

3/19/98

Referred to Ways & Means

FEB 18 1998

Place On Calendar

HOUSE FILE 2330
BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 597)

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

A BILL FOR

1 An Act relating to the budget certification deadline for school
2 districts and providing an applicability date.

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

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HF 2330

S.F. _____

H.F. _____

2330

1 Section 1. Section 24.17, unnumbered paragraph 1, Code
2 Supplement 1997, is amended to read as follows:

3 The local budgets of the various political subdivisions
4 shall be certified by the chairperson of the certifying board
5 or levying board, as the case may be, in duplicate to the
6 county auditor not later than March 15 of each year on forms,
7 and pursuant to instructions, prescribed by the department of
8 management. ~~However, if the political subdivision is a school~~
9 ~~district, as defined in section 257.2, its budget shall be~~
10 ~~certified not later than April 15 of each year.~~

11 Sec. 2. Section 24.27, Code 1997, is amended to read as
12 follows:

13 24.27 PROTEST TO BUDGET.

14 Not later than March 25 ~~or April 25 if the municipality is~~
15 ~~a school district~~, a number of persons in any municipality
16 equal to one-fourth of one percent of those voting for the
17 office of governor, at the last general election in the
18 municipality, but the number shall not be less than ten, and
19 the number need not be more than one hundred persons, who are
20 affected by any proposed budget, expenditure or tax levy, or
21 by any item thereof, may appeal from any decision of the
22 certifying board or the levying board by filing with the
23 county auditor of the county in which the municipal
24 corporation is located, a written protest setting forth their
25 objections to the budget, expenditure or tax levy, or to one
26 or more items thereof, and the grounds for their objections.
27 If a budget is certified after March 15 ~~or April 15 in the~~
28 ~~case of a school district~~, all appeal time limits shall be
29 extended to correspond to allowances for a timely filing.
30 Upon the filing of a protest, the county auditor shall
31 immediately prepare a true and complete copy of the written
32 protest, together with the budget, proposed tax levy or
33 expenditure to which objections are made, and shall transmit
34 them forthwith to the state board, and shall also send a copy
35 of the protest to the certifying board or to the levying

1 board, as the case may be.

2 Sec. 3. Section 76.2, unnumbered paragraph 2, Code 1997,
3 is amended to read as follows:

4 If the resolution is filed prior to April 1 ~~or May 17~~ if
5 ~~the political subdivision is a school district~~, the annual
6 levy shall begin with the tax levy for collection commencing
7 July 1 of that year. If the resolution is filed after April 1
8 ~~or May 17 in the case of a school district~~, the annual levy
9 shall begin with the tax levy for collection in the next
10 succeeding fiscal year. However, the governing authority of a
11 political subdivision may adjust a levy of taxes made under
12 this section for the purpose of adjusting the annual levies
13 and collections for property severed from the political
14 subdivision, subject to the approval of the director of the
15 department of management.

16 Sec. 4. Section 257.19, unnumbered paragraph 2, Code 1997,
17 is amended to read as follows:

18 Certification of a board's intent to participate for a
19 budget year, the method of funding, and the amount to be
20 raised shall be made to the department of management not later
21 than ~~April~~ March 15 of the base year. Funding for the
22 instructional support program shall be obtained from
23 instructional support state aid and from local funding using
24 either an instructional support property tax or a combination
25 of an instructional support property tax and an instructional
26 support income surtax.

27 Sec. 5. Section 257.29, unnumbered paragraph 2, Code 1997,
28 is amended to read as follows:

29 The educational improvement program shall provide
30 additional revenues each fiscal year equal to a specified
31 percent of the regular program district cost of the district,
32 as determined by the board but not more than the maximum
33 percent authorized by the electors if an election has been
34 held. Certification of a district's participation for a
35 budget year, the method of funding, and the amount to be

1 raised shall be made to the department of management not later
2 than ~~April~~ March 15 of the base year.

3 Sec. 6. Section 275.29, Code 1997, is amended to read as
4 follows:

5 275.29 DIVISION OF ASSETS AND LIABILITIES AFTER
6 REORGANIZATION.

7 Between July 1 and July 20, the board of directors of the
8 newly formed school district shall meet with the boards of the
9 school districts affected by the organization of the new
10 school corporation, including the boards of districts
11 receiving territory of the school districts affected, for the
12 purpose of reaching joint agreement on an equitable division
13 of the assets of the several school corporations or parts of
14 school corporations and an equitable distribution of the
15 liabilities of the affected corporations or parts of
16 corporations. In addition, if outstanding bonds are in
17 existence in any district, the initial board of directors of
18 the newly formed school district shall meet with the boards of
19 all school districts affected prior to ~~April~~ March 15 prior to
20 the school year the reorganization is effective to determine
21 the distribution of the bonded indebtedness between the
22 districts so that the newly formed district may certify its
23 budget under the procedures specified in chapter 24. The
24 boards shall consider the mandatory levy required in section
25 76.2 and shall assure the satisfaction of outstanding
26 obligations of each affected school corporation. If the
27 petition includes plans for the distribution of the bonded
28 indebtedness, the exclusion of territory from the reorganized
29 district does not require action pursuant to this section.

30 Sec. 7. Section 279.54, unnumbered paragraph 1, Code 1997,
31 is amended to read as follows:

32 If a majority of those voting in an election approves
33 raising the additional enrichment amount for an asbestos
34 project under section 279.53 and this section, not later than
35 ~~April~~ March 15 of the previous school year the board shall

1 certify to the department of management that the required
2 procedures have been carried out, the method of funding the
3 amount to be raised, and the department of management shall
4 establish the amount of additional enrichment property tax to
5 be levied or the amount of the combination of the enrichment
6 property tax and the amount of enrichment income surtax to be
7 imposed for each school year for which the additional
8 enrichment amount for an asbestos project is authorized. The
9 enrichment property tax and income surtax, if an income surtax
10 is imposed, shall be levied and imposed, collected, and paid
11 to the school district in the manner provided for the
12 instructional support program in sections 257.21 through
13 257.26.

14 Sec. 8. Section 298.2, subsection 3, Code Supplement 1997,
15 is amended to read as follows:

16 3. The board of directors of a school district may certify
17 for levy by ~~April~~ March 15 of a school year a tax on all
18 taxable property in the school district for the regular
19 physical plant and equipment levy.

20 Sec. 9. Section 298.4, unnumbered paragraph 1, Code 1997,
21 is amended to read as follows:

22 The board of directors of a school district may certify for
23 levy by ~~April~~ March 15 of a school year, a tax on all taxable
24 property in the school district for a district management
25 levy. The revenue from the tax levied in this section shall
26 be placed in the district management levy fund of the school
27 district. The district management levy shall be expended only
28 for the following purposes:

29 Sec. 10. Section 298.10, Code 1997, is amended to read as
30 follows:

31 298.10 LEVY FOR CASH RESERVE.

32 The board of directors of a school district may certify for
33 levy by ~~April~~ March 15 of a school year, a tax on all taxable
34 property in the school district in order to raise an amount
35 for a necessary cash reserve for a school district's general

1 fund. The amount raised for a necessary cash reserve does not
2 increase a school district's authorized expenditures as
3 defined in section 257.7.

4 Sec. 11. Section 300.2, unnumbered paragraph 2, Code 1997,
5 is amended to read as follows:

6 If a majority of the votes cast upon the proposition is in
7 favor of the proposition, the board shall certify the amount
8 required for a fiscal year to the county board of supervisors
9 by ~~April~~ March 15 of the preceding fiscal year. The board of
10 supervisors shall levy the amount certified. The amount shall
11 be placed in the public education and recreation levy fund of
12 the district and shall be used only for the purposes specified
13 in this chapter.

14 Sec. 12. APPLICABILITY DATE. This Act applies to school
15 district budgets certified for fiscal years beginning on or
16 after July 1, 1999.

17 EXPLANATION

18 This bill moves the budget certification deadline for
19 schools from April 15 to March 15.

20 The bill applies to budgets certified for fiscal years
21 beginning on or after July 1, 1999.

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Brauns, A
Welter
Mundie

HSB 597

LOCAL GOVERNMENT

Succeeded By

SF (HF) 237

HOUSE FILE

BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON VANDE HOEF)

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

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HOUSE FILE 2331

AN ACT

RELATING TO UTILITY COST REVIEWS ASSOCIATED WITH A RATE-REGULATED PUBLIC UTILITY'S PROCUREMENT OF NATURAL GAS OR FUEL FOR USE IN GENERATING ELECTRICITY.

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

Section 1. Section 476.6, subsections 15 and 16, Code 1997, are amended to read as follows:

15. NATURAL GAS SUPPLY AND COST REVIEW. The board shall periodically, but not less than annually, conduct a proceeding for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's natural gas procurement and contracting practices. The natural gas supply and cost review shall be conducted as a contested case pursuant to chapter 17A.

Under procedures established by the board, each rate-regulated public utility furnishing gas shall periodically file a complete natural gas procurement plan describing the expected sources and volumes of its gas supply and changes in the cost of gas anticipated over a future twelve-month period specified by the board. The plan shall describe all major contracts and gas supply arrangements entered into by the utility for obtaining gas during the specified twelve-month period. The description of the major contracts and arrangements shall include the price of gas, the duration of the contract or arrangement, and an explanation or description of any other term or provision as required by the board. The plan shall also include the utility's evaluation of the reasonableness and prudence of its decisions to obtain gas in the manner described in the plan, an explanation of the legal and regulatory actions taken by the utility to minimize the

cost of gas purchased by the utility, and such other information as the board may require. The utilities shall file information as the board deems appropriate.

During the natural gas supply and cost review, the board shall evaluate the reasonableness and prudence of the gas procurement plan. ~~In evaluating the gas procurement plan, the board shall consider the volume, cost, and reliability of the major alternative gas supplies available to the utility; the cost of alternative fuels available to the utility's customers; the availability of gas in storage; the appropriate legal and regulatory actions which the utility could take to minimize the cost of purchased gas; the gas procurement practices of the utility; and other relevant factors.~~ If a utility is not taking all reasonable actions to minimize its purchase gas costs, consistent with assuring an adequate long-term supply of natural gas, the board shall not allow the utility to recover from its customers purchase gas costs in excess of those costs that would be incurred under reasonable and prudent policies and practices.

16. ANNUAL ~~EBBETRE~~ ELECTRIC ENERGY SUPPLY AND COST REVIEW. The board shall periodically conduct an annual a proceeding for the purpose of evaluating the reasonableness and prudence of a rate-regulated public utility's procurement and contracting practices related to the acquisition of fuel for use in generating electricity. The evaluation may review the reasonableness and prudence of actions taken by a rate-regulated public utility to comply with the federal Clean Air Act Amendments of 1990, Pub. L. No. 101-549. The proceeding shall be conducted as a contested case pursuant to chapter 17A. Under procedures established by the board, the utility shall file information as the board deems appropriate. If a utility is not taking all reasonable actions to minimize its fuel and allowance transaction costs, the board shall not allow the utility to recover from its customers fuel and allowance transaction costs in excess of those costs that

would be or would have been incurred under reasonable and prudent policies and practices.

RON J. CORBETT
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2331, Seventy-seventh General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved March 17, 1998

TERRY E. BRANSTAD
Governor