

1-29-97 Amend/Do Pass w/
5-2/17/97 State Gov. H.1003

REPRINTED

JAN 13 1997
LOCAL GOVERNMENT

HOUSE FILE 8
BY VANDE HOEF and HOUSER

(P. 286)
Passed House, Date 2/12/97 Passed Senate, Date 1/21/98
Vote: Ayes 98 Nays 0 Vote: Ayes 47 Nays 0
~~Approved~~ Octoed 5/18/98

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 8

H-1003

1 Amend House File 8 as follows:
2 1. Page 1, line 18, by inserting after the word
3 "to" the following: "any liabilities or".

P. 285 Adopted 2/12/97

By COMMITTEE ON LOCAL GOVERNMENT
VANDE HOEF of Osceola, Chairperson

H-1003 FILED JANUARY 29, 1997

HOUSE FILE 8

H-1018

1 Amend House File 8 as follows:
2 1. Page 1, line 6, by inserting after the word
3 "agency," the following: "county hospital, memorial
4 hospital, merged area hospital,".

H-1018 FILED FEBRUARY 6, 1997 By REYNOLDS-KNIGHT of Van Buren

Withdrawn 2-12-97 (P. 285)

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1 Section 1. Section 25B.2, subsection 3, Code 1997, is
2 amended by striking the subsection.

3 Sec. 2. Section 25B.3, subsection 1, Code 1997, 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, 1997, 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, 1997, 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, 1997, which requires the performance of a
32 new activity, to expand an activity beyond what was required
33 before July 1, 1997, 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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H-1025

1 Amend House File 8 as follows:

2 1. Page 1, by inserting after line 28 the
3 following:

4 "Sec. ____ . NEW SECTION. 25B.7 FUNDING PROPERTY
5 TAX CREDITS AND EXEMPTIONS.

6 Beginning with property taxes due and payable in
7 the fiscal year beginning July 1, 1997, the cost of
8 providing a property tax credit or property tax
9 exemption which is enacted by the general assembly on
10 or after January 1, 1997, or which is in existence on
11 or after January 1, 1997, shall be fully funded by the
12 state. If a state appropriation made to fund a credit
13 or exemption is not sufficient to fully fund the
14 credit or exemption, the political subdivision shall
15 be required to extend to the taxpayer only that
16 portion of the credit or exemption funded by the state
17 appropriation. The department of revenue and finance
18 shall determine the portion of the credit or exemption
19 which will be funded by the state appropriation."

By KREIMAN of Davis

H-1025 FILED FEBRUARY 11, 1997

WITHDRAWN 2/12/97 (P. 285)

H-1026

1 Amend House File 8 as follows:

2 1. Page 1, by inserting after line 28 the
3 following:

4 "3. For the purposes of subsection 1, a political
5 subdivision or political subdivisions may appeal to
6 the advisory commission on intergovernmental
7 relations, created in chapter 28J, to determine
8 whether or not any new activity, new service, or
9 increase in service required to be engaged in by the
10 political subdivisions of the state constitutes a
11 state mandate and if it is a state mandate, to what
12 extent the state has fully funded such mandate."

By KREIMAN of Davis

H-1026 FILED FEBRUARY 11, 1997

(P. 286) 2/12/97 adopted

2-26-97 amend / Do Pass
w/ S-3090

H. 4/20/98 MTR by Houser on Schradie
H. 4/22/98 MTR withdrawn

HOUSE FILE

8

BY VANDE HOEF and HOUSER

(As Amended and Passed by the House, February 12, 1997)

(p. 1537)
Passed House, Date 4-13-98 Passed Senate, Date 1/21/98 (p. 95)
Vote: Ayes 99 Nays 0 Vote: Ayes 47 Nays 0
(p. 1814) Amend 4/20/98 Approved Vote 5/18/98
Vote 99-0

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 Amendments _____

HOUSE FILE 8

S-3354

1 Amend House File 8, as amended, passed, and
2 reprinted by the House, as follows:
3 1. By striking page 1, line 29, through page 2,
4 line 1.

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By LYLE E. ZIEMAN

S-3354 FILED APRIL 3, 1997

Adopted 4/10/97 (p. 1108)

1 Section 1. Section 25B.2, subsection 3, Code 1997, is
2 amended by striking the subsection.

3 Sec. 2. Section 25B.3, subsection 1, Code 1997, 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, 1997, 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, 1997, 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 any liabilities
19 or the imposition of any fines or penalties for the failure to
20 comply with the state mandate. However, this subsection does
21 not apply to any requirement imposed on a political
22 subdivision relating to public employee retirement systems
23 under chapters 97B, 410, 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 3. For the purposes of subsection 1, a political
30 subdivision or political subdivisions may appeal to the
31 advisory commission on intergovernmental relations, created in
32 chapter 28J, to determine whether or not any new activity, new
33 service, or increase in service required to be engaged in by
34 the political subdivisions of the state constitutes a state
35 mandate and if it is a state mandate, to what extent the state

1 has fully funded such mandate.

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HOUSE FILE 8

S-3090

1 Amend House File 8, as amended, passed, and
2 reprinted by the House, as follows:

3 1. By striking everything after the enacting
4 clause and inserting the following:

5 "Section 1. Section 8.59, Code 1997, is amended to
6 read as follows:

7 8.59 APPROPRIATIONS FREEZE.

8 Notwithstanding contrary provisions of the Code,
9 the amounts appropriated under the applicable sections
10 of the Code for fiscal years commencing on or after
11 July 1, 1993, are limited to those amounts expended
12 under those sections for the fiscal year commencing
13 July 1, 1992. If an applicable section appropriates
14 moneys to be distributed to different recipients and
15 the operation of this section reduces the total amount
16 to be distributed under the applicable section, the
17 moneys shall be prorated among the recipients. As
18 used in this section, "applicable sections" means the
19 following sections: 53.50, 229.35, 230.8, 230.11,
20 405A.8, 411.20, 425-~~17~~, 425.39, 426A.1, 663.44, and
21 822.5.

22 Sec. 2. Section 25B.2, subsection 3, Code 1997, is
23 amended by striking the subsection.

24 Sec. 3. Section 25B.3, subsection 1, Code 1997, is
25 amended to read as follows:

26 1. "Political subdivision" means a city, county,
27 township, community college, area education agency, or
28 school district.

29 Sec. 4. NEW SECTION. 25B.5A UNFUNDED STATE
30 MANDATES -- EFFECT.

31 1. If, on or after July 1, 1997, a state mandate
32 is enacted by the general assembly, or otherwise
33 imposed, on a political subdivision and the state
34 mandate requires a political subdivision to engage in
35 any new activity, to provide a new service, or to
36 provide any service beyond that required by any law
37 enacted prior to July 1, 1997, and the state does not
38 appropriate moneys to fully fund the cost of the state
39 mandate, the political subdivision is not required to
40 perform the activity or provide the service and the
41 political subdivision shall not be subject to any
42 liabilities or the imposition of any fines or
43 penalties for the failure to comply with the state
44 mandate. However, this subsection does not apply to
45 any requirement imposed on a political subdivision
46 relating to public employee retirement systems under
47 chapters 97B, 410, and 411.

48 2. For the purposes of subsection 1, any
49 requirement originating from the federal government
50 and administered, implemented, or enacted by the

S-3090

-1-

S-3090

Page 2

1 state, or any allocation of federal moneys conditioned
2 upon the enactment of state law or rule, is not a
3 state mandate.

4 3. For the purposes of subsection 1, a political
5 subdivision or political subdivisions may appeal to
6 the advisory commission on intergovernmental
7 relations, created in chapter 28J, to determine
8 whether or not any new activity, new service, or
9 increase in service required to be engaged in by the
10 political subdivisions of the state constitutes a
11 state mandate and if it is a state mandate, to what
12 extent the state has fully funded such mandate.

13 4. For purposes of subsection 1, beginning with
14 property taxes due and payable in the fiscal year
15 beginning July 1, 1997, the cost of providing the
16 homestead property tax credit on or after January 1,
17 1997, shall be fully funded by the state. If on or
18 after January 1, 1997, a state appropriation made to
19 fund the homestead property tax credit is not
20 sufficient to fully fund the credit, the political
21 subdivision shall be required to extend to the
22 taxpayer only that portion of the credit funded by the
23 state appropriation. The department of revenue and
24 finance shall determine the portion of the credit
25 which will be funded by the state appropriation.

26 Sec. 5. Section 425.1, subsection 1, unnumbered
27 paragraph 1, Code 1997, is amended to read as follows:

28 A homestead credit fund is created. There is
29 appropriated annually from the general fund of the
30 state to the department of revenue and finance to be
31 credited to the homestead credit fund, ~~an amount~~
32 ~~sufficient to implement this chapter~~ the sum of one
33 hundred fourteen million dollars.

34 Sec. 6. Section 5 of this Act applies to homestead
35 property tax credit claims filed for taxes due and
36 payable in the fiscal year beginning July 1, 1997."

By COMMITTEE ON STATE GOVERNMENT
JIM LIND, Chairperson

S-3090 FILED FEBRUARY 26, 1997

Ruled Not germane 4/10/97 (p.1107)

HOUSE FILE 8

S-3185

1 Amend the amendment, S-3090, to House File 8, as
2 amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 2, by inserting after line 36 the
5 following:

6 "____. Title page, line 1, by inserting after the
7 word "mandates" the following: ", removing the limit
8 on the amount of state reimbursement to local
9 governments for the homestead property tax credit, and
10 providing an appropriation and an applicability
11 date"."

By JIM LIND

S-3185 FILED MARCH 20, 1997

9/0 4-10-97 (p.1107)

HOUSE FILE 8

S-5008

1 Amend House File 8, as amended, passed, and
2 reprinted by the House, as follows:

- DIV 3 1. Page 1, line 9, by striking the figure "1997"
A 4 and inserting the following: "1998".
5 2. Page 1, line 14, by striking the figure "1997"
6 and inserting the following: "1998".
7 3. Page 1, line 16, by inserting after the word
8 "mandate" the following: "as identified pursuant to
9 section 25B.5, subsections 1 and 2".
-
- DIV 10 4. Page 1, line 23, by inserting after the figure
B 11 "411" the following: "or any requirement pertaining
12 to the enforcement of the Iowa criminal code under
13 chapters 701 to 728".

By SHELDON RITTMER

S-5008 FILED JANUARY 21, 1998
DIV A-ADOPTED, DIV B-RULED OUT OF ORDER

HOUSE FILE 8

S-5009

1 Amend House File 8, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 23, by inserting after the figure
4 "411" the following: "or to the enforcement of
5 chapter 321J or the Iowa Criminal Code pursuant to
6 chapters 701 to 728".

By ROD HALVORSON

S-5009 FILED JANUARY 21, 1998
ADOPTED

HOUSE FILE 8

S-5010

1 Amend House File 8, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, by inserting after line 28 the
4 following:
5 " . . . If the governing body of a political
6 subdivision decides not to implement or enforce an
7 unfunded state mandate pursuant to section 25B.5A, the
8 governing body shall adopt a resolution specifying
9 that the unfunded state mandate will not be
10 implemented or enforced and file the resolution with
11 the secretary of state."

By ROD HALVORSON

S-5010 FILED JANUARY 21, 1998
LOST

HOUSE FILE 8

S-3471

1 Amend House File 8, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 1, line 18, by inserting after the word
4 "liabilities" the following: "imposed by the state".

Adapted 1/21/98

By TOM VILSACK

S-3471 FILED APRIL 10, 1997

HOUSE FILE 8

S-3469

1 Amend House File 8, as amended, passed, and
2 reprinted by the House, as follows:
3 1. By striking page 1, line 29, through page 2,
4 line 1, and inserting the following:
5 "3. If a political subdivision finds that a new
6 activity, new service, or increase in service is
7 required by law or rule and sufficient moneys are not
8 appropriated to fully fund the activity or service as
9 provided in subsection 1, the political subdivision
10 shall carry out the new activity or service or shall
11 apply to the district court of the district in which
12 the political subdivision is located, to determine
13 whether or not the new activity, new service, or
14 increase in service is a state mandate and, if a state
15 mandate exists, whether or not sufficient moneys have
16 been appropriated by the state to fully fund the state
17 mandate. If the district court finds that a state
18 mandate is not imposed or that a state mandate is
19 imposed without sufficient moneys appropriated to
20 fully fund the state mandate, a political subdivision
21 affected by the state mandate is not required to carry
22 the state mandate."

By ROD HALVORSON

S-3469 FILED APRIL 10, 1997

LOST (P. 1107)

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 8

S-5629

1 Amend the Senate amendment, H-8002, to House File
2 8, as amended, passed, and reprinted by the House, as
3 follows:
4 1. Page 1, line 14, by striking the word
5 "pursuant" and inserting the following: "including
6 but not limited".
7 2. Page 1, line 15, by inserting after the figure
8 "728" the following: "or any other public offense
9 which is punishable by fine or imprisonment".

RECEIVED FROM THE HOUSE

Senate Referred 4/15/98
(P. 1286) S-5629 FILED APRIL 13, 1998

House Received 4/20/98 (P. 1814)

HOUSE FILE 8

H-8005

1 Amend the Senate amendment, H-8002, to House File
2 8, as amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, line 14, by striking the word
5 "pursuant" and inserting the following: "including
6 but not limited".

7 2. Page 1, line 15, by inserting after the figure
8 "728" the following: "or any other public offense
9 which is punishable by fine or imprisonment".

By KREIMAN of Davis

H-8005 FILED JANUARY 29, 1998

Adapted

4-13-98 (p. 1537)

HOUSE FILE 8

H-8006

1 Amend the Senate amendment, H-8002, to House File
2 8, as amended, passed, and reprinted by the House, as
3 follows:

4 1. Page 1, by striking lines 16 and 17.

By KREIMAN of Davis

H-8006 FILED JANUARY 29, 1998

W/D

4/13/98

(p. 1537)

SENATE AMENDMENT TO HOUSE FILE 8

H-8002

- 1 Amend House File 8, as amended, passed, and
- 2 reprinted by the House, as follows:
- 3 1. Page 1, line 9, by striking the figure "1997"
- 4 and inserting the following: "1998".
- 5 2. Page 1, line 14, by striking the figure "1997"
- 6 and inserting the following: "1998".
- 7 3. Page 1, line 16, by inserting after the word
- 8 "mandate" the following: "as identified pursuant to
- 9 section 25B.5, subsections 1 and 2".
- 10 4. Page 1, line 18, by inserting after the word
- 11 "liabilities" the following: "imposed by the state".
- 12 5. Page 1, line 23, by inserting after the figure
- 13 "411" the following: "or to the enforcement of
- 14 chapter 321J or the Iowa Criminal Code pursuant to
- 15 chapters 701 to 728".
- 16 6. By striking page 1, line 29, through page 2,
- 17 line 1.
- 18 7. By renumbering, relettering, or redesignating
- 19 and correcting internal references as necessary.

RECEIVED FROM THE SENATE

H-8002 FILED JANUARY 22, 1998

House Concurred
4-13-98
(P.1537)



OFFICE OF THE GOVERNOR

STATE CAPITOL
DES MOINES, IOWA 50319
515 281-5211

TERRY E. BRANSTAD
GOVERNOR

May 18, 1998

MAY 20 1998
U.S. DEPARTMENT OF JUSTICE

The Honorable Paul Pate
Secretary of State
State Capitol Building
LOCAL

Dear Mr. Secretary:

House File 8, an act relating to the funding of state mandates, is hereby disapproved and transmitted to you in accordance with Article III, Section 16, of the Constitution of the State of Iowa.

House File 8 replaces Iowa Code Chapter 25B.2 Subsection 3, relating to unfunded state mandates, with substantially similar provisions, but with an expanded number of local services and activities that would be specifically exempt from its provisions.

I appreciate the intent of the bill in creating additional enforcement obligations of Chapter 321J (Operating While Under the Influence, or OWI) and the Iowa Criminal Code Chapters (701 through 728). The superficial effect of the change is that local law enforcement agencies would still be required to enforce new provisions in the OWI chapter or in the general criminal code, even without additional state funding. However, further consideration of House File 8 prompts concern.

Although Chapter 25B as currently written may appear to create an opportunity for city and county law enforcement to avoid enforcing changes in state criminal law, in practice there is a long tradition of local enforcement. The danger with House File 8 is that by specifically excluding Chapters 321J and 701 through 728, it suggests the criminal provisions of the Code create mandates on local government that do not have to be enforced without additional funding.

Perhaps more important is the effect on dozens of other important Code provisions dealing with criminal penalties, which were not specifically excluded in this legislation. Prominent examples include Chapter 321 (motor vehicle laws), Chapter 124 (controlled substances), Chapter 123 (alcoholic beverage control) and Chapter 101A (explosives). The lack of exclusion for these chapters and the specific exclusion of others in this bill calls into question whether local law enforcement agencies would still be required to enforce future additions to these chapters, absent specific state funding.

The Honorable Paul Pate
House File 8 Page 2
May 18, 1998

House File 8 increases the risk that over time, enforcement of Iowa laws will become unpredictable, non-uniform and inequitable. For example, one city could elect to join the Iowa State Patrol in enforcing new additions or changes in Iowa's motor vehicle laws, while neighboring cities or even the county sheriff might decline to do so. The result would be a patchwork of enforcement of Iowa's traffic laws based on the location where the citizen is driving, or even based on the organizational affiliation of the officer who observes the citizen's actions. Iowa citizens should not be placed at risk due to non-uniform enforcement of Iowa's laws. Criminal laws, their application and enforcement, must be reasonably predictable and uniform.

For the above reasons, I hereby respectfully disapprove House File 8.

Sincerely,

A handwritten signature in black ink, reading "Terry E. Branstad". The signature is written in a cursive style with a large, sweeping initial "T" and a circular flourish at the end.

Terry E. Branstad
Governor

TEB/ps

cc: Secretary of the Senate
Chief Clerk of the House

HOUSE FILE 8

AN ACT
RELATING TO THE FUNDING OF STATE MANDATES.

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

Section 1. Section 25B.2, subsection 3, Code 1997, is amended by striking the subsection.

Sec. 2. Section 25B.3, subsection 1, Code 1997, is amended to read as follows:

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

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

1. If, on or after July 1, 1998, a state mandate is enacted by the general assembly, or otherwise imposed, on a political subdivision and the state mandate requires a political subdivision to engage in any new activity, to provide a new service, or to provide any service beyond that required by any law enacted prior to July 1, 1998, and the state does not appropriate moneys to fully fund the cost of the state mandate as identified pursuant to section 25B.5, subsections 1 and 2, the political subdivision is not required to perform the activity or provide the service and the political subdivision shall not be subject to any liabilities imposed by the state or the imposition of any fines or penalties for the failure to comply with the state mandate. However, this subsection does not apply to any requirement imposed on a political subdivision relating to public employee retirement systems under chapters 97B, 410, and 411 or to the enforcement of chapter 321J or the Iowa Criminal Code pursuant to chapters 701 to 728.

2. For the purposes of subsection 1, any requirement originating from the federal government and administered,

implemented, or enacted by the state, or any allocation of federal moneys conditioned upon the enactment of state law or rule, is not a state mandate.

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 8, Seventy-seventh General Assembly.


Approved 5/18/98, 1998

ELIZABETH ISAACSON
Chief Clerk of the House

TERRY E. BRANSTAD
Governor