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APR 24 1989

HOUSE FILE 776

WAYS & MEANS CALENDAR

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 206)

Passed House, Date 4-28-89 (p2169) Passed Senate, Date 5-4-89 (P1929)

Vote: Ayes 86 Nays 5 Vote: Ayes 48 Nays 0

Approved May 9, 1989

A BILL FOR

1 An Act relating to the operation and dissolution of a benefited
2 fire district including a city, and authorizing the levy of a
3 property tax.

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

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HOUSE FILE 776

H-4228

1 Amend House File 776 as follows:

- 2 1. Page 1, line 18, by inserting after the word
- 3 "contract" the following: ", direct levy, or
- 4 combination of both,".
- 5 2. Page 1, by striking line 20 and inserting the
- 6 following: "payments by contract or levy for the fire
- 7 protection comprise seventy-five percent or".
- 8 3. Page 2, lines 8 and 9, by striking the words
- 9 "which shall be renewed annually" and inserting the
- 10 following: "or direct levy by the district".
- 11 4. Page 2, line 23, by inserting after the figure
- 12 "384.1." the following: "If the district levies
- 13 directly against property within a city to provide
- 14 fire protection for that city, the city shall not be
- 15 responsible for providing fire protection as provided
- 16 in section 364.16, and shall have no liability for the
- 17 method, manner, or means in which the district
- 18 provides the fire protection."

By HAVERLAND of Polk

H-4228 FILED APRIL 25, 1989

Adopted 4-28-89 (p2169)

1 Section 1. Section 357B.5, Code 1989, is amended to read
2 as follows:

3 357B.5 DISSOLUTION OF DISTRICT.

4 1. Upon petition of a number of registered voters residing
5 in a district at least equal to thirty-five percent of the
6 property taxpayers in such the district, the board of
7 supervisors may dissolve a benefited fire district and dispose
8 of any remaining property, the proceeds of which shall first
9 be applied against any outstanding obligation of the district.
10 Any remaining balance shall be applied as a tax credit for the
11 property owners of the district. The board of supervisors
12 shall continue to levy an annual tax after the dissolution of
13 a district, not to exceed forty and one-half cents per
14 thousand dollars of assessed value of the taxable property of
15 the district, until all outstanding obligations of the
16 district are paid.

4228-17 2. If a benefited fire district is dissolved that has been
18 providing fire protection by contract to a city within the
19 district for at least twenty years and the city's annual
20 payments for the fire protection comprise ninety percent or
21 more of the district's annual budget, the board of
22 supervisors, in lieu of the disposal of property as provided
23 in subsection 1, shall transfer to the city all of the
24 district's real and personal property. The city shall assume
25 all of the outstanding obligations of the district. If the
26 district provides fire protection outside of the city's
27 boundaries, the city shall continue to provide fire protection
28 to this area until it is assigned to another fire protection
29 district by the board of supervisors. If the city continues
30 the fire protection outside its boundaries, the city shall
31 certify to the board of supervisors the cost of providing this
32 service, which shall be at the same rate as contained in the
33 budget for property within the city, but not exceeding forty
34 and one-half cents per thousand dollars of assessed value of
35 all taxable property in the area. The board of supervisors

1 shall levy the amount of tax certified as provided in section
2 357B.3. The tax shall be collected and allocated in the same
3 manner as other property taxes and paid to the city.

4 Sec. 2. NEW SECTION. 357B.8 FIRE DISTRICT INCLUDING A
5 CITY -- BUDGET PAYMENT OR SEPARATE LEVY.

4228-6 1. A city that was part of a benefited fire district prior
7 to the city's incorporation may continue to receive fire
8 protection from the district under a contract which shall be
9 renewed annually. The annual amount paid by the city to the
10 benefited fire district shall be included in the city's annual
11 budget and shall be a part of the city's general fund tax
12 levy.

13 2. In lieu of subsection 1, a benefited fire district that
14 includes a city within the boundaries of the fire district may
15 certify an annual tax levy not exceeding forty and one-half
16 cents per thousand dollars of assessed valuation of the
17 taxable property within the city for the purpose of fire
18 protection. The benefited fire district shall certify the tax
19 levy as provided in this subsection only after agreement
20 granted by resolution of the city council. The amount of the
21 tax rate levied under this subsection shall reduce by an equal
22 amount the maximum tax levy authorized for the general fund of
4228-23 that city under section 384.1.

24 EXPLANATION

25 This bill provides for a city which is included in and has
26 received fire protection from a benefited fire district since
27 the city was incorporated more than twenty years ago. If the
28 benefited fire district is dissolved and the city has been
29 contributing ninety percent or more of the district's budget,
30 the city will receive the real and personal property of the
31 fire district and all of its obligations.

32 The bill also provides that the city may continue to
33 receive its fire protection from the benefited fire district
34 by annual contract or agreement paid from the city budget or
35 if agreed to by the city, the benefited fire district may

1 certify a tax levy not exceeding forty and one-half cents per
2 thousand dollars of assessed valuation of all taxable property
3 in the city for this purpose. This levy will reduce by an
4 equal amount the maximum tax levy for the general fund of that
5 city.

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Wen. Ways + Means
Dopass 5-4-89 (p. 1911)

HOUSE FILE 776
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HF 206)

(As Amended and Passed by the House April 28, 1989)

Passed House, Date 4/28/89 (p. 2169) Passed Senate, Date 5-4-89 (p. 1929)
Vote: Ayes 86 Nays 5 Vote: Ayes 48 Nays 0
Approved May 29, 1989

A BILL FOR

1 An Act relating to the operation and dissolution of a benefited
2 fire district including a city, and authorizing the levy of a
3 property tax.

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

House Amendments _____

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1 Section 1. Section 357B.5, Code 1989, is amended to read
2 as follows:

3 357B.5 DISSOLUTION OF DISTRICT.

4 1. Upon petition of a number of registered voters residing
5 in a district at least equal to thirty-five percent of the
6 property taxpayers in such the district, the board of
7 supervisors may dissolve a benefited fire district and dispose
8 of any remaining property, the proceeds of which shall first
9 be applied against any outstanding obligation of the district.
10 Any remaining balance shall be applied as a tax credit for the
11 property owners of the district. The board of supervisors
12 shall continue to levy an annual tax after the dissolution of
13 a district, not to exceed forty and one-half cents per
14 thousand dollars of assessed value of the taxable property of
15 the district, until all outstanding obligations of the
16 district are paid.

17 2. If a benefited fire district is dissolved that has been
18 providing fire protection by contract, direct levy, or
19 combination of both, to a city within the district for at
20 least twenty years and the city's annual payments by contract
21 or levy for the fire protection comprise seventy-five percent
22 or more of the district's annual budget, the board of
23 supervisors, in lieu of the disposal of property as provided
24 in subsection 1, shall transfer to the city all of the
25 district's real and personal property. The city shall assume
26 all of the outstanding obligations of the district. If the
27 district provides fire protection outside of the city's
28 boundaries, the city shall continue to provide fire protection
29 to this area until it is assigned to another fire protection
30 district by the board of supervisors. If the city continues
31 the fire protection outside its boundaries, the city shall
32 certify to the board of supervisors the cost of providing this
33 service, which shall be at the same rate as contained in the
34 budget for property within the city, but not exceeding forty
35 and one-half cents per thousand dollars of assessed value of

1 all taxable property in the area. The board of supervisors
2 shall levy the amount of tax certified as provided in section
3 357B.3. The tax shall be collected and allocated in the same
4 manner as other property taxes and paid to the city.

5 Sec. 2. NEW SECTION. 357B.8 FIRE DISTRICT INCLUDING A
6 CITY -- BUDGET PAYMENT OR SEPARATE LEVY.

7 1. A city that was part of a benefited fire district prior
8 to the city's incorporation may continue to receive fire
9 protection from the district under a contract or direct levy
10 by the district. The annual amount paid by the city to the
11 benefited fire district shall be included in the city's annual
12 budget and shall be a part of the city's general fund tax
13 levy.

14 2. In lieu of subsection 1, a benefited fire district that
15 includes a city within the boundaries of the fire district may
16 certify an annual tax levy not exceeding forty and one-half
17 cents per thousand dollars of assessed valuation of the
18 taxable property within the city for the purpose of fire
19 protection. The benefited fire district shall certify the tax
20 levy as provided in this subsection only after agreement
21 granted by resolution of the city council. The amount of the
22 tax rate levied under this subsection shall reduce by an equal
23 amount the maximum tax levy authorized for the general fund of
24 that city under section 384.1. If the district levies
25 directly against property within a city to provide fire
26 protection for that city, the city shall not be responsible
27 for providing fire protection as provided in section 364.16,
28 and shall have no liability for the method, manner, or means
29 in which the district provides the fire protection.

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HOUSE FILE 776

AN ACT

RELATING TO THE OPERATION AND DISSOLUTION OF A BENEFITED
FIRE DISTRICT INCLUDING A CITY, AND AUTHORIZING THE LEVY
OF A PROPERTY TAX.

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

Section 1. Section 357B.5, Code 1989, is amended to read
as follows:

357B.5 DISSOLUTION OF DISTRICT.

1. Upon petition of a number of registered voters residing in a district at least equal to thirty-five percent of the property taxpayers in such the district, the board of supervisors may dissolve a benefited fire district and dispose of any remaining property, the proceeds of which shall first be applied against any outstanding obligation of the district. Any remaining balance shall be applied as a tax credit for the property owners of the district. The board of supervisors shall continue to levy an annual tax after the dissolution of a district, not to exceed forty and one-half cents per thousand dollars of assessed value of the taxable property of the district, until all outstanding obligations of the district are paid.

2. If a benefited fire district is dissolved that has been providing fire protection by contract, direct levy, or combination of both, to a city within the district for at least twenty years and the city's annual payments by contract or levy for the fire protection comprise seventy-five percent or more of the district's annual budget, the board of supervisors, in lieu of the disposal of property as provided in subsection 1, shall transfer to the city all of the district's real and personal property. The city shall assume all of the outstanding obligations of the district. If the

district provides fire protection outside of the city's boundaries, the city shall continue to provide fire protection to this area until it is assigned to another fire protection district by the board of supervisors. If the city continues the fire protection outside its boundaries, the city shall certify to the board of supervisors the cost of providing this service, which shall be at the same rate as contained in the budget for property within the city, but not exceeding forty and one-half cents per thousand dollars of assessed value of all taxable property in the area. The board of supervisors shall levy the amount of tax certified as provided in section 357B.3. The tax shall be collected and allocated in the same manner as other property taxes and paid to the city.

Sec. 2. NEW SECTION. 357B.8 FIRE DISTRICT INCLUDING A CITY -- BUDGET PAYMENT OR SEPARATE LEVY.

1. A city that was part of a benefited fire district prior to the city's incorporation may continue to receive fire protection from the district under a contract or direct levy by the district. The annual amount paid by the city to the benefited fire district shall be included in the city's annual budget and shall be a part of the city's general fund tax levy.

2. In lieu of subsection 1, a benefited fire district that includes a city within the boundaries of the fire district may certify an annual tax levy not exceeding forty and one-half cents per thousand dollars of assessed valuation of the taxable property within the city for the purpose of fire protection. The benefited fire district shall certify the tax levy as provided in this subsection only after agreement granted by resolution of the city council. The amount of the tax rate levied under this subsection shall reduce by an equal amount the maximum tax levy authorized for the general fund of that city under section 384.1. If the district levies directly against property within a city to provide fire protection for that city, the city shall not be responsible

for providing fire protection as provided in section 364.16,
and shall have no liability for the method, manner, or means
in which the district provides the fire protection.

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 776, Seventy-third General Assembly.

JOSEPH O'HERN
Chief Clerk of the House

Approved _____, 1989

TERRY E. BRANSTAD
Governor