

MAR 13 1997

WAYS AND MEANS

3/26/97 No Pass
4/3/97 Unfinished Business
Calendar
5-4-7-97 W.d memo

HOUSE FILE 626

BY COMMITTEE ON LOCAL GOVERNMENT

(SUCCESSOR TO HSB 216)

Passed House, ^(P. 1015) Date 4-7-97 Passed Senate, Date _____
Vote: Ayes 98 Nays 0 Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the property tax levy allowed certain fire
2 districts.

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

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HF 626

1 Section 1. Section 357B.5, Code 1997, 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 the district, the board of supervisors
7 may dissolve a benefited fire district and dispose of any
8 remaining property, the proceeds of which shall first be
9 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. However, except as provided
12 in subsection 2, if all or a part of a district is annexed,
13 the board of supervisors may transfer the remaining property
14 and balance to the city which annexed the territory. The
15 board of supervisors shall continue to levy an annual tax
16 after the dissolution of a district, not to exceed ~~forty-and~~
17 ~~one-half~~ sixty and three-fourths cents per thousand dollars of
18 assessed value of the taxable property of the district, until
19 all outstanding obligations of the district are paid.

20 2. If a benefited fire district is dissolved that has been
21 providing fire protection by contract, direct levy, or
22 combination of both, to a city within the district for at
23 least twenty years and the city's annual payments by contract
24 or levy for the fire protection comprise seventy-five percent
25 or more of the district's annual budget, the board of
26 supervisors, in lieu of the disposal of property as provided
27 in subsection 1, shall transfer to the city all of the
28 district's real and personal property. The city shall assume
29 all of the outstanding obligations of the district. If the
30 district provides fire protection outside of the city's
31 boundaries, the city shall continue to provide fire protection
32 to this area until it is assigned to another fire protection
33 district by the board of supervisors. If the city continues
34 the fire protection outside its boundaries, the city shall
35 certify to the board of supervisors the cost of providing this

1 service, which shall be at the same rate as contained in the
2 budget for property within the city, but not exceeding forty
3 ~~and-one-half~~ sixty and three-fourths cents per thousand
4 dollars of assessed value of all taxable property in the area.
5 The board of supervisors shall levy the amount of tax
6 certified as provided in section 357B.3. The tax shall be
7 collected and allocated in the same manner as other property
8 taxes and paid to the city.

9 Sec. 2. Section 357B.8, subsection 2, Code 1997, is
10 amended to read as follows:

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

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EXPLANATION

29 This bill changes from 40 1/2 cents per \$1,000 of valuation
30 to 60 3/4 cents per \$1,000 the amount a city located in a
31 benefited fire district may levy for fire protection, or the
32 amount a city which was located in a dissolved fire district
33 may levy if it takes over fire protection services from the
34 dissolved district. Current law allows a benefited fire
35 district to levy a maximum combined levy of 60 3/4 cents per

1 \$1,000.

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Weidman, Ch
Martin
Connors

HSB 216

LOCAL GOVERNMENT

Succeeded By

HOUSE FILE

SF (HP) 626

BY (PROPOSED COMMITTEE ON

LOCAL GOVERNMENT BILL BY

CHAIRPERSON VANDE HOEF)

Passed House, Date _____

Passed Senate, Date _____

Vote: Ayes _____ Nays _____

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S.F. _____ H.F. _____

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