~~
 9 ~~the taxable property in the county, said levy to be~~
 10 ~~in addition to all other levies authorized by law~~
 11 ~~for similar purposes~~ may appropriate moneys from the
 12 human resources fund.

13 Sec. 109. Section three hundred fifty point eight
 14 (350.8), Code 1975, is amended to read as follows:

15 350.8 LEVY APPROPRIATION. The board of supervisors
 16 of each county may ~~levy the necessary taxes~~ appropriate
 17 moneys from the general fund to pay the claims provided
 18 for under this chapter, ~~and such taxes shall be used~~
 19 ~~for no other purposes.~~

20 Sec. 110. Section three hundred fifty-one point
 21 six (351.6), Code 1975, is amended to read as follows:

22 351.6 FEE. The annual license fee shall be one
 23 dollar for each male, and three dollars for each
 24 female dog. Should it appear that said fees will
 25 not produce sufficient funds to pay the claims on
 26 ~~the domestic animal fund~~ authorized under this chapter,
 27 the board of supervisors shall have power, except
 28 as to dogs owned in cities which exact a license fee
 29 on dogs, to increase the said fees to a sum not
 30 exceeding three dollars for each male, and not
 31 exceeding five dollars for each female dog. A spayed
 32 female dog shall be deemed a male. Said fee shall
 33 be sent with the application.

34 Sec. 111. Section three hundred fifty-one point
 35 fifteen (351.15), Code 1975, is amended to read as
 36 follows:

37 351.15 ASSESSORS TO LIST DOGS--FEES. The assessor
 38 shall, at the time of listing property for assessment,
 39 cause to be listed and return to the county auditor
 40 the names of all persons who own or harbor dogs, and
 41 indicate on such list whether the dogs be male, female,
 42 or spayed, and the number thereof. ~~For such service,~~
 43 ~~the assessor shall receive, from the domestic animal~~
 44 ~~fund, the sum of ten cents for each dog reported,~~
 45 ~~which fee shall be paid in full when return is made.~~
 46 Such fees shall be considered as earnings of the
 47 office and shall, within ten days of the receipt
 48 thereof, be paid to the county treasurer and credited
 49 to the general fund of the county.

50 Sec. 112. Section three hundred fifty-two point

1 four (352.4), Code 1975, is amended to read as follows:
 2 352.4 WARRANTS AND PAYMENT. Warrants for allowed
 3 claims shall be payable July 1 following their issuance
 4 ~~and only from the domestic-animal~~ general fund.

5 Sec. 113. Section three hundred fifty-two point
 6 five (352.5), Code 1975, is amended to read as follows:

7 352.5 CERTIFIED LIST OF WARRANTS. The auditor
 8 shall, on July 1 of each year, certify to the treasurer
 9 an itemized list of all warrants issued during the
 10 preceding fiscal year ~~on-the-domestic-animal-fund,~~
 11 ~~except-warrants-issued-to-pay-fees-of-assessors for~~
 12 ~~claims allowed under this chapter. If-said-fund-be~~
 13 ~~sufficient,-the-treasurer-shall-pay-said-warrants~~
 14 ~~on-presentation.--If-said-fund-be-not-sufficient,~~
 15 ~~said-warrants-shall-be-paid-pro-rata.~~

16 Sec. 114. Section three hundred fifty-two point
 17 six (352.6), Code 1975, is amended by striking the
 18 section and inserting in lieu thereof the following:

19 352.6 PAYMENTS TO SOCIETIES. The board of
 20 supervisors may authorize the payments of claims of
 21 any duly organized society for the prevention of
 22 cruelty to animals within the county for the care,
 23 keep and maintenance of abandoned or injured domestic
 24 animals or fowl from the general fund of the county.

25 Sec. 115. Section three hundred fifty-eight B
 26 point ten (358B.10), unnumbered paragraph one (1),
 27 Code 1975, is amended to read as follows:

28 All moneys received and set apart for the
 29 maintenance of such library shall be deposited in
 30 the treasury of such county to the credit of the
 31 library county library account of the restricted trust
 32 and agency fund, and shall be kept by the treasurer
 33 separate and apart from all other moneys, and paid
 34 out upon the orders of the board of trustees, signed
 35 by its president and secretary.

36 Sec. 116. Section three hundred fifty-eight B
 37 point thirteen (358B.13), Code 1975, is amended to
 38 read as follows:

39 358B.13 MAINTENANCE EXPENSE ON PROPORTIONATE
 40 BASIS. The maintenance of a county library shall
 41 be on a proportionate population basis whereby each
 42 taxing unit as hereinafter defined shall bear its
 43 share in proportion to its population to the whole
 44 of said county library district. The board of library
 45 trustees shall on or before January 10 of each year
 46 make an estimate of the amount it deems necessary
 47 for the maintenance of the county library and shall
 48 transmit said estimate in dollars to the board or
 49 boards of supervisors and to the city councils within
 50 the district. The entire rural area of each county

1 in the library district shall be considered as a
 2 separate taxing unit. Each city which is a part of
 3 the county library district shall be considered as
 4 a separate taxing unit. The board of supervisors
 5 and the council of each city composing said county
 6 library district shall make the necessary levies
 7 accordingly for library maintenance purposes, but
 8 the county levy may not exceed fifty-four cents per
 9 thousand dollars of assessed value. Any unexpended
 10 balance in the county library maintenance account
 11 of the restricted trust and agency fund at the end
 12 of the fiscal year shall remain in said fund account
 13 and be available without reappropriation.

14 Sec. 117. Section three hundred fifty-eight B
 15 point seventeen (358B.17), Code 1975, is amended to
 16 read as follows:

17 358B.17 HISTORICAL ASSOCIATION. Whenever a local
 18 county historical association is formed in a county
 19 having a free public library, the trustees of the
 20 library may unite with the historical association
 21 and set apart the necessary room to care for articles
 22 which come into the possession of the association.
 23 The trustees may purchase necessary receptacles and
 24 materials for the preservation and protection of
 25 articles which are of a historical and educational
 26 nature and may pay for the same out of the library
 27 account of the restricted trust and agency fund.

28 Sec. 118. Section three hundred fifty-eight B
 29 point eighteen (358B.18), subsections three (3), four
 30 (4), six (6) and nine (9), code 1975, are amended
 31 to read as follows:

32 3. The proposition may be submitted at any election
 33 provided by law which covers the area of the unit
 34 seeking to terminate the contract. The petition shall
 35 be presented to the governing body not less than ~~forty~~
 36 sixty-five days before the election at which the
 37 question is to be submitted.

38 4. The board of trustees of any township which
 39 has entered into a contract shall at the April meeting
 40 levy a tax not exceeding ~~one-fourth-mill-on-the-dollar~~
 41 on six and three-fourths cents per thousand dollars
 42 of the assessed value of all taxable property in the
 43 township to create a separate library contract account
 44 of the restricted trust and agency fund to fulfill
 45 its obligation under the contract.

46 The board of supervisors, after it makes such
 47 contract, shall levy annually on the taxable property
 48 of the county outside of cities, a tax of not more
 49 than ~~one-mill~~ twenty-seven cents per thousand dol-
 50 lars of assessed value to create a separate library

1 contract account of the restricted trust and agency
 2 fund to fulfill its obligation under the contract.

3 6. The board of supervisors shall submit the
 4 proposition to the voters of the county residing
 5 outside of cities at the next election, primary or
 6 general, provided that the petition has been filed
 7 not less than ~~forty~~ sixty-five days prior to the date
 8 of the election at which the question is to be
 9 submitted.

10 9. The board of supervisors shall levy annually
 11 on the taxable property of the county outside of
 12 cities, a tax of not more than ~~one-mill~~ twenty-seven
 13 cents per thousand dollars of assessed value to create
 14 a library contract account of the restricted trust
 15 and agency fund to fulfill the contract obligations
 16 of the trustees appointed by it.

17 Sec. 119. Section three hundred sixty-one point
 18 four (361.4), Code 1975, is amended to read as follows:

19 361.4 FUND. There is created in the office of
 20 county treasurer of each county having a weather
 21 modification board a weather modification account
 22 of the restricted trust and agency fund. Any taxes
 23 or other funds received by the weather modification
 24 board shall be placed in the ~~fund~~ account and used
 25 exclusively for the purpose of artificial weather
 26 modification as provided in this chapter.

27 Sec. 120. Section three hundred eighty-four point
 28 one (384.1), Code 1975, is amended to read as follows:

29 384.1 TAXES CERTIFIED. A city may certify taxes
 30 to be levied by the county on all taxable property
 31 within the city limits, for all city government
 32 purposes. However, the tax levied by a city on lots
 33 of more than ten acres and the personal property
 34 thereon, occupied and used for agricultural or
 35 horticultural purposes, may not exceed thirty-three
 36 and three-fourths cents per thousand dollars of
 37 assessed value in any year. A city's tax levy for
 38 the general fund ~~may not exceed eight-dollars-and~~
 39 ~~ten-cents-per-thousand-dollars-of-taxable-value-in~~
 40 ~~any-tax-year~~ each fiscal year shall not exceed a tax
 41 on the dollar amount of assessed value of the taxable
 42 property in the city sufficient to pay the proposed
 43 expenditures to be raised from property taxation in
 44 the certified limit budget as determined in section
 45 two (2) of this Act, except for the levies authorized
 46 in section 384.12.

47 Sec. 121. Section four hundred forty-four point
 48 nine (444.9), Code 1975, is amended by striking the
 49 section and inserting in lieu thereof the following:

50 444.9 COUNTY FUND LEVIES. The board of supervisors

- 1 of each county shall, annually, at its April session,
2 levy the following taxes upon the assessed value of
3 the taxable property in the county:
- 4 1. For state revenue, the rate of tax as is fixed
5 by the director of revenue as provided by law.
 - 6 2. For the general fund of the county, a levy
7 on the dollar of assessed value of the taxable property
8 in the county sufficient to pay the proposed
9 expenditures of the fund in the certified limited
10 budget as determined in section three (3) of this
11 Act.
 - 12 3. For the human resources fund, a levy on the
13 dollar of assessed value of the taxable property in
14 the county sufficient to pay the proposed expenditures
15 of the fund in the certified limited budget as
16 determined in section three (3) of this Act.
 - 17 4. For the debt service fund, a levy sufficient
18 to pay the interest and principal on county bonds,
19 court house bonds, memorial hall bonds and other
20 indebtedness as authorized by law.
 - 21 5. For the secondary road fund:
 - 22 a. A levy on the dollar of assessed value of all
23 taxable property in the county except on property
24 in cities which control their own bridge levies, for
25 secondary road purposes as provided in section three
26 hundred nine point seven (309.7), subsection one (1)
27 of the Code.
 - 28 b. A levy on the dollar of assessed value of all
29 taxable property in the county for secondary road
30 purposes as provided in section three hundred nine
31 point seven (309.7), subsection two (2) of the Code.
 - 32 c. A levy on the dollar of assessed value of all
33 taxable property in the county, except on property
34 within incorporated cities, for road clearance purposes
35 as provided in section three hundred seventeen point
36 nineteen (317.19) of the Code.
 - 37 d. A levy on the dollar of assessed value of all
38 taxable property in the county, except on property
39 within incorporated cities, for weed eradication
40 purposes as provided in section three hundred seventeen
41 point twenty (317.20) of the Code.
 - 42 6. For the restricted trust and agency fund:
 - 43 a. A levy on the dollar of assessed value of all
44 taxable property in a township, outside the
45 incorporated limits of any city, for the acquisition
46 and maintenance of a sanitary disposal site as provided
47 in section three hundred thirty-two point thirty-two
48 (332.32) of the Code.
 - 49 b. A levy on the dollar of assessed value of all
50 taxable property in a county library district on a

1 proportionate population basis for each taxing unit,
 2 for the maintenance of a county library as provided
 3 in section three hundred fifty-eight B point thirteen
 4 (358B.13) of the Code.

5 c. A levy on the dollar of assessed value of all
 6 taxable property in the county outside the incorporated
 7 limits of a city for the purpose of planning a sanitary
 8 disposal site or of paying the interest and principal
 9 of bonds issued as provided in section four hundred
 10 fifty-five B point eighty-one (455B.81) of the Code.

11 d. A levy on the dollar of assessed value of all
 12 taxable agricultural land in the county for the purpose
 13 of flood and erosion control as provided in section
 14 four hundred sixty-seven B point nine (467B.9) of
 15 the Code.

16 7. For the court expense fund, a levy on the
 17 dollar of assessed value of the taxable property in
 18 the county sufficient to pay the proposed expenditures
 19 of the fund in the certified limited budget as
 20 determined in section three (3) of this Act.

21 Sec. 122. Section four hundred forty-four point
 22 eleven (444.11), Code 1975, is amended by striking
 23 the section and inserting in lieu thereof the
 24 following:

25 444.11 ORPHAN EXPENSES. The board of supervisors
 26 shall pay the expenses incurred for the maintenance
 27 and education of destitute orphans from the human
 28 resources fund of the county. If there are destitute
 29 children who are without guardian or, having a
 30 guardian, are neglected, they shall be cared for
 31 through a suitable person appointed by the board of
 32 supervisors.

33 Sec. 123. Section four hundred forty-four point
 34 twelve (444.12), unnumbered paragraph one (1), Code
 35 1975, is amended to read as follows:

36 The board of supervisors of each county shall
 37 ~~establish a county mental health and institutions~~
 38 ~~fund, from which shall be paid~~ pay the following costs
 39 and expenses from the human resources fund:

40 Sec. 124. Section four hundred forty-four point
 41 twelve (444.12), subsection four (4), unnumbered
 42 paragraph two (2), Code 1975, is amended to read as
 43 follows:

44 The board of supervisors shall ~~at the time of~~
 45 ~~levying other taxes,~~ estimate the amount necessary
 46 to meet the foregoing expenses which it is anticipated
 47 that the county will incur in the coming year, and
 48 ~~levy a tax sufficient to raise~~ budget the amount
 49 needed in the limited budget of the human resources
 50 fund. The proceeds of the tax shall be credited to

1 the-county-mental-health-and-institutions-fund,-and
 2 used-only-for-the-purposes-prescribed-by-this-section.
 3 Should-any-county-fail-to-levy-a-tax-sufficient-to
 4 meet-the-expenses-which-the-county-is-required-to
 5 pay,-or-which-the-board-of-supervisors-chooses-to
 6 pay,-from-the-county-mental-health-and-institutions
 7 fund-pursuant-to-this-section,-the-deficiency-shall
 8 be-met-by-transfer-of-funds-from-the-county-general
 9 fund-to-the-county-mental-health-and-institutions
 10 fund.

11 Sec. 125. Section four hundred forty-five point
 12 fifty-seven (445.57), Code 1975, is amended to read
 13 as follows:

14 445.57 MONTHLY APPORTIONMENT. On or before the
 15 tenth day of each month, the treasurer shall apportion
 16 all taxes collected during the preceding month among
 17 the several funds to which they belong according to
 18 the number of mills levied for each fund or the
 19 accounts in each fund, and the interest and penalties
 20 thereon to the general fund, and shall enter the same
 21 upon his cash account, and report the amount of each
 22 tax and the interest and penalties collected on the
 23 same to the county auditor, who shall charge him in
 24 each account of each fund with the same.

25 Sec. 126. Section four hundred fifty-five point
 26 one hundred thirty-five (455.135), subsection two
 27 (2), Code 1975, is amended to read as follows:

28 2. In the case of minor repairs, or in the
 29 eradication of brush and weeds along the open ditches,
 30 not in excess of one thousand dollars where the board
 31 finds that the same will result in a saving to the
 32 district it may cause the same to be done by secondary
 33 road equipment, or weed fund equipment, and labor
 34 of the county and then reimburse the secondary road
 35 fund account or the weed fund eradication account
 36 from the fund of the drainage district thus benefited.

37 Sec. 127. Section four hundred sixty-seven B point
 38 nine (467B.9), Code 1975, is amended to read as
 39 follows:

40 467B.9 TAX. The county board of supervisors may
 41 annually levy a tax not to exceed six and three-fourths
 42 cents per thousand dollars of assessed value of all
 43 agricultural lands in the county, the same to be used
 44 to acquire land or rights or interests therein by
 45 purchase or condemnation, and for repair, alteration,
 46 maintenance, and operation of the present and future
 47 works of improvement built on lands under the control
 48 or jurisdiction of the county, as provided for in
 49 this chapter. The tax collected under this section
 50 shall be credited to a separate account of the

1 restricted trust and agency fund.

2 Sec. 128. Section five hundred eighty-three point
3 six (583.6), Code 1975, is amended to read as follows:

4 583.6 DUTY OF COUNTY TREASURER--RIGHT OF GUEST.

5 The balance received by the county treasurer under
6 section 583.5 shall be credited by him to ~~the general~~
7 a separate account of the restricted trust and agency
8 fund of the county, subject to a right of the guest,
9 or his representative, to reclaim the same at any
10 time within three years from the date of deposit with
11 the county treasurer. After three years, the balance
12 shall be transferred to the general fund.

13 Sec. 129. Section six hundred two point fifty-
14 five (602.55), Code 1975, is amended to read as
15 follows:

16 602.55 FUNDS, REPORTS. Each month each judicial
17 magistrate and district associate judge shall file
18 with the clerk of the district court of the proper
19 county a sworn, itemized statement, of all cases
20 disposed of and all funds received and disbursed per
21 case, and at least monthly shall remit to the clerk
22 all funds received by him. The clerk shall provide
23 adequate clerical assistance to judicial magistrates
24 and district associate judges to carry out this
25 section. The clerk shall remit ninety percent of
26 all fines and forfeited bail received from a magis-
27 trate or district associate judge to the city that
28 was the plaintiff in any action, and shall provide
29 that city with a statement showing the total number
30 of such cases, the total of all fines and forfeited
31 bail collected and the total of all cases dismissed.
32 The clerk shall remit the remaining ten percent to
33 the county treasurer for deposit in the ~~county-general~~
34 court expense fund. The clerk shall remit to the
35 treasurer of the county, for the benefit of the school
36 fund, all other fines and forfeited bail received
37 from a magistrate. All fees and costs for the filing
38 of a complaint or information or upon forfeiture of
39 bail received from a magistrate shall be remitted
40 monthly by the clerk as follows:

41 1. Three-fifths to the state treasurer to be
42 credited to the general fund of the state.

43 2. Two-fifths to the county treasurer to be
44 credited to the ~~general~~ court expense fund of the
45 county.

46 Sec. 130. Section six hundred five point eight
47 (605.8), unnumbered paragraph three (3), Code 1975,
48 is amended to read as follows:

49 Shorthand reporters of the district court who are
50 employed on an emergency basis shall be paid a forty

1 dollar per diem while employed by the court or while
2 employed under the direction of the judge. The per
3 diem shall be paid from the county-treasury court
4 expense fund of the county where the court is held,
5 upon the certificate of the judge holding the court,
6 or directing the employment. However, the maximum
7 compensation for one-day attendance at court shall
8 not exceed the per diem. Payments shall be made at
9 least once each month.

10 Sec. 131. Section six hundred five point nine
11 (605.9), unnumbered paragraph one (1), Code 1975,
12 is amended to read as follows:

13 Immediately after the results of each decennial
14 federal census are published, the chief judge of each
15 judicial district shall determine therefrom the
16 population of each county of said district, and shall
17 certify to the county auditor of each such county
18 the percentage proportion of the population of each
19 such county to the aggregate population of all of
20 the counties in said judicial district. The chief
21 judge shall select one county to issue warrants to
22 the reporter in the amount of his total compensation.
23 Each county auditor of the other counties in the
24 district shall issue warrants to the county treasurer
25 of the county paying the reporter in the percentage
26 amount of the total compensation of said reporter
27 as certified by the district judges, and the county
28 treasurer shall pay same out of any funds in the
29 county-treasury court expense fund not otherwise
30 appropriated.

31 Sec. 132. Section six hundred five point twelve
32 (605.12), Code 1975, is amended to read as follows:

33 605.12 TAXED AS PART OF COSTS. A charge of fifteen
34 dollars per day for reporting in all cases, except
35 where the defendant in a criminal case is acquitted,
36 shall be taxed as part of the costs in the case by
37 the clerk of the court and paid into the county
38 treasury court expense fund when collected.

39 Sec. 133. Section six hundred six point fifteen
40 (606.15), unnumbered paragraph one (1), Code 1975,
41 is amended to read as follows:

42 Except in probate matters, the clerk of the district
43 court shall charge and collect the following fees,
44 all of which shall be paid into the county-treasury
45 court expense fund for the use of the county except
46 as indicated:

47 Sec. 134. Section six hundred six point sixteen
48 (606.16), Code 1975, is amended to read as follows:

49 606.16 ACCOUNTING FOR FEES. He shall, on the
50 first Monday in January and July of each year, pay

1 into the ~~county-treasury~~ court expense fund, for the
 2 use of the county, all other fees not belonging to
 3 his office, in his hands at the date of preceding
 4 payment and still unclaimed.

5 Sec. 135. Section one hundred seventy-four point
 6 eighteen (174.18), two hundred thirty-one point
 7 thirteen (231.13), two hundred fifty-two point forty-
 8 four (252.44), and two hundred fifty-two point forty-
 9 five (252.45), Code 1975, are repealed.

10 Sec. 136. This Act, being deemed of immediate
 11 importance, shall take effect and be in force from
 12 and after its publication in _____,
 13 a newspaper published in _____, Iowa, and
 14 in _____, a newspaper published in
 15 _____, Iowa. The provisions of sections
 16 one (1) through fourteen (14), inclusive, of this
 17 Act shall be effective upon publication as provided
 18 in this section. The provisions of sections fifteen
 19 (15) through one hundred thirty-four (134), inclusive,
 20 of this Act shall be effective July 1, 1976 except
 21 that the provisions of sections fifteen (15) through
 22 one hundred thirty-four (134), inclusive, of this
 23 Act shall not affect or invalidate any budget, tax
 24 levy, tax collection, appropriation, county fund or
 25 expenditure of a county for the fiscal year commencing
 26 July 1, 1976 and ending June 30, 1977 or any procedures
 27 required to effect any such budget, tax levy, tax
 28 collection, appropriation or expenditure of a county
 29 for such fiscal year."

30 2. Amend the title, line 2, by inserting after
 31 the word "state" the words ", to provide for the
 32 consolidation of county funds, and to authorize the
 33 imposition of a local sales, services and use tax".

H-5251 FILED & LOST 29-67
 FEBRUARY 18, 1976 (p. 510)

BITTLE of Polk

SF 1062.301
 tj/bg/14

H-5246

1 Amend H-5241 to Senate File 1062 as
2 follows:

3 1. Page 4, by inserting after line 26 the
4 following:

5 "Sec. ____ . LIMITATION-ON INDIVIDUAL TAX LIABILITY.

6 1. Notwithstanding the provisions of chapter four
7 hundred forty-five (445) of the Code, the owner of
8 residential property having an assessed value of forty
9 thousand dollars or less and eligible for a homestead
10 tax credit under chapter four hundred twenty-five
11 (425) of the Code, shall not be required to pay a
12 property tax on such property which exceeds the
13 property taxes paid on such property for the base
14 year plus an increase of ten percent of the base
15 year's tax liability. However, if the owner of
16 residential property which is eligible for the property
17 tax limitation under this subsection has resided at
18 such property for twenty years or more, the property
19 tax liability on such property shall not exceed the
20 property taxes paid on such property for the base
21 year plus an increase of five percent of the base
22 year's tax liability.

23 2. If the assessed value of the property eligible
24 for the property tax limitation under subsection one
25 (1) of this section is increased because of new
26 construction, the assessed value of such new con-
27 struction shall be subject to the full property tax
28 levy for the first fiscal year that the property is
29 subject to taxation. Thereafter, the property tax
30 limitation as provided in subsection one (1) of this
31 section shall apply to the total assessed valuation
32 of such property.

33 3. The amount of any property tax which is
34 uncollectible because of the property tax limitation
35 as provided in this section shall be apportioned among
36 the taxing districts certifying a property tax to
37 be levied against such properties and the amount of
38 property taxes to be levied and collected for such
39 taxing districts shall be correspondingly reduced."

40 2. Amend the title, line 2, by inserting after
41 the word "state" the words ", to provide a property
42 tax limitation for certain individual property
43 owners,".

H-5246 FILED - Ruled not germane BY LIPSKY of Linn
FEBRUARY 18, 1976 2/19 (p. 564)

H-5247

1 Amend Norland Amendment H5241 to Senate File 1062
2 as follows:

3 1. Page 1, by striking lines 32 and 33 and inserting
4 in lieu thereof the following new sections:

5 "Sec. Chapter four hundred twenty-two (422),
6 Code 1975, is amended by adding sections thirteen
7 (13) through fifteen (15) of this Act as a new
8 division:

9 Sec. 13. NEW SECTION. As used in this Act unless
10 the context otherwise requires:

11 1. "Person" means an individual, firm, partnership,
12 corporation, joint venture or other association of
13 persons.

14 2. "Hotel, motel or tourist court" means any
15 structure or building, under one management, which
16 contains rooms furnished for the accommodation or
17 lodging of guests, with or without meals, which is
18 kept, used, maintained, advertised or held out to
19 the public as a place where sleeping accommodations
20 are provided for compensation to transient guests
21 or permanent guests, and which has more than eight
22 bedrooms furnished for the accommodation of such
23 guests.

24 3. "Transient guest" means a person who occupies
25 a room or sleeping accommodations in a hotel, motel
26 or tourist court for not more than twenty-eight
27 consecutive days.

28 4. "Business" means the enterprise of renting
29 sleeping accommodations or rooms in a hotel, motel
30 or tourist court.

31 Sec. 14. NEW SECTION.

32 1. Any county or city is authorized to levy a
33 transient guest tax at a rate not to exceed five
34 percent of the gross rental receipts derived from
35 the rental to transient guests of sleeping
36 accommodations and rooms costing in excess of three
37 dollars per day in a hotel, motel or tourist court.
38 The tax rate, not to exceed five percent of such gross
39 receipts, shall be determined by the governing body
40 of the county or city and be specified in the
41 resolution authorizing the tax. The levy shall be
42 in addition to the tax imposed under section four
43 hundred forty-two point forty-three (442.43) of the
44 Code.

45 2. The taxes levied under this section shall be
46 paid by the transient guest or person paying on behalf
47 of the transient guest to the business and it is the
48 duty of every business to collect the full amount
49 of the tax, or an amount as nearly equal thereto as
50 possible. Each business collecting taxes levied under

1 this section is responsible for paying over the taxes
2 collected to the director in the manner prescribed
3 by section fifteen (15) of this Act, and the director
4 shall administer and enforce the collection of the
5 taxes.

6 3. If a countywide tax is imposed, cities within
7 the county shall not impose the same tax in addition,
8 or if the county imposes a tax in a year subsequent
9 to the imposition of the same tax by a city in that
10 county, the city tax shall be suspended for the period
11 during which the countywide tax is imposed.

12 Sec. 15. NEW SECTION.

13 1. A tax levied and collected under section
14 fourteen (14) of this Act shall be due and payable
15 quarterly, on or before the last day of the month
16 immediately succeeding the last month of the quarter
17 in which it is collected in the manner of state gross
18 receipts taxes. Each business shall make a true
19 report to the department, on a form prescribed by
20 the director, providing information as may be necessary
21 to determine the amounts to which the tax shall apply
22 for the applicable quarter, which report shall be
23 submitted with the quarterly tax payment of the
24 business. Records of gross rental receipts subject
25 to a tax imposed under this Act shall be kept separate
26 and apart from the records of other gross receipts
27 of a business in order to facilitate the examination
28 of books and records as provided in this section.

29 2. The director or his authorized representative
30 has the right at all reasonable times during business
31 hours to make examination and inspection of the books
32 and records of a business as may be necessary to
33 determine the accuracy of the reports required under
34 this section.

35 3. The provisions of sections four hundred twenty-
36 two point twenty-five (422.25), subsection four (4),
37 four hundred twenty-two point thirty (422.30), four
38 hundred twenty-two point forty-eight (422.48) through
39 four hundred twenty-two point fifty-eight (422.58),
40 four hundred twenty-two point sixty-seven (422.67),
41 four hundred twenty-two point sixty-eight (422.68),
42 four hundred twenty-two point sixty-nine (422.69),
43 subsection one (1), and four hundred twenty-two point
44 seventy (422.70) through four hundred twenty-two point
45 seventy-five (422.75) of the Code, not inconsistent
46 with the provisions of this Act, shall apply with
47 respect to the taxes levied under this Act, in the
48 same manner and with the same effect as if the
49 transient guest taxes were gross receipts taxes within
50 the meaning of those statutes.

1 4. Transient guest taxes shall be credited to
 2 the "county and city transient guest tax fund", which
 3 is established in the office of the treasurer of
 4 state. All moneys in the county and city transient
 5 guest tax fund shall be remitted at least quarterly
 6 by the treasurer of state, on instructions from the
 7 director, to each city for the amount collected from
 8 businesses in that city and to each county for the
 9 amount collected from businesses in the unincorporated
 10 areas of the county.

11 5. All moneys received by the county or city from
 12 the county and city transient guest tax fund shall
 13 be credited to the general fund of the county or
 14 city."

H-5247 FILED *Revised german* BY HINES of Story
 FEBRUARY 18, 1976 *2/18 (p. 549)* BITTLE of Polk
32-57

H-5244

1 Amend the Norland amendment H-5241, to Senate
 2 File 1062 as amended passed and reprinted by the
 3 Senate as follows:

4 1. Page 4, by inserting after line 26 the
 5 following new section:

6 "Sec. _____. FUNDING OF ADDITIONAL DUTIES OR
 7 FUNCTIONS. If an Act or resolution passed after the
 8 effective date of this Act, except a legalizing act
 9 or resolution, of the general assembly or an adminis-
 10 trative rule promulgated by a state agency imposes a
 11 duty or function which has a fiscal impact on a local
 12 budget requiring additional expenditures upon the
 13 governing body or any officer or employee of a city,
 14 county, or any other local public body or corporation
 15 that has the power to levy or certify a property tax
 16 or sum of money to be collected by property taxation,
 17 the governing body or any officer or employee of such
 18 local governmental entity shall not be required to
 19 carry out such duty or function unless the general
 20 assembly appropriates moneys or the state agency
 21 provides a grant of moneys to such local governmental
 22 entity specifically to pay the cost of carrying out
 23 such duty or function. "

H-5244 FILED *Revised german* BY CAFFREY of Polk
 FEBRUARY 18, 1976 *59-35* WOODS of Polk
Last 47-49 (p. 563) GENTLEMAN of Polk

H-5242

- 1 Amend Senate File 1062, as amended, passed and
- 2 reprinted by the Senate as follows:
- 3 1. Page 1, line 9, by striking the figure "1976"
- 4 and inserting in lieu thereof the figure "1977".
- 5 2. Page 2, line 7, by striking the words "July
- 6 1, 1976 and July 1, 1977" and inserting in lieu thereof
- 7 the words "July 1, 1977 and July 1, 1978".
- 8 3. Page 9, by striking lines 19 through 23..

H-5242 FILED - *Ruled not germane with adoption* BY NEALSON of Muscatine
FEBRUARY 18, 1976 *of 5241 2/19*

H-5243

- 1 Amend the Norland, Bina amendment, H-5241,
- 2 to Senate File 1062, as amended, passed and re-
- 3 printed by the Senate, as follows:
- 4 1. Page 1, line 15, by inserting after the
- 5 word "to" the following:
- 6 "the amount of budget increase caused by the
- 7 general assembly or a state agency requiring
- 8 additional expenditures by a political subdivision
- 9 and".

H-5243 FILED - *Lost 2/18* BY BENNETT of Ida
FEBRUARY 18, 1976 *39-56*
(p. 512)

SENATE FILE 1062

H-5245

- 1 Amend Senate File 1062 as follows:
- 2 By striking everything after the enacting
- 3 clause and inserting in lieu thereof the following:
- 4 "Section 1. When the assessed valuation of
- 5 any class of real property within any tax levying
- 6 political subdivision is increased by an equaliza-
- 7 tion order, the amount of any such increase which
- 8 may be added to the taxable valuation of any par-
- 9 cel in any year because of such equalization order
- 10 shall not exceed eight percent (8%) of the valua-
- 11 tion of the same property in the preceding tax year."

H-5245 FILED - *Motion to suspend* BY WELDEN of Hardin
FEBRUARY 18, 1976 *rule for con. situation*
lost 39-56 2/19 (p. 528) *Ruled out of order with adoption of 5241 2/19*

H-5241

1 Amend Senate File 1062, as amended, passed and
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting
4 clause and inserting in lieu thereof the following:

5 "Section 1. DEFINITIONS.

6 1. "Base year" means the preceding fiscal year.

7 2. "Political subdivision" means a city, county,
8 school corporation or any other local public body
9 or corporation that has the power to levy or certify
10 a property tax or sum of money to be collected by
11 property taxation.

12 3. "Allowable growth guideline" means an increase
13 in the proposed expenditures in the total budget or
14 the property tax budget of a political subdivision
15 for a fiscal year equal to seven percent of the pro-
16 posed expenditures in the certified total budget or
17 the property tax budget of such political subdivision
18 for the base year.

19 4. "Total budget" means the budget including
20 amendments for all funds or programs of a political
21 subdivision, excluding the amount of moneys collected
22 or received from property taxes and other sources
23 for the paying of interest and principal on any
24 indebtedness authorized by law and the budget of a
25 school corporation subject to limitation under chapter
26 four hundred forty-two (442) of the Code, but including
27 that part of the budget provided for under section
28 two hundred seventy-eight point one (278.1), subsection
29 seven (7), of the Code.

30 5. "Property tax budget" means that part of the
31 total budget to be derived from property taxation.

32 6. "Person" means eligible elector as defined
33 in section thirty-nine point three (39.3) of the Code.

34 Sec. 2. BUDGET PROCESS--NOTICE AND PUBLIC HEARING.
35 In addition to the requirements of chapters twenty-
36 four (24) and three hundred eighty-four (384), division
37 two (II), of the Code relating to the publication
38 of notice and public hearing on a budget of a political
39 subdivision, the public notice of a hearing on a total
40 budget shall include the following information:

41 1. The percentage and the dollar amount increase
42 or decrease for the total budget and the property
43 tax budget of the political subdivision.

44 2. The percentage and the dollar amount increase
45 or decrease of each fund included in the proposed
46 total budget and the property tax budget.

47 3. A statement showing the allowable growth
48 guideline established by the general assembly and
49 the dollar amount of increase represented by such
50 guideline for the proposed total budget and the

1 property tax budget of the political subdivision.

2 4. A statement of the major reasons for the
3 proposed increases in the proposed total budget and
4 the property tax budget.

5 5. A comparison of the percentages and dollar
6 amounts proposed to be expended with the percentages
7 and dollar amounts expended during the preceding
8 fiscal year.

9 The provisions of this section shall not apply
10 to publication of notice for a hearing on a total
11 budget for the fiscal year beginning July 1, 1976
12 required under section twenty-four point nine (24.9)
13 or three hundred eighty-four point sixteen (384.16)
14 of the Code if the notice of hearing has been pub-
15 lished before the effective date of this Act, but
16 this section shall apply to any other notice for a
17 hearing on a total budget or amendment to a total
18 budget required by this Act or other provision of
19 law for the fiscal years beginning July 1, 1976 and
20 July 1, 1977.

21 Sec. 3. ALLOWABLE GROWTH GUIDELINE EXCEEDED--
22 ADDITIONAL PUBLIC HEARING. If a political subdivision
23 approves a total budget or property tax budget which
24 exceeds the allowable growth guideline following
25 the public hearing required under chapter twenty-four
26 (24) or three hundred eighty-four (384), division
27 two (II), of the Code, the governing body of such
28 political subdivision shall withhold certification
29 of such total budget to the county auditor for at
30 least seven days following such approval. If, during
31 the seven days following approval of the budget, a
32 valid petition signed by at least five persons who
33 are residents of a political subdivision having a
34 population of one hundred persons or less, at least
35 ten persons who are residents of a political
36 subdivision having a population of more than one
37 hundred but not more than five hundred persons, or
38 at least twenty-five persons who are residents of
39 a political subdivision having a population of more
40 than five hundred persons, is filed with the governing
41 body of a political subdivision requesting another
42 public hearing, the governing body shall publish
43 notice of and conduct such public hearing not later
44 than April fifth. The date, time and location of
45 the public hearing and the information required to
46 be published under section two (2) of the Act, shall
47 be published in a newspaper having general circulation
48 throughout the political subdivision not less than
49 five days before the date specified for such hearing.
50 In the case of a city having a population of two

1 hundred or less, a publication may be made as provided
2 in section three hundred sixty-two point three (362.3),
3 subsection two (2), of the Code. Thereafter, the
4 total budget shall be approved and certified, with
5 or without changes that may be made after the hearings,
6 to the county auditor not later than April fifth.

7 Sec. 4. EXCEPTION TO DATES FOR BUDGET APPEAL.

8 Notwithstanding sections twenty-four point twenty-
9 seven (24.27) through twenty-four point thirty-two
10 (24.32), inclusive, and three hundred eighty-four
11 point nineteen (384.19) of the Code, persons affected
12 by a certified total budget or a property tax budget
13 of a political subdivision which has exceeded the
14 allowable growth guideline, shall have ten days
15 following certification of such budget to file a
16 petition to appeal to the state appeal board. All
17 other time limitations or dates specified in sections
18 twenty-four point twenty-seven (24.27) through twenty-
19 four point thirty-two (24.32), inclusive, and three
20 hundred eighty-four point nineteen (384.19) of the
21 Code shall be correspondingly changed or extended
22 to allow the same amount of time for the protest
23 hearing and the decision of the state board that would
24 exist had the appeal to the state appeal board been
25 filed as provided in section twenty-four point twenty-
26 seven (24.27) or three hundred eighty-four point
27 nineteen (384.19) of the Code.

28 Sec. 5. PROPERTY TAX CARRYOVER. If a political
29 subdivision adopts a total budget for the fiscal year
30 beginning July 1, 1976 and ending June 30, 1977, which
31 does not include an increase in the amount of the
32 property tax levy computed in dollars which exceeds
33 or is equal to the allowable growth guideline allowed
34 under the provisions of this Act, the political
35 subdivision may levy property taxes for the succeeding
36 fiscal year in excess of the allowable growth guideline
37 provided by this Act and be exempt from the provisions
38 of section three (3) of this Act. However, the
39 exemption from the requirements of section three (3)
40 of this Act shall only be applicable if the additional
41 property tax levy does not raise in dollars an amount
42 which exceeds the allowable growth guideline for the
43 succeeding fiscal year and the difference between
44 the amount in dollars which the political subdivision
45 levied during the base year and the amount in dollars
46 which the political subdivision could have levied
47 during that year under the allowable growth guideline.

48 Sec. 6. DUTIES OF STATE COMPTROLLER. As soon
49 as practicable after the effective date of this Act,
50 the state comptroller shall give notice of the re-

1 quirements of this Act and distribute such forms as
2 required to the governing bodies of the political
3 subdivisions of this state.

4 Sec. 7. PROPERTY TAX LEVY LIMITATIONS NOT AFFECTED.
5 The provisions of this Act shall not be construed
6 as removing or otherwise affecting the property tax
7 levy limitations otherwise provided by law for any
8 fund, account, or program in the total budget of a
9 political subdivision.

10 Sec. 8. BUDGET APPEAL NOT AFFECTED. The provisions
11 of this Act shall not be construed to prohibit or
12 affect a protest filed with the state appeal board
13 against a total budget which has not equaled or
14 exceeded the allowable growth guideline provided for
15 in this Act.

16 Sec. 9. SPECIAL CHARTERED CITIES. It is the
17 intention of the general assembly that the provisions
18 of this Act shall apply to special chartered cities.
19 The state appeal board may adopt such rules relating
20 to budget forms and procedures as the state appeal
21 board deems necessary to carry out the provisions
22 of this Act regarding special chartered cities.

23 Sec. 10. BUDGETS AFFECTED. The provisions of
24 this Act shall apply to the budgets of a political
25 subdivision for the fiscal years beginning July 1,
26 1976 and July 1, 1977.

27 Sec. 11. This Act, being deemed of immediate
28 importance, shall take effect and be in force from
29 and after its publication in the Quad-City Times,
30 a newspaper published in Davenport, Iowa, and in the
31 Ida County Pioneer-Record, a newspaper published in
32 Ida Grove, Iowa."

33 2. Amend the title, lines 1 through 3, by striking
34 the words "to provide budget limitations for certain
35 political subdivisions of the state and to impose
36 an income surtax by referendum for certain budget
37 expenditures" and inserting in lieu thereof the words
38 "establishing budget hearing procedures and budget
39 expenditure guidelines for political subdivisions
40 of this state".

41 H-5241 FILED - *Adopted 2/19 53-46*

42 FEBRUARY 17, 1976 (*p. 570*)

BY NORLAND of Worth
BINA of Scott

43

1 Amend Senate File 1062 as passed by the Senate and
2 reprinted as follows:

3 1. By striking everything after the enacting
4 clause and inserting in lieu thereof the following:

5 "Section 1. NEW SECTION. DEFINITIONS.

6 1. "Base year" means the preceding fiscal year.

7 2. "Political subdivision" means a city, county
8 or any other local public body or corporation that
9 has the power to levy or certify a property tax or
10 sum of money to be collected by property taxation
11 except a school corporation subject to the provisions
12 of chapter four hundred forty-two (442) of the Code.

13 3. "Limited budget" means that part of the budget
14 including amendments for all funds of a political
15 subdivision of this state which is used to pay salaries
16 or wages of the public officers or employees including
17 the obligations of the political subdivision for
18 pension or retirement systems or unemployment
19 compensation and the obligations of the political
20 subdivision under the United States Social Security
21 Act.

22 4. "Allowable growth" means a maximum increase
23 in the proposed expenditures in the limited budget
24 of a political subdivision for a fiscal year equal
25 to nine percent of the proposed expenditures in the
26 certified limited budget of such political subdivision
27 for the base year.

28 Sec. 2. NEW SECTION. RESTRICTIONS ON EXPENDITURES-
29 -ALLOWABLE GROWTH. The proposed expenditures in the
30 certified limited budget of a political subdivision,
31 for the fiscal year commencing July 1, 1976 and for
32 each fiscal year thereafter, shall not exceed the
33 proposed expenditures in the certified limited budget
34 of that political subdivision for the base year, plus
35 the allowable growth for that political subdivision.

36 Sec. 3. NEW SECTION. PROPERTY TAX LEVY LIMITATIONS
37 NOT AFFECTED. The provisions of this Act shall not
38 be construed as removing or otherwise affecting the
39 property tax levy limitations otherwise provided by
40 law for any fund, account, or program in the budget
41 of a political subdivision.

42 Sec. 4. NEW SECTION. BUDGET APPEAL NOT AFFECTED.
43 The provisions of this Act shall not be construed
44 to prohibit or affect a protest filed with the state
45 appeal board against the budget of a political
46 subdivision subject to the provisions of this Act.

47 Sec. 5. NEW SECTION. SPECIAL CHARTERED CITIES.
48 It is the intention of the general assembly that the
49 provisions of this Act shall apply to special chartered
50 cities. The state appeal board may adopt such rules

Page 2

1 relating to budget forms and procedures as the state
2 appeal board deems necessary to carry out the
3 provisions of this Act regarding special charter
4 cities.

5 Sec. 6. This Act, being deemed of immediate
6 importance, shall take effect and be in force from
7 and after its publication in the Webster City Freeman-
8 Journal, a newspaper published in
9 Webster City, Iowa, and in the Story City Herald,
10 a newspaper published in Story City, Iowa."

1 Amend Senate File 1062 as follows:
2 1. By striking everything after the enacting
3 clause and inserting in lieu thereof the following:
4 "Section 1. NEW SECTION. DEFINITIONS.
5 1. "Base year" means the preceding fiscal year.
6 2. "Political subdivision" means a city, county
7 or any other local public body or corporation that
8 has the power to levy or certify a property tax or
9 sum of money to be collected by property taxation
10 except a school corporation subject to the provisions
11 of chapter four hundred forty-two (442) of the Code.
12 3. "Limited budget" means that part of the budget
13 including amendments for all funds of a political
14 subdivision of this state which is used to pay salaries
15 or wages of the public officers or employees including
16 the obligations of the political subdivision for
17 pension or retirement systems or unemployment
18 compensation and the obligations of the political
19 subdivision under the United States Social Security
20 Act.
21 4. "Allowable growth" means a maximum increase
22 in the proposed expenditures in the limited budget
23 of a political subdivision for a fiscal year equal
24 to nine percent of the proposed expenditures in the
25 certified limited budget of such political subdivision
26 for the base year.
27 Sec. 2. NEW SECTION. RESTRICTIONS ON EXPENDITURES-
28 -ALLOWABLE GROWTH. The proposed expenditures in the
29 certified limited budget of a political subdivision,
30 for the fiscal year commencing July 1, 1976 and for
31 each fiscal year thereafter, shall not exceed the
32 proposed expenditures in the certified limited budget
33 of that political subdivision for the base year, plus
34 the allowable growth for that political subdivision.
35 Sec. 3. NEW SECTION. PROPERTY TAX LEVY LIMITATIONS
36 NOT AFFECTED. The provisions of this Act shall not
37 be construed as removing or otherwise affecting the
38 property tax levy limitations otherwise provided by
39 law for any fund, account, or program in the budget
40 of a political subdivision.
41 Sec. 4. NEW SECTION. BUDGET APPEAL NOT AFFECTED.
42 The provisions of this Act shall not be construed
43 to prohibit or affect a protest filed with the state
44 appeal board against the budget of a political
45 subdivision subject to the provisions of this Act.
46 Sec. 5. NEW SECTION. SPECIAL CHARTERED CITIES.
47 It is the intention of the general assembly that the
48 provisions of this Act shall apply to special chartered
49 cities. The state appeal board may adopt such rules
50 relating to budget forms and procedures as the state
1 appeal board deems necessary to carry out the
2 provisions of this Act regarding special charter
3 cities.
4 Sec. 6. This Act, being deemed of immediate
5 importance, shall take effect and be in force from
6 and after its publication in the Webster City Freeman-
7 Journal, a newspaper published in Webster City,
8 Iowa, and in the Story City Herald a newspaper
9 published in Story City, Iowa."
10 2. Amend the title by striking lines 2 and 3
11 and inserting in lieu thereof the following:
12 "subdivisions of the state".

1 Amend Senate File 1062 as follows:

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

4 "Section 1. The maximum amount in dollars which
5 may be levied by a city with a population of more
6 than five hundred for the fiscal years beginning July
7 1, 1976 and July 1, 1977 over the amount in dollars
8 levied for the previous fiscal year shall be limited
9 to an increase of seven percent for each of the
10 following designated property tax levies:

11 1. The general fund levy authorized pursuant to
12 section three hundred eighty-four point one (384.1)
13 of the Code.

14 2. The tax levy for the purpose of carrying out
15 the terms of a contract for the use of a bridge by
16 a city situated on a river over which a bridge has
17 been built authorized pursuant to section three hundred
18 eighty-four point twelve (384.12), subsection eight
19 (8), of the Code.

20 3. The tax levy for the operation and maintenance
21 of a municipal transit system and for the creation
22 of a reserve fund for the system authorized pursuant
23 to section three hundred eighty-four point twelve
24 (384.12), subsection ten (10), of the Code.

25 4. The tax levy for the lease of a building or
26 complex of buildings to be operated as a civic center
27 authorized pursuant to section three hundred eighty-
28 four point twelve (384.12), subsection eleven (11),
29 of the Code.

30 5. The tax levy for operating and maintaining
31 a civic center owned by a city authorized pursuant
32 to section three hundred eighty-four point twelve
33 (384.12), subsection twelve (12), of the Code.

34 6. The tax levy for planning a sanitary disposal
35 system authorized pursuant to section three hundred
36 eighty-four point twelve (384.12), subsection thirteen
37 (13), of the Code.

38 7. The tax levy for an aviation authority
39 authorized pursuant to section three hundred eighty-
40 four point twelve (334.12), subsection fourteen (14),
41 of the Code.

42 8. The tax levy for an authority for a joint city-
43 county building authorized pursuant to section three
44 hundred eighty-four point twelve (384.12), subsection
45 fifteen (15), of the Code.

46 9. The tax levy for a levee improvement fund
47 authorized pursuant to section three hundred eighty-
48 four point twelve (334.12), subsection sixteen (16),
49 of the Code.

50 10. The tax levy to aid a railway authorized

1 pursuant to section three hundred eighty-four point
2 twelve (384.12), subsection seventeen (17), of the
3 Code.

4 11. The tax levy to maintain an institution
5 received by gift or devise authorized pursuant to
6 section three hundred eighty-four point twelve
7 (384.12), subsection eighteen (18), of the Code.

8 12. The tax levy to pay the premium costs on tort
9 liability insurance authorized pursuant to section
10 three hundred eighty-four point twelve (384.12),
11 subsection nineteen (19), of the Code.

12 13. The tax levy for the emergency fund authorized
13 pursuant to section three hundred eighty-four point
14 eight (384.8) of the Code.

15 Sec. 2. The maximum amount in dollars which may
16 be levied by a county for the fiscal years beginning
17 July 1, 1976 and July 1, 1977 over the amount in
18 dollars levied for the previous fiscal year shall
19 be limited to an increase of seven percent for each
20 of the following designated property tax levies:

21 1. The tax levy for the emergency fund authorized
22 pursuant to section twenty-four point six (24.6) of
23 the Code.

24 2. The tax levy for the development, operation,
25 and maintenance of a memorial building or monument
26 authorized pursuant to section thirty-seven point
27 eight (37.8) of the Code.

28 3. The tax levy for the purchase of voting machines
29 authorized pursuant to section fifty-two point three
30 (52.3) of the Code.

31 4. The tax levy for the county conservation board
32 authorized pursuant to section one hundred eleven
33 A point six (111A.6) of the Code.

34 5. The tax levy for indemnity payments and the
35 inspection and testing program relating to bovine
36 brucellosis eradication authorized pursuant to section
37 one hundred sixty-four point twenty-three (164.23)
38 of the Code.

39 6. The tax levy for the bovine tuberculosis
40 eradication fund authorized pursuant to section one
41 hundred sixty-five point eighteen (165.18) of the
42 Code.

43 7. The tax levy for the fairground fund authorized
44 pursuant to sections one hundred seventy-four point
45 thirteen (174.13) and one hundred seventy-four point
46 seventeen (174.17) of the Code.

47 8. The tax levy for the purpose of maintaining
48 a county or multicounty juvenile home authorized
49 pursuant to section two hundred thirty-two point
50 twenty-two (232.22) of the Code.

- 1 9. The tax levy for the veteran affairs fund
2 authorized pursuant to section two hundred fifty point
3 one (250.1) of the Code.
- 4 10. The tax levy for the poor fund authorized
5 pursuant to sections two hundred fifty-two point
6 forty-three (252.43) through two hundred fifty-two
7 point forty-five (252.45) of the Code.
- 8 11. The tax levy for secondary road construction
9 and maintenance authorized pursuant to section three
10 hundred nine point seven (309.7) of the Code.
- 11 12. The tax levy for the road clearing fund
12 authorized pursuant to section three hundred seventeen
13 point nineteen (317.19) of the Code.
- 14 13. The tax levy for the purchase of weed
15 eradicating equipment and materials authorized pursuant
16 to section three hundred seventeen point twenty
17 (317.20) of the Code.
- 18 14. The tax levy for an aviation authority
19 authorized pursuant to section three hundred thirty
20 A point fifteen (330A.15) of the Code.
- 21 15. The tax levy for the maintenance and
22 improvement of cemeteries in the county authorized
23 pursuant to section three hundred thirty-two point
24 three (332.3) of the Code.
- 25 16. The tax levy for public disposal grounds
26 authorized pursuant to section three hundred thirty-
27 two point thirty-two (332.32) of the Code.
- 28 17. The tax levy for the county indemnification
29 fund authorized pursuant to section three hundred
30 thirty-two point thirty-eight (332.38) of the Code.
- 31 18. The tax levy for the operation, control,
32 maintenance, and management of health centers
33 authorized pursuant to section three hundred forty-
34 six A point two (346A.2) of the Code.
- 35 19. The tax levy for the payment of claims for
36 bounties on wild animals authorized pursuant to section
37 three hundred fifty point eight (350.8) of the Code.
- 38 20. The tax levy for the maintenance of a county
39 library authorized pursuant to section three hundred
40 fifty-eight B point thirteen (358B.13) of the Code.
- 41 21. The tax levy for the entering of contracts
42 for the use of city libraries authorized pursuant
43 to section three hundred fifty-eight B point eighteen
44 (358B.18) of the Code.
- 45 22. The tax levy for ordinary county revenue and
46 the election expense fund authorized pursuant to
47 section four hundred forty-four point nine (444.9)
48 of the Code.
- 49 23. The tax levy for the court expense fund
50 authorized pursuant to section four hundred forty-

1 four point ten (444.10) of the Code.

2 24. The tax levy for the county orphan fund.
3 authorized pursuant to section four hundred forty-
4 four point eleven (444.11) of the Code.

5 25. The tax levy for the purpose of planning a
6 sanitary disposal project or of paying interest and
7 principal on bonds issued pursuant to section three
8 hundred forty-six point twenty-three (346.23) of the
9 Code which levy is authorized pursuant to section
10 four hundred fifty-five B point eighty-one (455B.81)
11 of the Code.

12 26. The tax levy for flood and erosion control
13 projects authorized pursuant to section four hundred
14 sixty-seven B point nine (467B.9) of the Code.

15 27. The tax levy for the maintenance of property
16 received by a county by gift or devise authorized
17 pursuant to section five hundred sixty-five point
18 eight (565.8) of the Code.

19 Sec. 3. The maximum amount in dollars which may
20 be levied by a special purpose district for the fiscal
21 years beginning July 1, 1976 and July 1, 1977 over
22 the amount in dollars levied for the previous fiscal
23 year shall be limited to an increase of seven percent
24 for each of the following designated property tax
25 levies:

26 1. The tax levy by a benefited water district
27 for the maintenance of the water system authorized
28 pursuant to section three hundred fifty-seven point
29 twenty-five (357.25) of the Code.

30 2. The tax levy by a benefited fire district to
31 provide fire protection within the district authorized
32 pursuant to section three hundred fifty-seven B point
33 three (357B.3) of the Code and the levy authorized
34 pursuant to section three hundred fifty-seven B point
35 five (357B.5) of the Code which permits the county
36 board of supervisors to continue the levy upon
37 dissolution of the district until all debts and obliga-
38 tions of the dissolved district are paid.

39 3. The tax levy by a benefited street lighting
40 district authorized pursuant to section three hundred
41 fifty-seven C point seven (357C.7) and three hundred
42 fifty-seven C point eleven (357C.11) of the Code.

43 4. The tax levy authorized pursuant to section
44 four hundred sixty-six point four (466.4) of the Code
45 permitting a levy sufficient to raise the amount
46 necessary for maintenance of a system to provide
47 internal drainage necessary by the construction of
48 a levee along a navigable stream forming a part of
49 the boundary of the state.

50 5. The tax levy for a soil conservation district

1 authorized pursuant to section four hundred sixty-
2 seven A point twenty (467A.20) of the Code.

3 6. The tax levy authorized pursuant to section
4 four hundred eighty-three point one (483.1) of the
5 Code to provide aid to railroads.

6 Sec. 4. The maximum amount in dollars which may
7 be levied by a public hospital for the fiscal years
8 beginning July 1, 1976 and July 1, 1977 over the
9 amount in dollars levied for the previous fiscal year
10 shall be limited to an increase of seven percent for
11 each of the following designated property tax levies:

12 1. The emergency tax levy authorized pursuant
13 to section twenty-four point six (24.6) of the Code.

14 2. The tax levy for the operation, equipping,
15 maintenance, improvement, and replacement of a county
16 public hospital authorized pursuant to sections three
17 hundred forty-seven point seven (347.7) and three
18 hundred forty-seven point twenty-seven (347.27) of
19 the Code.

20 3. The tax levy for the operation and maintenance
21 of a county hospital authorized pursuant to section
22 three hundred forty-seven A point three (347A.3) of
23 the Code.

24 Sec. 5. The maximum amount in dollars which may
25 be levied for the county agricultural extension
26 education program authorized pursuant to section one
27 hundred seventy-six A point ten (176A.10) of the Code
28 for the fiscal years beginning July 1, 1976 and July
29 1, 1977 over the amount in dollars levied for the
30 previous fiscal year shall be limited to an increase
31 of seven percent.

32 Sec. 6. The maximum amount in dollars which may
33 be levied by a merged area school for general
34 operations authorized pursuant to section two hundred
35 eighty A point seventeen (280A.17) of the Code for
36 the fiscal year beginning July 1, 1976 and July 1,
37 1977 over the amount in dollars levied for the pre-
38 vious fiscal years shall be limited to an increase
39 of seven percent.

40 Sec. 7. A political subdivision of the state
41 subject to the provisions of this Act may initiate
42 an appeal with the appropriate budget review committee
43 as designated in section nine (9) of this Act, based
44 upon a natural disaster or any unusual circumstances,
45 which creates the need for additional funds. The
46 appropriate budget review committee may waive the
47 maximum amount of dollars which may be levied under
48 the provisions of this Act or the levy limitations
49 provided by law.

50- Sec. 8. There is created a county budget review

1 committee consisting of the following five members:

2 1. The state comptroller or his designee who shall
3 serve as chairperson.

4 2. Three county officers appointed by the governor,
5 one member selected from a county having an assessed
6 valuation of:

7 a. Less than ninety-six million three hundred
8 thousand dollars.

9 b. Ninety-six million three hundred thousand
10 dollars or more but less than one hundred eighteen
11 million five hundred twenty thousand dollars.

12 c. One hundred eighteen million five hundred
13 twenty thousand dollars or more.

14 3. The certified public accountant appointed to
15 the city finance committee under section three hundred
16 eighty-four point thirteen (384.13) of the Code.

17 In addition to the circumstances creating a vacancy
18 under section sixty-nine point two (69.2) of the Code,
19 a vacancy shall exist when a county officer appointed
20 under subsection two (2) of this section no longer
21 holds a county office which qualifies such officer
22 for appointment to this committee.

23 The county budget review committee shall meet at
24 the call of the chairperson and adopt its own rules
25 of procedure. The committee may hold public hearings.
26 Actions taken or rules promulgated by the committee
27 shall be subject to the provisions of chapter seventeen
28 A (17A) of the Code.

29 The committee members, except the state comptroller
30 and county officers who are full-time public officers,
31 are entitled to a per diem of forty dollars for each
32 day spent in the performance of committee duties and
33 each member is entitled to reimbursement for his
34 actual and necessary expenses incurred in performance
35 of committee duties. The per diem and expenses shall
36 be paid from funds appropriated to the state
37 comptroller.

38 Sec. 9. The appropriate budget review committee
39 to which a political subdivision may appeal is as
40 follows:

41 1. The city finance committee created under section
42 three hundred eighty-four point thirteen (384.13)
43 of the Code for any city subject to the provisions
44 of this Act.

45 2. The school budget review committee created
46 under section four hundred forty-two point twelve
47 (442.12) of the Code for a merged area school created
48 under chapter two hundred eighty A (280A) of the Code.

49 3. The county budget review committee for any
50 other political subdivision of the state subject to

1 provisions of this Act.

2 Sec. 10. Nothing in this Act shall be construed
3 to prevent an appeal of a decision made by a budget
4 review committee designated in section nine (9) of
5 this Act to the state appeal board.

6 Sec. 11. This Act, being deemed of immediate
7 importance, shall take effect and be in force from
8 and after its publication in the Eldora Herald-Index,
9 a newspaper published in Eldora, Iowa, and in the
10 Marshalltown Times-Republican, a newspaper published
11 in Marshalltown, Iowa."

12 2. Amend the title by striking everything after
13 the word "Act" in line 1 and inserting in lieu thereof
14 the words "relating to budgets of certain political
15 subdivisions of the state by restricting the amount
16 of dollars which can be raised by certain property
17 tax levies, providing for appeals of limitations on
18 property tax levies, imposing additional duties on
19 the city finance committee and the school budget
20 review committee, and creating a county budget
21 review committee."

H-5237 FILED - *Lost 2/18* BY WEST of Marshall
FEBRUARY 17, 1976 29-67

(p. 453)
Motion to Reconsider Filed 2/18 (p. 513)
" 1057 2/19 (p. 567)

SENATE FILE 1062

H-5239

1 Amend Senate File 1062 as follows:
2 1. Page 5, by inserting after "subdivision."
3 in line 15, the following: "The notice shall be
4 published in the same newspapers in which the
5 budget was published."

H-5239 FILED *Bill out of order* BY HUTCHINS of Guthrie
with adoption FEBRUARY 17, 1976 *of 5241* 2/19 HANSEN of O'Brien

5236

1 Amend Senate File 1062, as amended, passed and
2 reprinted by the Senate, as follows:

3 1. Page 9, by inserting after line 18 the
4 following:

5 "Sec. ____ . LIMITATION-ON INDIVIDUAL TAX LIABILITY.

6 1. Notwithstanding the provisions of chapter four
7 hundred forty-five (445) of the Code, the owner of
8 residential property having an assessed value of forty
9 thousand dollars or less and eligible for a homestead
10 tax credit under chapter four hundred twenty-five
11 (425) of the Code, shall not be required to pay a
12 property tax on such property which exceeds the
13 property taxes paid on such property for the base
14 year plus an increase of ten percent of the base
15 year's tax liability. However, if the owner of
16 residential property which is eligible for the property
17 tax limitation under this subsection has resided at
18 such property for twenty years or more, the property
19 tax liability on such property shall not exceed the
20 property taxes paid on such property for the base
21 year plus an increase of five percent of the base
22 year's tax liability.

23 2. If the assessed value of the property eligible
24 for the property tax limitation under subsection one
25 (1) of this section is increased because of new
26 construction, the assessed value of such new con-
27 struction shall be subject to the full property tax
28 levy for the first fiscal year that the property is
29 subject to taxation. Thereafter, the property tax
30 limitation as provided in subsection one (1) of this
31 section shall apply to the total assessed valuation
32 of such property.

33 3. The amount of any property tax which is
34 uncollectible because of the property tax limitation
35 as provided in this section shall be apportioned among
36 the taxing districts certifying a property tax to
37 be levied against such properties and the amount of
38 property taxes to be levied and collected for such
39 taxing districts shall be correspondingly reduced."

40 2. Amend the title, line 2, by inserting after
41 the word "state" the words ", to provide a property
42 tax limitation for certain individual property
43 owners,".

H-5236 FILED - *Ruled out of* BY LIPSKY of Linn
FEBRUARY 17, 1976 *order with*
adoption of 5241 2/19

SENATE FILE 1062

H-5232

1 Amend Senate File 1062, as amended, passed and
2 reprinted by the Senate, as follows:
3 1. By striking everything after the enacting
4 clause and inserting in lieu thereof the following:
5 "Section 1. ADJUSTMENT OF ASSESSED VALUES. Not-
6 withstanding the valuations made by assessors in the
7 1975 assessment year pursuant to section four hundred
8 twenty-eight point four (428.4) of the Code and
9 notwithstanding the equalization order issued by the
10 director of revenue pursuant to section four hun-
11 dred forty-one point forty-seven (441.47) of the Code
12 adjusting the 1975 assessment year property valuations
13 as determined by the assessor in each assessing
14 jurisdiction, the actual value of each parcel of
15 property in each assessing jurisdiction on January
16 1, 1975 shall be the actual value of such parcel of
17 property as determined and certified by the assessor
18 on January 1, 1974 and levies computed by the county
19 auditor for budgets of political subdivisions for
20 the fiscal year beginning July 1, 1976 and ending
21 June 30, 1977 shall be on property values provided
22 by this Act."
23 2. Amend the title, lines 1 through 3, by striking
24 the words "provide budget limitations for certain
25 political subdivisions of the state and to impose
26 an income surtax by referendum for certain budget
27 expenditures" and inserting in lieu thereof the words
28 "to adjust the assessed valuation of taxable property
29 in this state".

H-5232 FILED - *Lost 2/19* BY HORN of Linn
FEBRUARY 17, 1976 *18-76 (p. 439)*

H-5233

1 Amend Senate File 1062 as amended and passed by
2 the Senate and reprinted as follows:
3 1. Page 4, line 2, by inserting after the word
4 "public" the words "subject to confirmation by the
5 Senate."

H-5233 FILED - *Ruled out of* BY SCHROEDER of Pottawattamie
FEBRUARY 17, 1976 *order with*
adoption of 5241 2/19

1062

Office of the Governor

STATE CAPITOL
DES MOINES, IOWA 50319



ROBERT D. RAY
GOVERNOR

April 26, 1976

The Honorable Melvin D. Synhorst
Secretary of State
State Capitol
L O C A L

Dear Mr. Secretary:

I hereby transmit Senate File 1062, an Act relating to the financing of political subdivisions of this state by providing budget limitations for certain political subdivisions, providing property tax credits for certain property owners and renters, making changes in the procedures for the assessment and valuation of certain taxable property, by amending the school foundation law, creating a task force for the study of local government finance and services, making certain provisions of the Act retroactive, and making appropriations.

Senate File 1062 is approved April 26, 1976, with the following exceptions which I hereby disapprove.

I am unable to approve Item 4 designated as Section 4 in the Act which reads as follows:

"Sec. 4. SPECIAL DISTRICT LEVY LIMITATION. The maximum amount in dollars which may be levied by a special purpose district over the amount in dollars levied for the base year shall be limited to an aggregate increase of nine percent for the fiscal year beginning July 1, 1976 and seven percent for the fiscal years beginning July 1, 1977 and July 1, 1978, for the following designated property tax levies except as otherwise provided in this division:

1. The tax levy by a benefited water district for the maintenance of the water system authorized pursuant to section three hundred fifty-seven point twenty-five (357.25) of the Code.

2. The tax levy by a benefited fire district to provide fire protection within the district authorized pursuant to section three hundred fifty-seven B point five (357B.5) of the Code which permits the county board of supervisors to continue the levy upon dissolution of the district until all debts and obligations of the dissolved district are paid.

3. The tax levy by a benefited street lighting district authorized pursuant to section three hundred fifty-seven C point seven (357C.7) and three hundred fifty-seven C point eleven (357C.11) of the Code.

4. The tax levy authorized pursuant to section four hundred sixty-six point four (466.4) of the Code permitting a levy sufficient to raise the amount necessary for maintenance of a system to provide internal drainage necessary by the construction of a levee along a navigable stream forming a part of the boundary of the state.

5. The tax levy for a soil conservation district authorized pursuant to section four hundred sixty-seven A point twenty (467A.20) of the Code.

6. The tax levy authorized pursuant to section four hundred eighty-three point one (483.1) of the Code to provide aid to railroads."

I am unable to approve Item 17 designated as Section 17 of the Act which reads as follows:

"Sec. 17. AGRICULTURAL PROPERTY VALUATION. Notwithstanding the provisions of section four hundred forty-one point twenty-one (441.21) of the Code, for assessments made as of January 1, 1976, the actual value of each tract of agricultural property consisting of more than ten acres shall be computed by multiplying the valuations established by the assessor and approved by the board of review by the percentage which the 1975 income value per acre bears to the 1975 actual value per acre of the agricultural property both as determined by the director. The county auditor shall proceed to make the necessary adjustments on the tax lists. If the valuation of the agricultural property is increased in a county, the county auditor shall notify by ordinary mail the owners of agricultural property affected by the adjustment made pursuant to this section. The local board of review shall reconvene for a period of thirty days following the notification to the taxpayer in counties where valuations have been increased under this section. The notice shall include the adjusted value of the property, the dates during which the board of review is reconvened, and that a protest may be filed within twenty days from the date the local board of review is reconvened. The protest shall be limited to the adjustment made pursuant to this section. The provisions of this section shall apply only to valuations of agricultural property valued as of January 1, 1976."

I am unable to approve Item 18 designated as Section 18 of the Act which reads as follows:

"Sec. 18. Notwithstanding the provisions of section four hundred forty-one point twenty-one (441.21) of the Code, for assessments made as of January 1, 1977, in assessing and determining the actual value of agricultural land, except structures located thereon, the value shall be computed on the basis of the productivity and net earning capacity of the land determined on the basis of the use for agricultural purposes capitalized at a rate representing a fair return on the investment, such rate to be established by the state board of tax review and applied uniformly among counties and among classes of property. The actual value of a structure located on agricultural land shall be the fair and reasonable market value of the structure. The provisions of this section shall apply only to valuations of agricultural property valued as of January 1, 1977."

I am unable to approve Item 19 designated as Section 19 of the Act which reads as follows:

"Sec. 19. EFFECTIVE DATE: The provisions of section seventeen (17) of this Act shall be effective to January 1, 1976 for valuations of agricultural property assessed as of January 1, 1976 and to this extent the provisions of section seventeen (17) are retroactive."

I am unable to approve Item 23 designated as Section 23 of the Act which reads as follows:

"Sec. 23. Notwithstanding the provisions of section four hundred twenty-five point one (425.1), subsections two (2), three (3), and four (4) of the Code, the homestead tax credit shall be computed so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first five thousand dollars of actual value for each homestead. The provisions of this section shall only be applicable for each homestead tax credit claimed between January 1, 1976 and July 1, 1976 and approved and for each homestead tax credit claimed between January 1, 1977 and July 1, 1977 and approved except as provided in sections forty (40) and forty-one (41) of this Act."

I am unable to approve Item 24 designated as Section 24 of the Act which reads as follows:

"Sec. 24. EFFECTIVE DATE. The provisions of section twenty-three (23) of this Act are effective to January 1, 1976 for credits claimed on or after January 1, 1976 and approved under chapter four hundred twenty-five (425) of the Code for a homestead tax credit on an eligible homestead and to this extent the provisions of section twenty-three (23) of this Act are retroactive."

I am unable to approve Item 40 designated as Section 40 of the Act which reads as follows:

"Sec. 40. If the unencumbered balance of the general fund of the state on June 30, 1976 does not exceed fifty million dollars, the homestead tax credit computed in the manner provided in section twenty-three (23) of this Act shall not apply and the homestead tax credit for claims filed in 1976 shall be computed so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first four thousand five hundred dollars of actual value for each homestead. The county auditor shall compute the homestead tax credit in the manner provided in section twenty-three (23) of this Act and if the general fund balance does not exceed fifty million dollars, the department of revenue shall reduce the amount of each homestead tax credit claim certified to the department by ten percent and recertify the amount of the credit to be allowed on each eligible homestead to the county treasurers of the respective counties.

If the unencumbered balance of the general fund of the state on June 30, 1976, does not exceed fifty million dollars, there is appropriated for the fiscal year beginning July 1, 1977 and ending June 30, 1978 an amount equal to thirteen million (13,000,000) dollars, or so much thereof as may be necessary, to the agricultural land credit fund and the provisions of section four hundred twenty-six point one (426.1) of the Code shall not apply for the fiscal year beginning July 1, 1977 and ending June 30, 1978.

If the provisions of this section become effective and the amount of funds appropriated to the agricultural land credit fund is the amount specified in this section,

the state comptroller shall recertify to the county auditors of the respective counties the pro rata percentage of reimbursement from the agricultural land credit fund which shall be distributed by the state comptroller."

I am unable to approve Item 41 designated as Section 41 of the Act which reads as follows:

"Sec. 41: If the unencumbered balance of the general fund of the state on June 30, 1977 does not exceed fifty million dollars, the homestead tax credit computed in the manner provided in section twenty-three (23) of this Act shall not apply and the homestead tax credit for claims filed in 1977 shall be computed so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first four thousand five hundred dollars of actual value for each homestead. The county auditor shall compute the homestead tax credit in the manner provided in section twenty-three (23) of this Act and if the general fund balance does not exceed fifty million dollars, the department of revenue shall reduce the amount of each homestead tax credit claim certified to the department by ten percent and recertify the amount of the credit to be allowed on each eligible homestead to the county treasurers of the respective counties.

If the unencumbered balance of the general fund of the state on June 30, 1977, does not exceed fifty million dollars, there is appropriated for the fiscal year beginning July 1, 1978 and ending June 30, 1979 an amount equal to thirteen million (13,000,000) dollars, or so much thereof as may be necessary, to the agricultural land credit fund and the provisions of section four hundred twenty-six point one (426.1) of the Code shall not apply for the fiscal year beginning July 1, 1978 and ending June 30, 1979.

If the provisions of this section become effective and the amount of funds appropriated to the agricultural land credit fund is the amount specified in this section, the state comptroller shall recertify to the county auditors of the respective counties the pro rata percentage of reimbursement from the agricultural land credit fund which shall be distributed by the state comptroller."

During the past decade, considerable public debate has centered on property tax and the burdens it imposes. When concern over property taxes was at a fever pitch in 1971, we developed and passed the school foundation program. This long-term plan, which shifted the funding of increased school costs from property taxes to state revenues, has been a key to our success in recent years in stabilizing previously skyrocketing property taxes.

That property tax stability was jolted with the equalization order issued by the Director of Revenue in October, 1975. Required by law, and necessary to make our tax system an equitable one, the equalization order reflected the inordinate increase in property valuations across Iowa. As a result of the average increase of 30% in property valuations, Iowans faced the very real prospect of a substantial shift in school funding from state aid to property taxes and the possibility of local governments increasing their budgets to take advantage of the higher valuations.

In mid-January, we presented to the General Assembly our proposals to cushion what we believed would be an undesirable and unnecessary shock if no action were taken. Our proposals included a substantial increase in state aid to schools, reasonable limits on the additional property tax dollars that could be raised by local governments, and - very important - a task force on local government services and funding sources. This task force could amass the information so a more refined analytical approach could be developed for the rendition and funding of local government services. We offered these recommendations to the General Assembly, willing to accept improvements that might be made during the law-making session.

Now, after more than 90 days and after a cascade of words of emotional debate in both Houses, we are convinced of the soundness of our approach - to limit property tax increases by having the state bear the major share of increased school costs.

* * *

Before we submitted our recommendations, the General Assembly had begun to wrestle with the property tax problem. Property tax deliberations by the General Assembly during the past six

months have followed a tortuous trail beginning with an inconclusive interim study committee, progressing to lengthy Ways and Means Committee sessions, heated and protracted floor debates and intricate off-the-floor negotiations, and culminating in extraordinary conference committee deliberations and decisions.

From the time the Senate Ways and Means Committee first approved Senate File 1062 for debate on January 27 to the final vote by the House on April 13, the members of the General Assembly studied and considered a wide range of alternatives. Various budget limits, changes in our school aid formula, new property tax credits and exemptions, local option taxation and property valuation rollback and weightings are only some of the major options seriously debated by the legislature.

The final version of Senate File 1062 is a reflection and product of the often painful deliberations by the legislature on this subject. Its numerous provisions are an amalgam of the various proposals doggedly pursued throughout the deliberations. The raw political fact that no single approach enjoyed the support of a majority of both Houses, when combined with the exigencies of time, resulted in a bill where much - perhaps too much - was sacrificed for compromise. The many doubts expressed by so many of those who voted for the measure underscore the unusual odyssey of Senate File 1062.

* * *

Any bill of this scope and magnitude will contain both positive and negative provisions. Indeed Senate File 1062 contains several meritorious sections.

It improves our elderly tax credit program by providing more relief to our senior citizens.

The temporary property tax growth limitations of Senate File 1062 for local governments may prevent some otherwise potentially large increases in property tax levies during the next three years. An appeals process is established to accomodate unusual and exceptional needs.

The Honorable Melvin D. Synhorst

April 26, 1976

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Throughout the debate on Senate File 1062, it was apparent that the data and research needed to pursue the comprehensive and long-range changes being proposed were lacking. This is the reason why we proposed a task force to answer many of the presently unanswerable questions and give us a surer footing to develop a more permanent solution.

Provision for a task force is contained in Senate File 1062. Unfortunately it is restricted in its structure and capabilities. The geographic and partisan restrictions on the task force's membership will make it difficult to secure members with the kind of stature and the varied talents and backgrounds we feel essential for a top-notch task force. And the early reporting date for the task force to make its recommendations may inhibit comprehensive review and analysis of the complex issues at stake.

The most inexplicable and indefensible provision in the task force section is the requirement that public members work without pay while the legislative members receive \$40 per day.

While the task force is a far cry from what we had recommended, we intend to make it work.

* * *

It is imperative that in important, far-ranging bills that the meritorious features outweigh the countervailing negative aspects. Regrettably, I find this is not the case in Senate File 1062. There are several very serious considerations that weigh strongly against complete acceptance of this bill.

One consideration of paramount concern to all Iowans is the eventual cost of this legislation. It is estimated by the Revenue Department and State Comptroller that the total cost of the first year of Senate File 1062 (FYE 77) is approximately \$7 million more than we recommended. But the real spending problem is in the second year (FYE 78) when it is estimated that the bill will cost approximately \$21 million more than we originally recommended.

Even these substantial cost estimates are conservative. We have reason to believe that with the weaker limitations on property tax increases by local governments, the cost of new homestead credits in Senate File 1062 may be considerably more than estimated.

One would have to view Senate File 1062 with much hesitation and trepidation solely because of its cost, especially since we do not know what other spending measures this legislature may adopt. Should the State be required to seek new or increased taxes in two or three years because of this bill, Iowans would have the kind of tax relief they can hardly afford.

* * *

Senate File 1062 makes a long-term commitment with two marked departures from our present taxing system - a changed and greatly enlarged homestead credit and the use of 100% productivity for the assessment of agricultural land with a twist that could be detrimental to some farmers. While these departures may be desirable, Senate File 1062 initiates them based on little more than cursory knowledge of their impact on our tax system, long-term implications, and desirability vis-a-vis future alternatives. Further, the task force should not be preempted from considering all alternatives.

The deviation from existing policies contained in Senate File 1062 is demonstrated in its effect on state aid for schools. For the first time in many years, and contrary to the direction we have been pursuing, state aid for schools will actually decrease next year - from about \$383 million to \$378 million. Considering that school costs next year will be in excess of \$55 million more than this year, the decrease in state aid for schools is a radical shift from our present policy of increased school costs being financed primarily from state revenues. The approach we have had is a proven method of property tax relief - and has equalized education for our young people.

* * *

The Honorable Melvin D. Synhorst
April 26, 1976
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While Senate File 1062 would soften the blow of increased property taxes in some areas more than our proposal, it provides no relief for Iowans who rent. It is estimated that roughly one-fifth of all homes in the residential class of property in the State are rental units. Since the homestead credit is available only to owner-occupants, renters will receive no benefits under the bill even though their rental payments will reflect increased property taxes.

Finally, I point out that Senate File 1062 does little to keep industrial, personal, and utility property from enjoying a reduction in taxes while agricultural and residential property taxes increase - a point often criticized during the debate on this bill.

* * *

As we have reviewed Senate File 1062, it has become more and more apparent that this measure is poorly conceived and ill-designed. The bill is so fraught with uncertainties and difficulties that we have found few legislators willing to sing its praises. It is indeed surprising that a bill of such consequence would elicit so little support following passage while generating, from members of both parties, so many requests for a full or item veto.

If I were to veto Senate File 1062 in total, for which a good argument can be made, the General Assembly would be compelled to reconsider the bill, start all over, or return in special session in order to keep Iowans from being unduly hit by excessive property tax increases. Yet as legislators continue to tell me, there is little reason to believe this legislature could turn out a better product. The same differences and the same problems frustrating the General Assembly during the development of Senate File 1062 still exist.

While there is no assurance that the legislature would give us an improved bill should I veto Senate File 1062, there would be a guarantee of more lost time in the local budgetary process. Should this occur, local units of government would be delayed in their tax collections and would incur extra interest costs of some \$2 million a month.

While I am tempted to veto Senate File 1062, the prospect of havoc, little or no improvement, and added expense for local governments persuades me to sign into law the first year of this bill. Iowans must have some help and the first year under Senate File 1062 does send state revenues back to give some relief to some taxpayers.

The same considerations do not hold true for the second and third years of Senate File 1062. Next year we will have better information relative to the amount of money available from state resources for financing a property tax package for future years. We also will have the benefit of the efforts of the task force and can act upon its recommendations after they are made - instead of before. The new General Assembly will be in a position to consider improvements in or alternatives to the second and third year provisions of Senate File 1062 in a timely fashion. It could, of course, accept the second and third year provisions of Senate File 1062 if the data, statistics, and judgment accumulated during the interim warrant it.

Because of these considerations, I have decided to item veto from Senate File 1062 the homestead credits for FYE 1978 and FYE 1979, the change in assessment procedures for agricultural property for the same two years, and the automatic surplus triggers which are operative only because of the second and third years of the bill.

By vetoing the second and third years of this bill, I realize that prompt action will have to be taken to achieve a fair and equitable tax program when the next legislative session convenes.

This item veto should not be construed as opposition on my part to the establishment of additional productivity for agricultural land or assessment changes for other classes of property. It does mean that there are unknowns contained in this tax package that, if uncorrected, could do more harm than good to many taxpayers who are hoping for some relief.

I am also item vetoing the property tax limitations for special districts. It was intended that these special purpose districts be under the property tax limitations,

The Honorable Melvin D. Synhorst
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but further study convinces us that the administration of and compliance with the limitations would be virtually impossible.

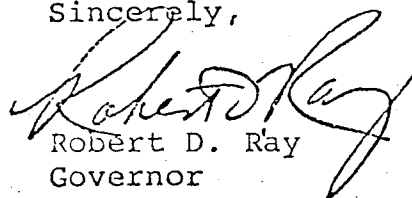
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While I recognize there is always risk in an action such as I am taking today with this item veto, I truly believe that the risk is well worth it when we consider the definite possibility of writing into law next session a far superior plan - one that will be supported by fact and which will help the farmer and the residential dweller. It is hard to imagine that next year's effort will not produce something at least as good and hopefully much better than Senate File 1062..

It must now be apparent that an equitable solution to the basic problem - how local government services can be supplied to our people and how the costs of these services should be allocated - is not simple to develop - but neither is it impossible. The combination of better data and the dedication of people to improve the existing system can surely result in the evolution of a program that can meet the tests of time.

For these reasons, I hereby disapprove the aforementioned eight items in accordance with Amendment 4 of the Amendments of 1968 to the Constitution of the State of Iowa. All other items of Senate File 1062 are hereby approved this date.

Sincerely,



Robert D. Ray
Governor

RDR:cyg

cc: Lt. Governor Arthur A. Neu
Secretary of the Senate
Chief Clerk of the House

SENATE FILE 1062

AN ACT

RELATING TO THE FINANCING OF POLITICAL SUBDIVISIONS OF THIS STATE BY PROVIDING BUDGET LIMITATIONS FOR CERTAIN POLITICAL SUBDIVISIONS, PROVIDING PROPERTY TAX CREDITS FOR CERTAIN PROPERTY OWNERS AND RENTERS, MAKING CHANGES IN THE PROCEDURES FOR THE ASSESSMENT AND VALUATION OF CERTAIN TAXABLE PROPERTY, BY AMENDING THE SCHOOL FOUNDATION LAW, CREATING A TASK FORCE FOR THE STUDY OF LOCAL GOVERNMENT FINANCE AND SERVICES, MAKING CERTAIN PROVISIONS OF THE ACT RETROACTIVE, AND MAKING APPROPRIATIONS.

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

DIVISION I

Budget Limitations for Fiscal Years 1976-77, 1977-78, and 1978-79

Section 1. DEFINITIONS. As used in this division:

1. "Base year" means the preceding fiscal year.
2. "Political subdivision" means a county, a city having a population of more than seven hundred fifty persons or any other local public body or corporation having a property tax budget subject to limitation under sections two (2) through five (5) of this division.
3. "Total budget" means the budget including amendments for all funds or programs of a political subdivision.
4. "Property tax budget" means those parts of the total budget of a political subdivision to be derived from property taxation and subject to the maximum dollar levy limitations under sections two (2) through five (5) of this division.
5. "Person" means eligible elector as defined in section thirty-nine point three (39.3) of the Code.
6. "State appeal board" means the state appeal board created under section twenty-four point twenty-six (24.26) of the Code.

Sec. 2. CITY LEVY LIMITATION. The maximum amount in dollars which may be levied by a city with a population of more than seven hundred fifty over the amount in dollars levied for the base year shall be limited to an aggregate increase of nine percent for the fiscal year beginning July 1, 1976 and seven percent for the fiscal years beginning July 1, 1977 and July 1, 1978 for the following designated property tax levies, except as otherwise provided in this division:

1. The general fund levy authorized pursuant to section three hundred eighty-four point one (384.1) of the Code.
2. The tax levy for the purpose of carrying out the terms of a contract for the use of a bridge by a city situated on a river over which a bridge has been built authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection eight (8), of the Code.
3. The tax levy for the operation and maintenance of a municipal transit system and for the creation of a reserve fund for the system authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection ten (10), of the Code.
4. The tax levy for the lease of a building or complex of buildings to be operated as a civic center authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection eleven (11), of the Code.
5. The tax levy for operating and maintaining a civic center owned by a city authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection twelve (12), of the Code.
6. The tax levy for planning a sanitary disposal system authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection thirteen (13), of the Code.
7. The tax levy for an aviation authority authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection fourteen (14), of the Code.
8. The tax levy for an authority for a joint city-county building authorized pursuant to section three hundred eighty-

four point twelve (384.12), subsection fifteen (15), of the Code.

9. The tax levy for a levee improvement fund authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection sixteen (16), of the Code.

10. The tax levy to aid a railway authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection seventeen (17), of the Code.

11. The tax levy to maintain an institution received by gift or devise authorized pursuant to section three hundred eighty-four point twelve (384.12), subsection eighteen (18), of the Code.

12. The tax levy for the emergency fund authorized pursuant to section three hundred eighty-four point eight (384.8) of the Code.

Sec. 3. COUNTY LEVY LIMITATION. The maximum amount in dollars which may be levied by a county over the amount in dollars levied for the base year shall be limited to an aggregate increase of nine percent for the fiscal year beginning July 1, 1976 and seven percent for the fiscal years beginning July 1, 1977 and July 1, 1978, for the following designated property tax levies, except as otherwise provided in this division:

1. The tax levy for the emergency fund authorized pursuant to section twenty-four point six (24.6) of the Code.

2. The tax levy for the development, operation, and maintenance of a memorial building or monument authorized pursuant to section thirty-seven point eight (37.8) of the Code.

3. The tax levy for the purchase of voting machines authorized pursuant to section fifty-two point three (52.3) of the Code.

4. The tax levy for the county conservation board authorized pursuant to section one hundred eleven A point six (111A.6) of the Code.

5. The tax levy for indemnity payments and the inspection and testing program relating to bovine brucellosis eradication authorized pursuant to section one hundred sixty-four point twenty-three (164.23) of the Code.

6. The tax levy for the bovine tuberculosis eradication fund authorized pursuant to section one hundred sixty-five point eighteen (165.18) of the Code.

7. The tax levy for the fairground fund authorized pursuant to sections one hundred seventy-four point thirteen (174.13) and one hundred seventy-four point seventeen (174.17) of the Code.

8. The tax levy for the purpose of maintaining a county or multicounty juvenile home authorized pursuant to section two hundred thirty-two point twenty-two (232.22) of the Code.

9. The tax levy for the veteran affairs fund authorized pursuant to section two hundred fifty point one (250.1) of the Code.

10. The tax levy for secondary road construction and maintenance authorized pursuant to section three hundred nine point seven (309.7) of the Code.

11. The tax levy for the road clearing fund authorized pursuant to section three hundred seventeen point nineteen (317.19) of the Code.

12. The tax levy for the purchase of weed eradicating equipment and materials authorized pursuant to section three hundred seventeen point twenty (317.20) of the Code.

13. The tax levy for an aviation authority authorized pursuant to section three hundred thirty A point fifteen (330A.15) of the Code.

14. The tax levy for the maintenance and improvement of cemeteries in the county authorized pursuant to section three hundred thirty-two point three (332.3) of the Code.

15. The tax levy for public disposal grounds authorized pursuant to section three hundred thirty-two point thirty-two (332.32) of the Code.

16. The tax levy for the operation, control, maintenance, and management of health centers authorized pursuant to section three hundred forty-six A point two (346A.2) of the Code.

17. The tax levy for the payment of claims for bounties on wild animals authorized pursuant to section three hundred fifty point eight (350.8) of the Code.

18. The tax levy for the maintenance of a county library authorized pursuant to section three hundred fifty-eight B point thirteen (358B.13) of the Code.

19. The tax levy for the entering of contracts for the use of city libraries authorized pursuant to section three hundred fifty-eight B point eighteen (358B.18) of the Code.

20. The tax levy for ordinary county revenue and the election expense fund authorized pursuant to section four hundred forty-four point nine (444.9) of the Code.

21. The tax levy for the county orphan fund authorized pursuant to section four hundred forty-four point eleven (444.11) of the Code.

22. The tax levy for the purpose of planning a sanitary disposal project or of paying interest and principal on bonds issued pursuant to section three hundred forty-six point twenty-three (346.23) of the Code which levy is authorized pursuant to section four hundred fifty-five B point eighty-one (455B.81) of the Code.

23. The tax levy for flood and erosion control projects authorized pursuant to section four hundred sixty-seven B point nine (467B.9) of the Code.

24. The tax levy for the maintenance of property received by a county by gift or devise authorized pursuant to section five hundred sixty-five point eight (565.8) of the Code.

Sec. 4. SPECIAL DISTRICT LEVY LIMITATION. The maximum amount in dollars which may be levied by a special purpose district over the amount in dollars levied for the base year shall be limited to an aggregate increase of nine percent for the fiscal year beginning July 1, 1976 and seven percent

for the fiscal years beginning July 1, 1977 and July 1, 1978, for the following designated property tax levies, except as otherwise provided in this division:

1. The tax levy by a benefited water district for the maintenance of the water system authorized pursuant to section three hundred fifty-seven point twenty-five (357.25) of the Code.

2. The tax levy by a benefited fire district to provide fire protection within the district authorized pursuant to section three hundred fifty-seven B point three (357B.3) of the Code and the levy authorized pursuant to section three hundred fifty-seven B point five (357B.5) of the Code which permits the county board of supervisors to continue the levy upon dissolution of the district until all debts and obligations of the dissolved district are paid.

3. The tax levy by a benefited street lighting district authorized pursuant to section three hundred fifty-seven C point seven (357C.7) and three hundred fifty-seven C point eleven (357C.11) of the Code.

4. The tax levy authorized pursuant to section four hundred sixty-six point four (466.4) of the Code permitting a levy sufficient to raise the amount necessary for maintenance of a system to provide internal drainage necessary by the construction of a levee along a navigable stream forming a part of the boundary of the state.

5. The tax levy for a soil conservation district authorized pursuant to section four hundred sixty-seven A point twenty (467A.20) of the Code.

6. The tax levy authorized pursuant to section four hundred eighty-three point one (483.1) of the Code to provide aid to railroads.

Sec. 5. AGRICULTURAL EDUCATION LEVY LIMITATION. The maximum amount in dollars which may be levied for the county agricultural extension education program authorized pursuant to section one hundred seventy-six A point ten (176A.10) of

the Code over the amount in dollars levied for the base year shall be limited to an increase of nine percent for the fiscal year beginning July 1, 1976 and seven percent for the fiscal years beginning July 1, 1977 and July 1, 1978, except as otherwise provided in this division.

Sec. 6. DUTIES OF STATE COMPTROLLER.

1. As soon as practicable after the effective date of this division, the state comptroller shall give notice of the requirements of this division and distribute such forms as required to the governing bodies of the political subdivisions of this state.

2. The state comptroller shall review the certified total budget of each political subdivision and calculate the dollar amount and percentage increase of the property tax budget for the fiscal years beginning July 1, 1976, July 1, 1977 and July 1, 1978 over the property tax budget for the base year.

3. If the property tax budget of a political subdivision for the fiscal year beginning July 1, 1976, July 1, 1977, or July 1, 1978 exceeds the property tax budget of such political subdivision for the base year by more than nine percent, the state comptroller shall reduce the certified total budget to provide a property tax budget increase of nine percent and return the certified total budget to the governing body with notification that, following a public hearing as provided in section eight (8) of this division, the total budget shall be recertified with a property tax budget increase not exceeding nine percent or that, without a public hearing, the certified total budget shall be submitted to the state appeal board for approval as provided in section seven (7) of this division if the increase of more than nine percent is needed.

4. If the property tax budget of a political subdivision for the fiscal year beginning July 1, 1977 or July 1, 1978 exceeds the property tax budget of such political subdivision

for the base year by more than seven percent but not more than nine percent, the state comptroller shall reduce the certified total budget to provide a property tax budget increase of seven percent and return the certified total budget to the governing body with notification that a public hearing must be held as provided in section eight (8) of this division.

Sec. 7. APPROVAL OF STATE APPEAL BOARD.

1. Upon receipt of the notification from the state comptroller as provided in section six (6), subsection three (3) of this division, the governing body of such political subdivision shall petition the state appeal board to approve the total budget of the political subdivision not later than seven days following receipt of notification if the increase of more than nine percent is needed. However, if the governing body, upon receipt of such notification, finds that an increase in the property tax budget above nine percent is not justified, the governing body shall publish notice of and conduct a public hearing for the purpose of approving a total budget which includes a property tax budget increase of nine percent or less. The public hearing shall be carried out according to the provisions of section eight (8) of this division except that, for the total budget for the fiscal year beginning July 1, 1976, the public hearing shall be held within twenty days after the receipt of notification.

2. A petition to the state appeal board under this division shall be submitted in writing on forms furnished by the state comptroller citing the unusual circumstances as outlined in subsection three (3) of this section, which create the need for property tax budget expenditures in excess of nine percent of the base year's property tax budget expenditures and accompanied by such supporting documents as required by the state appeal board. The state appeal board shall conduct a public hearing on the petition in the county or in one of the counties in which the political subdivision is located

and may request additional information. The state appeal board shall hear and consider any appeal made by persons affected by the total budget of a political subdivision at the same time the petition of the governing board of such political subdivision is heard and considered.

3. If a political subdivision has unusual circumstances, creating a need for additional budget expenditures in excess of nine percent of the base year's property tax expenditures, the following unusual circumstances shall be the basis for justifying a property tax budget increase exceeding nine percent:

- a. Any unusual increase in population as determined by the preceding certified federal census.
- b. Natural disaster or other emergencies.
- c. Unusual problems relating to major new functions required by state law.
- d. Unusual staffing problems.
- e. Unusual need for additional funds to permit continuance of a program which provides substantial benefit to its residents.
- f. Unusual need for a new program which will provide substantial benefit to residents, if the political subdivision establishes the need and the amount of necessary increased cost.
- g. Need for increased expenditures by a political subdivision having unusually low total budget expenditures for the base year because of property tax levy limitations otherwise provided by law.

4. The state appeal board may approve or modify the base year's total budget expenditures of any political subdivision which changes accounting procedures.

5. The state appeal board shall approve the total budget as requested or reduce the amount of increased expenditures. All decisions of the board under this division shall be made in accordance with reasonable and uniform policies which shall

be consistent to carry out the provisions of this division. The board shall take into account the intent of this division to provide property tax relief and to provide reasonable control of costs of the political subdivisions of this state.

6. Upon decision of the board, the state comptroller shall make the necessary changes in the total budget of the political subdivision and certify the total budget to the governing body of the political subdivision and the appropriate county auditors.

Sec. 8. ADDITIONAL PUBLIC HEARING--FISCAL YEARS 1977-78 AND 1978-79.

Upon receipt of the notification from the state comptroller that the property tax budget of the certified total budget of a political subdivision for the fiscal year beginning July 1, 1977 or July 1, 1978 exceeds seven percent but not more than nine percent of the property tax budget of such political subdivision for the base year, the governing body of such political subdivision shall publish notice of and conduct a public hearing not later than April fifteenth. The date, time and location of the public hearing and the information required to be published under section nine (9) of this division, shall be published in a newspaper having general circulation throughout the political subdivision not less than five days before the date of hearing. Thereafter, the total budget shall be recertified, with or without changes that may be made after the hearing, to the county auditor and the state comptroller not later than April fifteenth. If, after such hearing, the property tax budget for the fiscal year beginning July 1, 1977 or July 1, 1978 exceeds the property tax budget of the base year by more than nine percent, such budget shall be subject to the approval of the state appeal board as provided in section seven (7) of this division.

Sec. 9. BUDGET PROCESS--NOTICE OF PUBLIC HEARING. In addition to the requirements of chapters twenty-four (24) and three hundred eighty-four (384), division two (II), of

the Code relating to the publication of notice and public hearing on a budget of a political subdivision, the public notice of a hearing on a total budget shall include the following information:

1. The percentage and the dollar amount increase or decrease for the total budget and the property tax budget of the political subdivision.
2. The percentage and the dollar amount increase or decrease of each fund included in the proposed total budget and the property tax budget.
3. A statement showing the allowable growth percentages established by the general assembly and the dollar amount of increase represented by such percentages for the proposed total budget and the property tax budget of the political subdivision.
4. A statement of the major reasons for the proposed increases in the proposed total budget and the property tax budget.
5. A comparison of the percentages and dollar amounts proposed to be expended with the percentages and dollar amounts expended or proposed to be expended during the current fiscal year as amended to the date of publication which information shall be displayed in the publication in the form of a pie graph. The graphs shall be prepared for both fiscal years with one pie graph for each fiscal year showing the sources of anticipated revenue and one pie graph for each fiscal year showing the proposed budget expenditures by category of services.

The provisions of this section shall not apply to publication of notice for a hearing on a total budget for the fiscal year beginning July 1, 1976 required under section twenty-four point nine (24.9) or three hundred eighty-four point sixteen (384.16) of the Code if the notice of hearing has been published before the effective date of this division, but it shall apply to any other notice for a hearing on a

total budget or amendment to a total budget required by this division or other provision of law for the fiscal years beginning July 1, 1976, July 1, 1977, and July 1, 1978.

Sec. 10. EXCEPTION TO DATES FOR BUDGET APPEAL.

Notwithstanding sections twenty-four point twenty-seven (24.27) through twenty-four point thirty-two (24.32), inclusive, and three hundred eighty-four point nineteen (384.19) of the Code, persons affected by a certified total budget of a political subdivision which conducts a public hearing as provided in section eight (8) of this division, shall have ten days following recertification of such budget to file a petition to protest to the state appeal board. All other time limitations or dates specified in sections twenty-four point twenty-seven (24.27) through twenty-four point thirty-two (24.32), inclusive, and section three hundred eighty-four point nineteen (384.19) of the Code shall be correspondingly changed or extended to allow the same amount of time for the protest hearing and the decision of the state board that would exist had the appeal to the state appeal board been filed as provided in section twenty-four point twenty-seven (24.27) or three hundred eighty-four point nineteen (384.19) of the Code.

Sec. 11. PROPERTY TAX CARRYOVER. If a political subdivision adopts a total budget for the fiscal year beginning July 1, 1976, which does not include an increase in the amount of property tax levy for the property tax budget computed in dollars which exceeds or is equal to nine percent, the political subdivision may levy property taxes for the succeeding fiscal year in excess of a seven percent increase and be exempt from the provisions of sections seven (7) and eight (8) of this division. Also, if a political subdivision adopts a total budget for the fiscal year beginning July 1, 1977, which does not include an increase in the amount of property tax levy for the property tax budget computed in dollars which exceeds or is equal to seven percent, the

political subdivision may levy property taxes for the succeeding fiscal year in excess of a seven percent increase and be exempt from the provisions of sections seven (7) and eight (8) of this division. However, the exemption from the provisions of sections seven (7) and eight (8) of this division shall be applicable only if the additional property tax levy for the property tax budget does not raise in dollars an amount which exceeds the seven percent increase for the fiscal year beginning July 1, 1977 or July 1, 1978 and the difference between the amount in dollars which the political subdivision levied during the base year and the amount in dollars which the political subdivision could have levied during the base year under this division.

Sec. 12. PROPERTY TAX LEVY LIMITATION NOT AFFECTED. The provisions of this division shall not be construed as removing or otherwise affecting the property tax levy limitations otherwise provided by law for any fund, account, or program in the total budget of a political subdivision.

Sec. 13. BUDGET APPEAL NOT AFFECTED. The provisions of this division shall not be construed to prohibit or affect a protest filed with the state appeal board by persons affected by the total budget of a political subdivision.

Sec. 14. SPECIAL CHARTERED CITIES. It is the intention of the general assembly that the provisions of this division shall apply to special chartered cities. The state appeal board may adopt such rules relating to budget forms and procedures as the state appeal board deems necessary to carry out the provisions of this division regarding special chartered cities.

Sec. 15. Section twenty-four point twenty-seven (24.27), Code 1975, is amended to read as follows:

24.27 PROTEST TO BUDGET. Not later than the first Tuesday in April, a number of persons in any municipality equal to one-fourth of one percent of those voting for the office of president of the United States or governor, as the case may

be, at the last general election in said municipality, but ~~in no event the number shall not be less than ten and the number need not be more than one hundred persons, who are~~ affected by any proposed budget, expenditure or tax levy, or by any item thereof, may appeal from any decision of the certifying board or the levying board, as the case may be, by filing with the county auditor of the county in which such municipal corporation is located, a written protest setting forth their objections to such budget, expenditure or tax levy, or to one or more items thereof, and the grounds for such objections, ~~provided that at least three of such persons shall have filed a joint written objection, at or before the time of the meeting contemplated in section 24.44 which shall include a detailed statement of the objections to said budget, expenditures or tax levy for each and every fund, or the items therein to which objection is taken and an analysis of the fund or funds, or items therein showing grounds for such objections or shall have appeared and made objection, either general or specific, as provided by section 24.44.~~ Upon the filing of any such protest, the county auditor shall immediately prepare a true and complete copy of said written protest, together with the budget, proposed tax levy or expenditure to which objections are made, and shall transmit the same forthwith to the state board, and shall also send a copy of such protest to the certifying board or to the levying board, as the case may be.

Sec. 16. Section three hundred eighty-four point nineteen (384.19), unnumbered paragraph one (1), Code 1975, as amended by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter one hundred ninety-seven (197), section twenty-eight (28), is amended to read as follows:

Within a period of ten days after the final date that a budget or amended budget may be certified to the county auditor, persons affected by the budget may file a written protest with the county auditor, specifying their objections

to the budget or any part of it. A protest must be signed by qualified electors equal in number to one-fourth of one percent of the votes cast for governor in the last preceding general election in the city, but not the number shall not be less than ten persons, and at least three of the signers must have filed a written objection or appeared and objected to the budget at the budget hearing held by the council and the number need not be more than one hundred persons.

DIVISION II

VALUATION OF AGRICULTURAL PROPERTY

Sec. 17. AGRICULTURAL PROPERTY VALUATION. Notwithstanding the provisions of section four hundred forty-one point twenty-one (441.21) of the Code, for assessments made as of January 1, 1976, the actual value of each tract of agricultural property consisting of more than ten acres shall be computed by multiplying the valuations established by the assessor and approved by the board of review by the percentage which the 1975 income value per acre bears to the 1975 actual value per acre of the agricultural property both as determined by the director. The county auditor shall proceed to make the necessary adjustments on the tax lists. If the valuation of the agricultural property is increased in a county, the county auditor shall notify by ordinary mail the owners of agricultural property affected by the adjustment made pursuant to this section. The local board of review shall reconvene for a period of thirty days following the notification to the taxpayer in counties where valuations have been increased under this section. The notice shall include the adjusted value of the property, the dates during which the board of review is reconvened, and that a protest may be filed within twenty days from the date the local board of review is reconvened. The protest shall be limited to the adjustment made pursuant to this section. The provisions of this section shall apply only to valuations of agricultural property valued as of January 1, 1976.

Sec. 18. Notwithstanding the provisions of section four hundred forty-one point twenty-one (441.21) of the Code, for assessments made as of January 1, 1977, in assessing and determining the actual value of agricultural land, except structures located thereon, the value shall be computed on the basis of the productivity and net earning capacity of the land determined on the basis of the use for agricultural purposes capitalized at a rate representing a fair return on the investment, such rate to be established by the state board of tax review and applied uniformly among counties and among classes of property. The actual value of a structure located on agricultural land shall be the fair and reasonable market value of the structure. The provisions of this section shall apply only to valuations of agricultural property valued as of January 1, 1977.

Sec. 19. EFFECTIVE DATE. The provisions of section seventeen (17) of this Act shall be effective to January 1, 1976 for valuations of agricultural property assessed as of January 1, 1976 and to this extent the provisions of section seventeen (17) are retroactive.

DIVISION III

CREDIT FOR RESIDENTIAL PROPERTY

Sec. 20. HOMESTEAD TAX CREDIT. Notwithstanding the provisions of section four hundred twenty-five point one (425.1), subsections two (2), three (3), and four (4) of the Code, the homestead tax credit shall be computed so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first four thousand five hundred dollars of actual value for each homestead. The provisions of this section shall only be applicable for each homestead tax credit claimed between January 1, 1975 and July 1, 1975 and approved.

Sec. 21. ADMINISTRATION. Not later than August 1, 1976, the county auditor shall recompute the amount of credit allowed on each eligible homestead claimed between January 1, 1975

and July 1, 1975, and approved and certify the amount of the homestead tax credits claimed in the county to the county treasurer and the department of revenue. The department shall reimburse each county in the manner and at such time as is presently provided by law.

Sec. 22. EFFECTIVE DATE. The provisions of sections twenty (20) and twenty-one (21) of this Act are effective to January 1, 1975 for credits claimed and approved in 1975 under chapter four hundred twenty-five (425) of the Code for a homestead tax credit on eligible homesteads which claims are payable during the fiscal year beginning July 1, 1976 ending June 30, 1977 and to this extent the provisions of sections twenty (20) and twenty-one (21) of this Act are retroactive.

Sec. 23. Notwithstanding the provisions of section four hundred twenty-five point one (425.1), subsections two (2), three (3), and four (4) of the Code, the homestead tax credit shall be computed so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first five thousand dollars of actual value for each homestead. The provisions of this section shall only be applicable for each homestead tax credit claimed between January 1, 1976 and July 1, 1976 and approved and for each homestead tax credit claimed between January 1, 1977 and July 1, 1977 and approved except as provided in sections forty (40) and forty-one (41) of this Act.

Sec. 24. EFFECTIVE DATE. The provisions of section twenty-three (23) of this Act are effective to January 1, 1976 for credits claimed on or after January 1, 1976 and approved under chapter four hundred twenty-five (425) of the Code for a homestead tax credit on an eligible homestead and to this extent the provisions of section twenty-three (23) of this Act are retroactive.

DIVISION IV

AGRICULTURAL LAND CREDIT FUND

Sec. 25. APPROPRIATION. There is appropriated for the fiscal year beginning July 1, 1976 and ending June 30, 1977 to the agricultural land credit fund the sum of twenty-four million (24,000,000) dollars which shall be in addition to moneys appropriated pursuant to section four hundred twenty-six point one (426.1) of the Code.

Sec. 26. ADMINISTRATION. Not later than May 1, 1976, the state comptroller shall recertify to the county auditors of the respective counties the pro rata percentage of reimbursement from the agricultural land credit fund which shall be distributed by the state comptroller on or before September 15, 1976.

DIVISION V

STATE SCHOOL FOUNDATION PROGRAM

Sec. 27. Acts of the Sixty-sixth General Assembly, 1975 Session, chapter seventy-nine (79), section nineteen (19), subsection two (2), unnumbered paragraph one (1), amending section four hundred forty-two point seven (442.7), Code 1975, is amended to read as follows:

2. For school years subsequent to the school year beginning July 1, 1975, a state percent of growth for the budget year shall be computed by the state comptroller prior to February fifteenth of each year and forwarded to the superintendent of public instruction. The state percent of growth shall be an average of the following ~~six~~ four percentages of growth,

Sec. 28. Acts of the Sixty-sixth General Assembly, 1975 Session, chapter seventy-nine (79), section nineteen (19), subsection two (2), amending section four hundred forty-two point seven (442.7), Code 1975, is amended by striking paragraph b.

Sec. 29. The provisions of sections twenty-seven (27) and twenty-eight (28) of this Act are effective July 1, 1976.

DIVISION VI

PROPERTY TAX REIMBURSEMENT

Sec. 30. Section four hundred twenty-five point seventeen (425.17), subsection ten (10), Code 1975, as amended by Acts of the Sixty-sixth General Assembly, 1975 Session, chapter two hundred thirteen (213), section one (1), is amended to read as follows:

10. "PROPERTY TAXES PAID" means property taxes including one-half of any special assessments, but exclusive of special assessments, delinquent interest, and charges for services, paid on a claimant's homestead in this state, but includes only property taxes for which the claimant was liable and which were actually paid by the claimant. If the property taxes have actually been paid, they shall be deemed to have been paid when due, regardless of the date of actual payment. "Property taxes paid" shall be computed with no deduction for any credit under this division or for any homestead credit allowed under section 425.1. Claims for property tax reimbursement filed in 1974 shall be based upon the property taxes paid in 1973. Claims for property tax reimbursement filed in 1975 shall be limited to two-thirds of the property taxes paid in 1974 and the first one-half of 1975. Each year thereafter, each claim shall be based upon the taxes paid during the base year. If a homestead is owned by two or more persons as joint tenants or tenants in common, and one or more persons are not a member of claimant's household, "property taxes paid" is that part of property taxes paid on the homestead which equals the ownership percentage of the claimant and his household. The county treasurer shall include with the tax receipt a statement that if the owner of the property is sixty-five years of age or over or is totally disabled or is a surviving spouse of such person who is over the age of fifty-five years of age, the person may be eligible for the credit allowed under this division. If a claimant changes his homestead, this shall not prevent him

from filing a claim based on property taxes for which the claimant was liable and which were actually paid by the claimant, but duplication of claims shall not be allowed. If a homestead is an integral part of a farm, the claimant may use the total property taxes paid for the larger unit, but not exceeding forty acres of land. If a homestead is an integral part of a multidwelling or multipurpose building the property taxes paid for the purpose of this subsection shall be prorated to reflect the portion which the value of the property that the household occupies as its homestead is to the value of the entire structure. For purposes of this subsection, "unit" refers to that parcel of property covered by a single tax statement of which the homestead is a part.

Sec. 31. Section four hundred twenty-five point seventeen (425.17), Code 1975, is amended by adding the following new subsection:

NEW SUBSECTION. "Special assessment" means special assessments made pursuant to sections three hundred eighty-four point thirty-seven (384.37) through three hundred eighty-four point seventy-nine (384.79) of the Code. The amount of a special assessment which may be included in the amount of property taxes paid for one year shall be an amount equal to one-twentieth of the total amount of the special assessment levied against the homestead of the claimant, if the claimant elected to pay the total amount of the special assessment in one payment. If the claimant elects to pay the special assessment in ten annual installments as provided by law, the claimant may include as a portion of the property taxes paid during the base year an amount equal to one-half of the special assessment, including interest, paid during that same base year.

Sec. 32. Section four hundred twenty-five point twenty-three (425.23), subsection one (1), Code 1975, as amended by Acts of the Sixty-sixth General Assembly, 1975 Session,

chapter two hundred thirteen (213), section three (3), is amended by striking paragraph a and inserting in lieu thereof the following:

a. The amount shall be determined in accordance with the following schedule:

| If the household income is: | Percent of property taxes paid or rent constituting property taxes paid allowed as a reimbursement: |
|-----------------------------|---|
| \$ 0 - 999.99 | 100% |
| 1,000 - 1,999.99 | 95 |
| 2,000 - 2,999.99 | 85 |
| 3,000 - 3,999.99 | 70 |
| 4,000 - 4,999.99 | 55 |
| 5,000 - 5,999.99 | 45 |
| 6,000 - 6,999.99 | 35 |
| 7,000 - 7,999.99 | 30 |
| 8,000 - 8,999.99 | 25 |

Sec. 33. The provisions of sections thirty (30), thirty-one (31) and thirty-two (32) of this Act shall become effective January 1, 1977 for all claims for property taxes paid and rent constituting property taxes paid filed on or after January 1, 1977.

DIVISION VII
TASK FORCE

Sec. 34. TASK FORCE CREATED. There is established a local government task force composed of sixteen members. Of the sixteen members, two shall be members of the senate and two shall be members of the house of representatives who shall be nonvoting members, and twelve members who are interested and knowledgeable in affairs of local government. All members of the task force shall be appointed by the governor. Of the members appointed from the senate, the governor shall appoint one member from the majority party and one member from the minority party each of whom are members of the senate

committee on ways and means. Of the members appointed from the house of representatives, the governor shall appoint one member from the majority party and one member from the minority party each of whom are members of the house committee on ways and means. Of the remaining twelve members, the governor shall appoint two members from each congressional district, who shall not be members of the same political party. The members appointed by the governor shall serve at the pleasure of the governor. Any vacancy in the membership of the task force shall be filled by appointment in the same manner as the original appointments.

The nonlegislative members of the task force shall receive their actual and necessary expenses to be audited by the state comptroller. Members of the task force who are members of the general assembly shall receive a per diem of forty dollars and their actual and necessary expenses.

Sec. 35. DUTIES. The local government task force shall conduct a study of local government services and finance. The following suggested study guidelines are provided for reference only and should not be considered in order of priority or inclusive of all matters that may be properly included in the research and study necessary to carry out the intent of this Act:

1. The nature of local government services.
2. Which level of government should provide specific services?
3. Who should pay for these services?
4. How should different types and kinds of property be valued and equalized for assessment purposes?
5. What budget limitations, if any, should be imposed?
6. Which local services, if any, should be financed by state aid?
7. The economics and effectiveness of the delivery of services to people.
8. The merits of local option taxation.

9. The budgeting procedures and mechanisms of local governments.

10. The development of a method of "recapturing" taxes on agricultural land if agricultural land is assessed at other than market value.

Sec. 36. STAFF. The governor may employ such professional, technical, and administrative assistance as shall be necessary to accomplish the purpose of this Act.

Sec. 37. REPORT. The governor shall transmit the recommendations of the local government task force, accompanied by proposed legislation necessary to carry out the recommendations, to the Sixty-seventh General Assembly not later than January 10, 1977. Copies of the recommendations and of the recommended legislation shall be transmitted to the president of the senate and the speaker of the house of representatives who shall, within ten days after the date of receipt, assign the proposed legislation to the appropriate standing committee.

Sec. 38. ACQUIRING DATA. The state comptroller may request the county auditor, an assessor, or any other public official to provide the valuations of each class of property in each city, county, school district, or other political subdivision of the state, and any other information which the task force deems necessary to properly perform its duties. The county auditors, assessors, and other public officials shall cooperate with the state comptroller and provide such information as is requested.

Sec. 39. APPROPRIATION. There is appropriated from the general fund of the state to the office of the governor the sum of one hundred thousand (100,000) dollars, or so much thereof as may be necessary, for the fiscal year beginning July 1, 1976 and ending June 30, 1977, for the purpose of the employment of such professional, technical and administrative staff and assistance on such basis as shall be determined by the governor and for such other expenses

as shall be necessary to accomplish the purpose of this Act, including per diem and actual expenses incurred by task force members as provided in section thirty-four (34) of this Act.

DIVISION VIII

Sec. 40. If the unencumbered balance of the general fund of the state on June 30, 1976 does not exceed fifty million dollars, the homestead tax credit computed in the manner provided in section twenty-three (23) of this Act shall not apply and the homestead tax credit for claims filed in 1976 shall be computed so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first four thousand five hundred dollars of actual value for each homestead. The county auditor shall compute the homestead tax credit in the manner provided in section twenty-three (23) of this Act and if the general fund balance does not exceed fifty million dollars, the department of revenue shall reduce the amount of each homestead tax credit claim certified to the department by ten percent and recertify the amount of the credit to be allowed on each eligible homestead to the county treasurers of the respective counties.

If the unencumbered balance of the general fund of the state on June 30, 1976, does not exceed fifty million dollars, there is appropriated for the fiscal year beginning July 1, 1977 and ending June 30, 1978 an amount equal to thirteen million (13,000,000) dollars, or so much thereof as may be necessary, to the agricultural land credit fund and the provisions of section four hundred twenty-six point one (426.1) of the Code shall not apply for the fiscal year beginning July 1, 1977 and ending June 30, 1978.

If the provisions of this section become effective and the amount of funds appropriated to the agricultural land credit fund is the amount specified in this section, the state comptroller shall recertify to the county auditors of the respective counties the pro rata percentage of reimbursement

from the agricultural land credit fund which shall be distributed by the state comptroller.

Sec. 41. If the unencumbered balance of the general fund of the state on June 30, 1977 does not exceed fifty million dollars, the homestead tax credit computed in the manner provided in section twenty-three (23) of this Act shall not apply and the homestead tax credit for claims filed in 1977 shall be computed so as to give a credit against the tax on each eligible homestead in the state in an amount equal to the actual levy on the first four thousand five hundred dollars of actual value for each homestead. The county auditor shall compute the homestead tax credit in the manner provided in section twenty-three (23) of this Act and if the general fund balance does not exceed fifty million dollars, the department of revenue shall reduce the amount of each homestead tax credit claim certified to the department by ten percent and recertify the amount of the credit to be allowed on each eligible homestead to the county treasurers of the respective counties.

If the unencumbered balance of the general fund of the state on June 30, 1977, does not exceed fifty million dollars, there is appropriated for the fiscal year beginning July 1, 1978 and ending June 30, 1979 an amount equal to thirteen million (13,000,000) dollars, or so much thereof as may be necessary, to the agricultural land credit fund and the provisions of section four hundred twenty-six point one (426.1) of the Code shall not apply for the fiscal year beginning July 1, 1978 and ending June 30, 1979.

If the provisions of this section become effective and the amount of funds appropriated to the agricultural land credit fund is the amount specified in this section, the state comptroller shall recertify to the county auditors of the respective counties the pro rata percentage of reimbursement from the agricultural land credit fund which shall be distributed by the state comptroller.

Sec. 42. This Act, being deemed of immediate importance, shall take effect and be in force from and after its publication in the Globe-Gazette, a newspaper published in Mason City, Iowa, and in The Perry Daily Chief, a newspaper published in Perry, Iowa.

ARTHUR A. NEU
President of the Senate

DALE M. COCHRAN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 1062, Sixty-sixth General Assembly.

STEVEN C. CROSS
Secretary of the Senate

Approved *April 26*, 1976

ROBERT D. RAY
Governor