

S-3/2/95 *approval*

FEB 21 1995

HOUSE FILE 189

Place On Calendar

BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HF 38)

Passed House, Date (P.668) 3/2/95 Passed Senate, Date \_\_\_\_\_  
 Vote: Ayes 83 Nays 13 Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
 Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the funding of state mandates.  
 2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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**HOUSE FILE 189**

H-3117

- 1 Amend House File 189 as follows:
- 2 1. Page 1, by striking lines 3 through 6.
- 3 2. By renumbering as necessary.

By MILLAGE of Scott

H-3117 FILED FEBRUARY 21, 1995

(P.668) 3/2/95 *Lost*

**HF 189**

1 Section 1. Section 25B.2, subsection 3, Code 1995, is  
2 amended by striking the subsection.

3 Sec. 2. Section 25B.3, subsection 1, Code 1995, is amended  
4 to read as follows:

5 1. "Political subdivision" means a city, county, township,  
6 community college, area education agency, or school district.

7 Sec. 3. NEW SECTION. 25B.5A UNFUNDED STATE MANDATES --  
8 EFFECT.

9 1. If, on or after July 1, 1995, a state mandate is  
10 enacted by the general assembly, or otherwise imposed, on a  
11 political subdivision and the state mandate requires a  
12 political subdivision to engage in any new activity, to  
13 provide a new service, or to provide any service beyond that  
14 required by any law enacted prior to July 1, 1995, and the  
15 state does not appropriate moneys to fully fund the cost of  
16 the state mandate, the political subdivision is not required  
17 to perform the activity or provide the service and the  
18 political subdivision shall not be subject to the imposition  
19 of any fines or penalties for the failure to comply with the  
20 state mandate. However, this subsection does not apply to any  
21 requirement imposed on a political subdivision relating to  
22 public employee retirement systems under chapters 97B, 410,  
23 and 411.

24 2. For the purposes of subsection 1, any requirement  
25 originating from the federal government and administered,  
26 implemented, or enacted by the state, or any allocation of  
27 federal moneys conditioned upon the enactment of state law or  
28 rule, is not a state mandate.

29 EXPLANATION

30 This bill provides that if a new state mandate is imposed  
31 on or after July 1, 1995, which requires the performance of a  
32 new activity, to expand an activity beyond what was required  
33 before July 1, 1995, or to provide a new or expanded service,  
34 the state mandate must be fully funded. If the state mandate  
35 is not fully funded, the affected political subdivisions are

1 not required to comply or implement the state mandate. Also,  
2 no fines or penalties may be imposed on a political  
3 subdivision for failure to comply or carry out an unfunded  
4 state mandate.

5 However, requirements relating to public employee  
6 retirement systems under chapters 97B, 410, and 411 are not  
7 considered state mandates. Also, requirements originating  
8 from the federal government and administered, implemented, or  
9 enacted by state law or rule are not considered state  
10 mandates.

11 This bill strikes section 25B.2, subsection 3, and rewrites  
12 it as a new section outside the intent section of chapter 25B.  
13 The rewritten section removes a qualifying phrase which limits  
14 the circumstances under which a political subdivision may fail  
15 to carry out an unfunded state mandate.

16 Community college and area education agency are added to  
17 the definition of political subdivision as provided in section  
18 25B.2, subsection 3, which was stricken.

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