

State Government
Nystrom, Chair
Drake
Palmer

HOUSE FILE 2371

BY COMMITTEE ON STATE GOVERNMENT

(Formerly Study Bill 633)

HB 22 1982

Place On Calendar

Passed House, Date 3-4-82 (p 674) Passed Senate, Date 4-7-82 (p 1085)

Vote: Ayes 96 Nays 0 Vote: Ayes 48 Nays 0

Approved April 19, 1982

A BILL FOR

1 An Act to revise the procedures of the state appeal board
2 in the consideration of the budgets of local governments
3 and providing an effective date.

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

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1 Section 1. Section 24.9, unnumbered paragraph 4, Code
2 1981, is amended to read as follows:

3 Budget estimates adopted and certified in accordance with
4 this chapter may be amended and increased as the need arises
5 to permit appropriation and expenditure during the fiscal
6 year covered by ~~such~~ the budget of unexpended cash balances
7 on hand at the close of the preceding fiscal year and which
8 cash balances had not been estimated and appropriated for
9 expenditure during the fiscal year of the budget sought to
10 be amended, and also to permit appropriation and expenditure
11 during the fiscal year covered by ~~such~~ the budget of amounts
12 of cash anticipated to be available during ~~such~~ the year from
13 sources other than taxation and which had not been estimated
14 and appropriated for expenditure during the fiscal year of
15 the budget sought to be amended. Such amendments to budget
16 estimates may be considered and adopted at any time during
17 the fiscal year covered by the budget sought to be amended,
18 by filing ~~such~~ the amendments and upon publishing ~~the-same~~
19 them and giving notice of the public hearing ~~thereon~~ in the
20 manner required in this section. Within ~~twenty~~ ten days of
21 the decision or order of the certifying or levying board,
22 ~~such~~ the proposed amendment of the budget ~~shall-be~~ is subject
23 to protest, hearing on ~~such~~ the protest, appeal to the state
24 appeal board and review by ~~such~~ that body, all in accordance
25 with ~~the-provisions-of~~ sections 24.27 to 24.32, so far as
26 applicable. A local budget shall be amended by May 31 of
27 the current fiscal year to allow time for a protest hearing
28 to be held and a decision rendered before June 30. An
29 amendment of a budget after May 31 which is properly appealed
30 but without adequate time for hearing and decision before
31 June 30 is void. Amendments to budget estimates accepted or
32 issued under ~~the-provisions-of~~ this section ~~shall~~ are not
33 ~~be-considered-as~~ within ~~the-provisions-of~~ section 24.14.

34 Sec. 2. Section 24.27, Code 1981, is amended to read as
35 follows:

1 24.27 PROTEST TO BUDGET. Not later than ~~the first Tuesday~~
2 ~~in April~~ March 25, a number of persons in any municipality
3 equal to one-fourth of one percent of those voting for the
4 office of ~~president of the United States or governor, as the~~
5 ~~case may be~~, at the last general election in said the
6 municipality, but the number shall not be less than ten, and
7 the number need not be more than one hundred persons, who
8 are affected by any proposed budget, expenditure or tax levy,
9 or by any item thereof, may appeal from any decision of the
10 certifying board or the levying board, ~~as the case may be,~~
11 by filing with the county auditor of the county in which sueh
12 the municipal corporation is located, a written protest setting
13 forth their objections to sueh the budget, expenditure or
14 tax levy, or to one or more items thereof, and the grounds
15 for sueh their objections. If a budget is certified after
16 March 15, all appeal time limits shall be extended to
17 correspond to allowances for a timely filing. Upon the filing
18 of any-sueh a protest, the county auditor shall immediately
19 prepare a true and complete copy of said the written protest,
20 together with the budget, proposed tax levy or expenditure
21 to which objections are made, and shall transmit ~~the same~~
22 them forthwith to the state board, and shall also send a copy
23 of sueh the protest to the certifying board or to the levying
24 board, as the case may be.

25 Sec. 3. Section 24.28, Code 1981, is amended to read as
26 follows:

27 24.28 HEARING ON PROTEST. The state board, within a
28 reasonable time, shall fix a date for an initial hearing on
29 sueh the protest and ~~shall~~ may designate a deputy to hold
30 sueh the hearing, which shall be held in the county or in
31 one of the counties in which sueh the municipality is located.
32 Notice of the time and place of sueh the hearing shall be
33 given by certified mail to the ~~chief executive officer of~~
34 the municipality appropriate officials of the local government
35 and to the first ten property owners whose names appear upon

1 ~~such~~ the protest, at least five days before the date fixed
2 for ~~such~~ the hearing. At all ~~such~~ hearings, the burden shall
3 be upon the objectors with reference to any proposed item
4 in the budget which was included in the budget of the previous
5 year and which ~~such~~ the objectors propose should be reduced
6 or excluded; but the burden shall be upon the certifying board
7 or the levying board, as the case may be, to show that any
8 new item in the budget, or any increase in any item ~~thereof~~
9 in the budget, is necessary, reasonable, and in the interest
10 of the public welfare.

11 Sec. 4. Section 24.29, Code 1981, is amended to read as
12 follows:

13 24.29 APPEAL. The state board may conduct the hearing
14 or may appoint a deputy. A deputy designated to hear any
15 ~~particular~~ an appeal shall attend in person and conduct ~~such~~
16 the hearing in accordance with ~~the procedure prescribed in~~
17 section 24.28, and shall promptly report the proceedings had
18 at ~~such~~ the hearing, which report shall become a part of the
19 permanent record of the state board. ~~At the request of either~~
20 ~~party, or on his own motion, the deputy shall employ a~~
21 ~~stenographer to report the proceedings, in which event the~~
22 ~~stenographic notes shall be filed with the report. -- Either~~
23 ~~party desiring to have a transcript of such notes presented~~
24 ~~to the state board with the deputy's report, may have the~~
25 ~~same made at his initial expense, such expense to eventually~~
26 ~~follow the result.~~

27 Sec. 5. Section 24.32, Code 1981, is amended to read as
28 follows:

29 24.32 DECISION CERTIFIED ~~TO COUNTY~~. After a hearing upon
30 ~~such~~ the appeal, the state board shall certify its decision
31 ~~with respect thereto~~ to the county auditor and to the parties
32 to the appeal as provided by rule, and ~~such~~ the decision shall
33 be final. The county auditor shall make up ~~his~~ the records
34 in accordance with ~~such~~ the decision and the levying board
35 shall make its levy in accordance ~~therewith~~ with the decision.

1 Upon receipt of ~~such~~ the decision, ~~the county auditor shall~~
2 ~~immediately notify both parties thereof, whereupon the~~
3 certifying board shall correct its records accordingly, if
4 necessary. Final disposition of all ~~such~~ appeals shall be
5 made by the state board on or before April 24 30 of each year.

6 Sec. 6. Section 384.18, unnumbered paragraph 2, Code 1981,
7 is amended to read as follows:

8 A budget amendment must be prepared and adopted in the
9 same manner as the original budget, as provided in section
10 384.16, and is subject to protest as provided in section
11 384.19, except that the committee may by rule provide that
12 amendments of certain types or up to certain amounts may be
13 made without public hearing and without being subject to
14 protest. A city budget shall be amended by May 31 of the
15 current fiscal year to allow time for a protest hearing to
16 be held and a decision rendered before June 30. The amendment
17 of a budget after May 31, which is properly appealed but
18 without adequate time for hearing and decision before June
19 30 is void.

20 Sec. 7. Section 384.19, unnumbered paragraphs 3 and 4,
21 Code 1981, are amended to read as follows:

22 The state appeal board shall proceed to consider the protest
23 in accordance with the same provisions that protests to budgets
24 of municipalities are considered under chapter 24. The state
25 appeal board shall certify its decision with respect to the
26 protest to the county auditor and to the parties to the appeal
27 as provided by rule, and ~~such~~ the decision shall be final.

28 The county auditor shall make up ~~his~~ the records in
29 accordance with ~~such~~ the decision and the levying board shall
30 make its levy in accordance ~~therewith~~ with the decision.
31 Upon receipt of ~~such~~ the decision, ~~the county auditor shall~~
32 ~~immediately notify both parties thereof, whereupon the council~~
33 shall correct its records accordingly, if necessary.

34 Sec. 8. Section 441.16, unnumbered paragraph 4, Code 1981,
35 is amended to read as follows:

1 Each fiscal year the chairman of the conference board
2 shall, by written notice, call a meeting of the conference
3 board to consider such the proposed budget and-shall-fix-and
4 adept-a-consolidated-budget-for-the-ensuing-year-not-later
5 than-January-15 and to comply with section 24.9.

6 Sec. 9. This Act, being deemed of immediate importance,
7 takes effect from and after its publication in The Malvern
8 Leader, a newspaper published in Malvern, Iowa, and in The
9 Denison Bulletin, a newspaper published in Denison, Iowa.

10 EXPLANATION

11 This bill revises the procedures before the state appeal
12 board on appeals of the budgets of local governments.

13 Section 1 shortens the time before a budget may be protested
14 and provides that a budget amendment is void if there is not
15 adequate time for a hearing and decision before June 30.

16 Section 2 advances the time at which a budget decision
17 may be appealed and extends time limits for budgets certified
18 after March 15.

19 Section 3 allows, rather than requires, the appointment
20 of a deputy for a hearing by the state appeal board and
21 provides to whom notice of the hearing is sent.

22 Sections 4 and 5 allow record and notice of decision
23 requirements to be set by rule.

24 Sections 6, 7, and 8 are coordinating amendments.

25 The bill is effective upon publication.

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HOUSE FILE 2371

AN ACT

TO REVISE THE PROCEDURES OF THE STATE APPEAL BOARD IN THE CONSIDERATION OF THE BUDGETS OF LOCAL GOVERNMENTS AND PROVIDING AN EFFECTIVE DATE.

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

Section 1. Section 24.9, unnumbered paragraph 4, Code 1981, is amended to read as follows:

Budget estimates adopted and certified in accordance with this chapter may be amended and increased as the need arises to permit appropriation and expenditure during the fiscal year covered by ~~such~~ the budget of unexpended cash balances on hand at the close of the preceding fiscal year and which

cash balances had not been estimated and appropriated for expenditure during the fiscal year of the budget sought to be amended, and also to permit appropriation and expenditure during the fiscal year covered by ~~such~~ the budget of amounts of cash anticipated to be available during ~~such~~ the year from sources other than taxation and which had not been estimated and appropriated for expenditure during the fiscal year of the budget sought to be amended. Such amendments to budget estimates may be considered and adopted at any time during the fiscal year covered by the budget sought to be amended, by filing ~~such~~ the amendments and upon publishing ~~the same~~ them and giving notice of the public hearing ~~thereon~~ in the manner required in this section. Within ~~twenty~~ ten days of the decision or order of the certifying or levying board, ~~such~~ the proposed amendment of the budget ~~shall be~~ is subject to protest, hearing on ~~such~~ the protest, appeal to the state appeal board and review by ~~such~~ that body, all in accordance with ~~the provisions of~~ sections 24.27 to 24.32, so far as applicable. A local budget shall be amended by May 31 of the current fiscal year to allow time for a protest hearing to be held and a decision rendered before June 30. An amendment of a budget after May 31 which is properly appealed but without adequate time for hearing and decision before June 30 is void. Amendments budget estimates accepted or issued under ~~the provisions of~~ this section ~~shall~~ are not ~~be considered as~~ within ~~the provisions of~~ section 24.14.

Sec. 2. Section 24.27, Code 1981, is amended to read as follows:

24.27 PROTEST TO BUDGET. Not later than ~~the first Tuesday in April~~ March 25, 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~~ the municipality, but the number shall not be less than ten, and the number need not be more than one hundred persons, who

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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~~ the municipal corporation is located, a written protest setting forth their objections to ~~such~~ the budget, expenditure or tax levy, or to one or more items thereof, and the grounds for ~~such~~ their objections. If a budget is certified after March 15, all appeal time limits shall be extended to correspond to allowances for a timely filing. Upon the filing of ~~any such~~ a protest, the county auditor shall immediately prepare a true and complete copy of ~~said~~ the written protest, together with the budget, proposed tax levy or expenditure to which objections are made, and shall transmit ~~the same~~ them forthwith to the state board, and shall also send a copy of ~~such~~ the protest to the certifying board or to the levying board, as the case may be.

Sec. 3. Section 24.28, Code 1981, is amended to read as follows:

24.28 HEARING ON PROTEST. The state board, within a reasonable time, shall fix a date for an initial hearing on ~~such~~ the protest and ~~shall~~ may designate a deputy to hold ~~such~~ the hearing, which shall be held in the county or in one of the counties in which ~~such~~ the municipality is located. Notice of the time and place of ~~such~~ the hearing shall be given by certified mail to the ~~chief executive officer of the municipality~~ appropriate officials of the local government and to the first ten property owners whose names appear upon ~~such~~ the protest, at least five days before the date fixed for ~~such~~ the hearing. At all ~~such~~ hearings, the burden shall be upon the objectors with reference to any proposed item in the budget which was included in the budget of the previous year and which ~~such~~ the objectors propose should be reduced or excluded; but the burden shall be upon the certifying board or the levying board, as the case may be, to show that any

new item in the budget, or any increase in any item thereof in the budget, is necessary, reasonable, and in the interest of the public welfare.

Sec. 4. Section 24.29, Code 1981, is amended to read as follows:

24.29 APPEAL. The state board may conduct the hearing or may appoint a deputy. A deputy designated to hear any ~~particular~~ an appeal shall attend in person and conduct ~~such~~ the hearing in accordance with ~~the procedure prescribed in~~ section 24.28, and shall promptly report the proceedings had at ~~such~~ the hearing, which report shall become a part of the permanent record of the state board. ~~At the request of either party, or on his own motion, the deputy shall employ a stenographer to report the proceedings, in which event the stenographic notes shall be filed with the report. Either party desiring to have a transcript of such notes presented to the state board with the deputy's report, may have the same made at his initial expense, such expense to eventually follow the result.~~

Sec. 5. Section 24.32, Code 1981, is amended to read as follows:

24.32 DECISION CERTIFIED TO COUNTY. After a hearing upon ~~such~~ the appeal, the state board shall certify its decision ~~with respect thereto~~ to the county auditor and to the parties to the appeal as provided by rule, and ~~such~~ the decision shall be final. The county auditor shall make up ~~his~~ the records in accordance with ~~such~~ the decision and the levying board shall make its levy in accordance ~~therewith~~ with the decision. Upon receipt of ~~such~~ the decision, ~~the county auditor shall immediately notify both parties thereof, whereupon~~ the certifying board shall correct its records accordingly, if necessary. Final disposition of all ~~such~~ appeals shall be made by the state board on or before April 24 30 of each year.

Sec. 6. Section 384.18, unnumbered paragraph 2, Code 1981, is amended to read as follows:

A budget amendment must be prepared and adopted in the same manner as the original budget, as provided in section 384.16, and is subject to protest as provided in section 384.19, except that the committee may by rule provide that amendments of certain types or up to certain amounts may be made without public hearing and without being subject to protest. A city budget shall be amended by May 31 of the current fiscal year to allow time for a protest hearing to be held and a decision rendered before June 30. The amendment of a budget after May 31, which is properly appealed but without adequate time for hearing and decision before June 30 is void.

Sec. 7. Section 384.19, unnumbered paragraphs 3 and 4, Code 1981, are amended to read as follows:

The state appeal board shall proceed to consider the protest in accordance with the same provisions that protests to budgets of municipalities are considered under chapter 24. The state appeal board shall certify its decision with respect to the protest to the county auditor and to the parties to the appeal as provided by rule, and such the decision shall be final.

The county auditor shall make up his the records in accordance with such the decision and the levying board shall make its levy in accordance therewith with the decision. Upon receipt of such the decision, the county auditor shall immediately notify both parties thereof, whereupon the council shall correct its records accordingly, if necessary.

Sec. 8. Section 441.16, unnumbered paragraph 4, Code 1981, is amended to read as follows:

Each fiscal year the chairman of the conference board shall, by written notice, call a meeting of the conference board to consider such the proposed budget and shall fix and adopt a consolidated budget for the ensuing year not later than January 15 and to comply with section 24.9.

Sec. 9. This Act, being deemed of immediate importance, takes effect from and after its publication in The Malvern

Leader, a newspaper published in Malvern, Iowa, and in The Denison Bulletin, a newspaper published in Denison, Iowa.

DELRWYN STROMER
Speaker of the House

TERRY E. BRANSTAD
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2371, Sixty-ninth General Assembly.

ELIZABETH A. ISAACSON
Chief Clerk of the House

Approved 4-19, 1982

ROBERT D. RAY
Governor

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