

House Ways & Means 4/2 Do Pass 4/5

FILED MAR 20 1990

SENATE FILE 2415  
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2072)

Passed Senate, Date 3/30/90 (p. 1420) Passed House, Date 4/6/90 (p. 2187)  
Vote: Ayes 40 Nays 3 Vote: Ayes 77 Nays 13  
Approved April 6, 1990

A BILL FOR

1 An Act authorizing an additional tax levy and the creation of a  
2 reserve account by a benefited fire district.

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

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SF 2415

1 Section 1. Section 357B.3, Code 1989, is amended to read  
2 as follows:

3 357B.3 POWERS OF THE BOARD OF TRUSTEES.

4 1. The board of trustees may purchase, own, rent, or  
5 maintain fire apparatus or equipment within the state or  
6 outside the territorial jurisdiction and boundary limits of  
7 this state and provide housing for such apparatus or  
8 equipment. The board of trustees may contract with any public  
9 or private agency under chapter 28E for the purpose of  
10 providing fire protection under this chapter. The board of  
11 trustees may levy an annual tax not exceeding forty and one-  
12 half cents per thousand dollars of assessed value for the  
13 purpose of exercising the powers granted in this section. The  
14 board of trustees may purchase material and employ persons to  
15 provide for the maintenance and operation of the benefited  
16 fire district. The trustees shall be allowed reimbursement  
17 for any necessary expenses incurred in the performance of  
18 their duties, but they shall not receive any other  
19 compensation for their services.

20 2. If the levy authorized under subsection 1 is  
21 insufficient to provide the services authorized or required  
22 under this section, the trustees may levy an additional annual  
23 tax not exceeding twenty and one-fourth cents per thousand  
24 dollars of assessed value of the taxable property in the  
25 benefited district to provide the services.

26 3. Of the levies authorized under subsections 1 and 2, the  
27 trustees may credit to a reserve account annually an amount  
28 not to exceed ten cents per thousand dollars of the assessed  
29 value of the taxable property in the township for the purchase  
30 or replacement of supplies and equipment required to carry out  
31 the services specified under this section. Notwithstanding  
32 section 453.7, interest earned on moneys credited to the  
33 reserve account shall be credited to the reserve account.

34 EXPLANATION

35 This bill authorizes the board of trustees of a benefited

1 fire district an additional annual tax levy not exceeding  
2 twenty and one-fourth cents per thousand dollars of assessed  
3 value of the taxable property in the district to carry out the  
4 fire protection services. Currently, the maximum tax levy is  
5 forty and one-half cents per thousand dollars.

6 The bill also authorizes ten cents of the authorized tax  
7 levy annually to be credited to a reserve account to purchase  
8 or replace supplies and equipment required by the benefited  
9 fire district.

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SENATE FILE 2415  
FISCAL NOTE

A fiscal note for Senate File 2415 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 2415 authorizes the Board of Trustees of a benefited fire district an additional annual tax levy not exceeding twenty and one-fourth cents per thousand dollars of assessed value of the taxable property in the district to carry out the fire protection services. Currently, the maximum tax levy is forty and one-half cents per thousand dollars. The bill also authorizes ten cents of the authorized tax levy annually to be credited to a reserve account to purchase or replace supplies and equipment required by the benefited fire district.

Assumptions

1. The impact is based on FY 1990 tax valuation.
2. The impact is compares the maximum potential levy under current law and the maximum potential levy under the proposal.

Fiscal Impact

	MAXIMUM POTENTIAL LEVY		
	Current Law	Proposal	Increase
	=====	=====	=====
Statewide Levy Maximum	\$908,592	\$1,362,888	\$454,296

It is important to note that the actual statewide levy under current law is \$765,395, which is \$143,197 less than the current law statewide maximum of \$908,592. This indicates that the actual increase in levies occurring as a result of this bill will be less than the \$454,296 potential increase.

Source: Department of Management

(LSB 7691sv, PDD)

FILED MARCH 22, 1990

BY DENNIS PROUTY, FISCAL DIRECTOR

SENATE FILE 2415

AN ACT

AUTHORIZING AN ADDITIONAL TAX LEVY AND THE CREATION OF A RESERVE ACCOUNT BY A BENEFITED FIRE DISTRICT.

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

Section 1. Section 357B.3, Code 1989, is amended to read as follows:

357B.3 POWERS OF THE BOARD OF TRUSTEES.

1. The board of trustees may purchase, own, rent, or maintain fire apparatus or equipment within the state or outside the territorial jurisdiction and boundary limits of this state and provide housing for such apparatus or equipment. The board of trustees may contract with any public or private agency under chapter 28E for the purpose of providing fire protection under this chapter. The board of trustees may levy an annual tax not exceeding forty and one-half cents per thousand dollars of assessed value for the purpose of exercising the powers granted in this section. The board of trustees may purchase material and employ persons to provide for the maintenance and operation of the benefited fire district. The trustees shall be allowed reimbursement for any necessary expenses incurred in the performance of their duties, but they shall not receive any other compensation for their services.

2. If the levy authorized under subsection 1 is insufficient to provide the services authorized or required under this section, the trustees may levy an additional annual tax not exceeding twenty and one-fourth cents per thousand dollars of assessed value of the taxable property in the benefited district to provide the services.

3. Of the levies authorized under subsections 1 and 2, the trustees may credit to a reserve account annually an amount

not to exceed ten cents per thousand dollars of the assessed value of the taxable property in the township for the purchase or replacement of supplies and equipment required to carry out the services specified under this section. Notwithstanding section 453.7, interest earned on moneys credited to the reserve account shall be credited to the reserve account.

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JO ANN ZIMMERMAN  
President of the Senate

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DONALD D. AVENSON  
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 2415, Seventy-third General Assembly.

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JOHN F. DWYER  
Secretary of the Senate

Approved *April 6*, 1990

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TERRY E. BRANSTAD  
Governor