

S- 2-19-97 Local Gov.  
S- 3-25-97 No Pass

# REPRINTED

FEB 13 1997  
Place On Calendar

HOUSE FILE 244  
BY COMMITTEE ON LOCAL  
GOVERNMENT

(SUCCESSOR TO HSB 21)

Passed House, Date 2-19-97 <sup>(P. 363)</sup> Passed Senate, <sup>(P. 982)</sup> Date 4-7-97  
Vote: Ayes 96 Nays 0 Vote: Ayes 43 Nays 1  
Approved April 11, 1997

## A BILL FOR

1 An Act relating to transfers of funds from the county debt  
2 service fund.

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

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HF 244

244

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1 Section 1. Section 331.430, subsection 3, Code 1997, is  
2 amended to read as follows:

3 3. A tax levied for the debt service fund is not invalid  
4 if it raises moneys in excess of those needed for a specific  
5 purpose. Such funds shall remain in the debt service fund and  
6 shall not be transferred to the general fund, or otherwise  
7 transferred to meet a general fund obligation. Only excess  
8 moneys remaining after retirement of all indebtedness payable  
9 from the debt service fund may be transferred from the fund to  
10 the fund most closely related to the project for which the  
11 indebtedness arose, ~~or to the general fund,~~ subject to the  
12 terms of the original bond issue. This subsection shall not  
13 be construed to give a county board of supervisors authority  
14 to increase the debt service levy for the purpose of creating  
15 excess moneys in the fund to be used for purposes other than  
16 those related to retirement of debt.

17 EXPLANATION

18 This bill provides that county boards of supervisors are  
19 not authorized to transfer excess moneys in the debt service  
20 fund to the general fund of the county or to transfer the  
21 moneys to satisfy a general fund obligation.

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## HOUSE FILE 244

H-1041

1 Amend House File 244 as follows:

2 1. Page 1, by inserting before line 1 the  
3 following:

4 "Section 1. Section 331.430, subsection 2, Code  
5 1997, is amended by adding the following new  
6 unnumbered paragraph:

7 NEW UNNUMBERED PARAGRAPH. For the purposes of this  
8 section, warrants issued by a county in anticipation  
9 of revenue, refunding or refinancing of such warrants,  
10 and judgments based on a default in payment of such  
11 warrants shall not be considered debt payable from the  
12 debt service fund."

13 2. Page 1, by striking lines 5 through 11 and  
14 inserting the following: "purpose. Only excess  
15 moneys remaining after retirement of all indebtedness  
16 payable from the debt service fund may be transferred  
17 from the fund to the fund most closely related to the  
18 project for which the indebtedness arose, or to the  
19 general fund, subject to the".

20 3. Title page, line 1, by striking the words  
21 "transfers of funds from".

22 4. By renumbering as necessary.

By DIX of Butler

MYERS of Johnson

H-1041 FILED FEBRUARY 18, 1997

*Adopted 2-19-97*  
*(P. 363)*

HOUSE FILE 244  
BY COMMITTEE ON LOCAL  
GOVERNMENT

(SUCCESSOR TO HSB 21)

(As Amended and Passed by the House, February 19, 1997)

Passed House, Date \_\_\_\_\_ Passed Senate, <sup>(P. 982)</sup> Date 4-7-97  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes 43 Nays 1  
Approved April 11, 1997

**A BILL FOR**

\* 1 An Act relating to the county debt service fund.  
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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House Amendments \_\_\_\_\_

Deleted Language \*

1 Section 1. Section 331.430, subsection 2, Code 1997, is  
2 amended by adding the following new unnumbered paragraph:

3 NEW UNNUMBERED PARAGRAPH. For the purposes of this  
4 section, warrants issued by a county in anticipation of  
5 revenue, refunding or refinancing of such warrants, and  
6 judgments based on a default in payment of such warrants shall  
7 not be considered debt payable from the debt service fund.

8 Sec. 2. Section 331.430, subsection 3, Code 1997, is  
9 amended to read as follows:

10 3. A tax levied for the debt service fund is not invalid  
11 if it raises moneys in excess of those needed for a specific  
12 purpose. Only excess moneys remaining after retirement of all  
13 indebtedness payable from the debt service fund may be  
14 transferred from the fund to the fund most closely related to  
15 the project for which the indebtedness arose, or to the  
16 general fund, subject to the terms of the original bond issue.  
17 This subsection shall not be construed to give a county board  
18 of supervisors authority to increase the debt service levy for  
19 the purpose of creating excess moneys in the fund to be used  
20 for purposes other than those related to retirement of debt.

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*Dick Chu  
Huseman  
Myers*

**HSB 21**  
**LOCAL GOVERNMENT**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON \_\_\_\_\_  
LOCAL GOVERNMENT BILL BY  
CHAIRPERSON VANDE HOEF)

Succeeded By  
SF HE 244

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

- 1 An Act relating to transfers of funds from the county debt
- 2 service fund.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
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10 the fund most closely related to the project for which the  
11 indebtedness arose, ~~or-to-the-general-fund,~~ subject to the  
12 terms of the original bond issue. This subsection shall not  
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18 This bill provides that county boards of supervisors are  
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of supervisors authority to increase the debt service levy for the purpose of creating excess moneys in the fund to be used for purposes other than those related to retirement of debt.

HOUSE FILE 244

AN ACT

RELATING TO THE COUNTY DEBT SERVICE FUND.

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

Section 1. Section 331.430, subsection 2, Code 1997, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. For the purposes of this section, warrants issued by a county in anticipation of revenue, refunding or refinancing of such warrants, and judgments based on a default in payment of such warrants shall not be considered debt payable from the debt service fund.

Sec. 2. Section 331.430, subsection 3, Code 1997, is amended to read as follows:

3. A tax levied for the debt service fund is not invalid if it raises moneys in excess of those needed for a specific purpose. Only excess moneys remaining after retirement of all indebtedness payable from the debt service fund may be transferred from the fund to the fund most closely related to the project for which the indebtedness arose, or to the general fund, subject to the terms of the original bond issue. This subsection shall not be construed to give a county board

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RON J. CORBETT  
Speaker of the House

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MARY E. KRAMER  
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 244, Seventy-seventh General Assembly.

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ELIZABETH ISAACSON  
Chief Clerk of the House

Approved April 11, 1997

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TERRY E. BRANSTAD  
Governor