MAR 23 1990

WAYS & MEANS CALENDAR

HOUSE FILE 2560

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 824)

Passed House, Date 3/29/90 (p. 1578)   Passed Senate, Date 4/5/90 (p. 1560)
Vote: Ayes 93 Nays 5   Vote: Ayes 47 Nays 0
Approved April 26, 1990

A BILL FOR

1 An Act relating to the formation of community clusters by certain
2   governmental units for the joint exercise of powers.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

HOUSE FILE 2560

H-5884
1   Amend House File 2560 as follows:
2   1. Page 1, line 15, by inserting after the word
3 "facilities," the following: "and".
4   2. Page 1, line 16, by striking the words "and
5 for revenue sharing".

By METCALF of Polk
OSTERBERG of Linn

H-5884 FILED MARCH 27, 1990
Lost 3/29 (p. 1578)

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HF 2560

TLSB 8414HV 73
mg/mc/6

1   Section 1.   NEW SECTION.   28E.35   DEFINITIONS.

2   As used in this division unless the context otherwise

3 requires:

4   1.   "Community cluster" means a cooperative community unit

5 established pursuant to this chapter for the joint exercise of

6 powers by two or more governmental units.

7   2.   "Governmental unit" means a city, county, or special

8 taxing district.

9   Sec. 2.   NEW SECTION.   28E.36   ESTABLISHMENT OF COMMUNITY

10 CLUSTER.

11   Two or more governmental units located in the state may

12 establish a community cluster by entering into an agreement

13 for the joint exercise of powers pursuant to this chapter to

14 make more efficient use of their resources by providing for

15 joint functions, services, facilities, development of

16 infrastructure and for revenue sharing, and to foster economic

17 development.

18   Sec. 3.   NEW SECTION.   28E.37   DESIGNATION OF TOWNSHIPS.

19   A county entering into an agreement to establish a

20 community cluster may limit the area of the county included in

21 the community cluster to designated townships.

22   Sec. 4.   NEW SECTION.   28E.38   REVENUE SHARING.

23   The agreement establishing a community cluster may provide

24 for the sharing of revenues by the governmental units forming

25 the community cluster.

26   Sec. 5.   NEW SECTION.   28E.39   REFERENDUM FOR AD VALOREM

27 TAX SHARING.

28   An agreement establishing a community cluster shall require

29 the approval of the qualified electors residing within the

30 area of the cluster if the agreement provides for the sharing

31 of revenues from ad valorem property taxes. The proposition

32 shall be submitted to the electorate by each governmental unit

33 forming the community cluster to the electors residing within

34 the area of the governmental unit at a general election or at

35 a special election. However, if a county has designated only

1 certain townships as being included within the community
2 cluster, the proposition shall be submitted to the electorate
3 of the county residing only in the townships included in the
4 community cluster.
5   The ballot for the election shall be prepared in
6 substantially the form for submitting special questions at
7 general elections.
8   If a majority of the qualified electors in the area of each
9 governmental unit within the proposed community cluster voting
10 on the proposition vote in favor of the proposition then the
11 agreement establishing the community cluster shall take effect
12 and the sharing of revenues from ad valorem property taxes is
13 authorized. If the proposition fails in the area of one or
14 more governmental units within the proposed community cluster
15 voting on the proposition then the governmental units in which
16 the proposition passed may establish the community cluster in
17 those areas in which the proposition passed and the sharing of
18 revenues from ad valorem property taxes is authorized.
19   Sec. 6.
20   The Code editor shall codify sections 1 through 5 of this
21 Act as a separate division of chapter 28E.
22   EXPLANATION
23   The bill authorizes two or more cities, counties, and
24 special taxing districts to enter into a chapter 28E agreement
25 to form community clusters for the joint exercise of powers to
26 make more efficient use of their resources by providing for
27 joint functions, services, facilities, development of
28 infrastructure and for revenue sharing and to foster economic
29 development. However, before the governmental units making up
30 the community cluster can share revenues from ad valorem taxes
31 on property, each unit's electors must approve such a revenue
32 sharing agreement.
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HOUSE FILE *2560*

BY   (PROPOSED COMMITTEE ON
     WAYS AND MEANS BILL BY
     CHAIRPERSON TABOR)

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

A BILL FOR

1 An Act relating to the formation of community commonwealths by
2   certain governmental units for the joint exercise of powers.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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1   Section 1. NEW SECTION. 28E.35 DEFINITIONS.
2   As used in this division unless the context otherwise
3 requires:
4   1. "Community commonwealth" means a cooperative community
5 cluster established pursuant to this chapter for the joint
6 exercise of powers by two or more governmental units.
7   2. "Governmental unit" means a city, county, or special
8 taxing district.
9   Sec. 2. NEW SECTION. 28E.36 ESTABLISHMENT OF COMMUNITY
10 COMMONWEALTH.
11   Two or more governmental units located in the state may
12 establish a community commonwealth by entering into an
13 agreement for the joint exercise of powers pursuant to this
14 chapter to make more efficient use of their resources by
15 providing for joint functions, services, facilities,
16 development of infrastructure and for revenue sharing, and to
17 foster economic development.
18   Sec. 3. NEW SECTION. 28E.37 DESIGNATION OF TOWNSHIPS.
19   A county entering into an agreement to establish a
20 community commonwealth may limit the area of the county
21 included in the community commonwealth to designated
22 townships.
23   Sec. 4. NEW SECTION. 28E.38 REVENUE SHARING.
24   The agreement establishing a community commonwealth may
25 provide for the sharing of revenues by the governmental units
26 forming the community commonwealth.
27   Sec. 5. NEW SECTION. 28E.39 REFERENDUM FOR AD VALOREM
28 TAX SHARING.
29   An agreement establishing a community commonwealth shall
30 require the approval of the qualified electors residing within
31 the area of the commonwealth if the agreement provides for the
32 sharing of revenues from ad valorem property taxes. The
33 proposition shall be submitted to the electorate by each
34 governmental unit forming the community commonwealth to the
35 electors residing within the area of the governmental unit at

1 a general election or at a special election. However, if a
2 county has designated only certain townships as being included
3 within the community commonwealth, the proposal shall be
4 submitted to the electorate of the county residing only in the
5 townships included in the community commonwealth.
6   The ballot for the election shall be prepared in
7 substantially the form for submitting special questions at
8 general elections.
9   If a majority of the qualified electors in the area of each
10 governmental unit within the community commonwealth voting on
11 the proposition favor the sharing of revenues from ad valorem
12 property taxes then revenue sharing is authorized. If the
13 proposition fails in the area of one or more governmental
14 units then revenue sharing is not authorized.
15   Sec. 6.
16   The Code editor shall codify sections 1 through 5 of this
17 Act as a separate division of chapter 28E.
18   EXPLANATION
19   The bill authorizes two or more cities, counties, and
20 special taxing districts to enter into a chapter 28E agreement
21 to form community commonwealths for the joint exercise of
22 powers to make more efficient use of their resources by
23 providing for joint functions, services, facilities,
24 development of infrastructure and for revenue sharing and to
25 foster economic development. However, before the governmental
26 units making up the community commonwealth can share revenues
27 from ad valorem taxes on property, each unit's electors must
28 approve such a revenue sharing agreement.
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HOUSE FILE 2560

AN ACT
RELATING TO THE FORMATION OF COMMUNITY CLUSTERS BY CERTAIN
GOVERNMENTAL UNITS FOR THE JOINT EXERCISE OF POWERS.

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

Section 1. NEW SECTION. 28E.35 DEFINITIONS.
As used in this division unless the context otherwise
requires:
1. "Community cluster" means a cooperative community unit
established pursuant to this chapter for the joint exercise of
powers by two or more governmental units.
2. "Governmental unit" means a city, county, or special
taxing district.
Sec. 2. NEW SECTION. 28E.36 ESTABLISHMENT OF COMMUNITY
CLUSTER.
Two or more governmental units located in the state may
establish a community cluster by entering into an agreement
for the joint exercise of powers pursuant to this chapter to
make more efficient use of their resources by providing for
joint functions, services, facilities, development of
infrastructure and for revenue sharing, and to foster economic
development.
Sec. 3. NEW SECTION. 28E.37 DESIGNATION OF TOWNSHIPS.

A county entering into an agreement to establish a
community cluster may limit the area of the county included in
the community cluster to designated townships.
Sec. 4. NEW SECTION. 28E.38 REVENUE SHARING.
The agreement establishing a community cluster may provide
for the sharing of revenues by the governmental units forming
the community cluster.
Sec. 5. NEW SECTION. 28E.39 REFERENDUM FOR AD VALOREM
TAX SHARING.
An agreement establishing a community cluster shall require
the approval of the qualified electors residing within the
area of the cluster if the agreement provides for the sharing
of revenues from ad valorem property taxes. The proposition
shall be submitted to the electorate by each governmental unit
forming the community cluster to the electors residing within
the area of the governmental unit at a general election or at
a special election. However, if a county has designated only
certain townships as being included within the community
cluster, the proposition shall be submitted to the electorate
of the county residing only in the townships included in the
community cluster.
The ballot for the election shall be prepared in
substantially the form for submitting special questions at
general elections.
If a majority of the qualified electors in the area of each
governmental unit within the proposed community cluster voting
on the proposition vote in favor of the proposition then the
agreement establishing the community cluster shall take effect
and the sharing of revenues from ad valorem property taxes is
authorized. If the proposition fails in the area of one or
more governmental units within the proposed community cluster
voting on the proposition then the governmental units in which
the proposition passed may establish the community cluster in
those areas in which the proposition passed and the sharing of
revenues from ad valorem property taxes is authorized.
Sec. 6.

HF 2560

The Code editor shall codify sections 1 through 5 of this Act as a separate division of chapter 28E.

DONALD D. AVENSON
Speaker of the House

JO ANN ZIMMERMAN
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2560, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved *April 26* , 1990

TERRY E. BRANSTAD
Governor