

3/18/97 W. & means

FILED MAR 17 1997

SENATE FILE **482**
BY COMMITTEE ON EDUCATION

(SUCCESSOR TO SSB 244)

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

A BILL FOR

1 An Act relating to the increase in the physical plant and
2 equipment levy.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF. 482

1 Section 1. Section 298.2, subsection 1, Code 1997, is
2 amended to read as follows:

3 1. A physical plant and equipment levy of not exceeding
4 one dollar and sixty-seven cents per thousand dollars of
5 assessed valuation in the district is established except as
6 otherwise provided in this subsection. The physical plant and
7 equipment levy consists of the regular physical plant and
8 equipment levy of not exceeding thirty-three cents per
9 thousand dollars of assessed valuation in the district and a
10 voter-approved physical plant and equipment levy of not
11 exceeding ~~sixty-seven~~ one dollar and thirty-four cents per
12 thousand dollars of assessed valuation in the district.
13 However, the voter-approved physical plant and equipment levy
14 may consist of a combination of a physical plant and equipment
15 property tax levy and a physical plant and equipment income
16 surtax as provided in subsection 3 with the maximum amount
17 levied and imposed limited to an amount that could be raised
18 by a ~~sixty-seven~~ one dollar and thirty-four cent property tax
19 levy. The levy limitations of this subsection are subject to
20 subsection 5.

21 Sec. 2. Section 298.2, Code 1997, is amended by adding the
22 following new subsection:

23 NEW SUBSECTION. 1A. If the electors of a school district
24 have authorized a voter-approved physical plant and equipment
25 levy not exceeding sixty-seven cents per thousand dollars of
26 assessed valuation in the district prior to July 1, 1997, the
27 levy shall continue for the period authorized under the voter-
28 approved levy, and the maximum levy that can be authorized by
29 the electors under the voter-approved levy on or after July 1,
30 1997, under this section, is an additional sixty-seven cents
31 for a period to coincide with the period for which the initial
32 physical plant and equipment levy in the district was
33 approved.

34 EXPLANATION

35 The bill increases the voter-approved physical plant and

1 equipment levy from 67 cents to \$1.34 cents per \$1,000 of
2 assessed value. The bill applies to voter-approved levies
3 which are approved on or after July 1, 1997.

4 The bill provides that a school district that already has a
5 voter-approved levy at the old rate of 67 cents per \$1,000 of
6 assessed value must continue at that rate for the duration of
7 the period authorized unless the voters approve an additional
8 67 cents per \$1,000 of assessed value levy during the
9 authorized period.

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**SENATE FILE 482
FISCAL NOTE**

A fiscal note for Senate File 482 is hereby submitted pursuant to Joint Rule 17. Data used in developing this fiscal note is available from the Legislative Fiscal Bureau to members of the Legislature upon request.

Senate File 482 increases the voter-approved physical plant and equipment levy from a maximum of \$0.67 to \$1.34 per \$1,000 of taxable valuation. If a school district currently has a voter-approved physical plant and equipment levy, the levy will continue as authorized and the school district can receive a maximum of an additional \$0.67 per \$1,000 of taxable valuation. The additional \$0.67 will coincide with the period for which the initial physical plant and equipment levy was approved. The board approved physical plant and equipment levy of \$0.33 per \$1,000 of taxable valuation is not affected by this Bill.

ASSUMPTIONS

1. Taxable valuations will grow 2.25% for each district to \$81.2 billion.
2. School districts with the schoolhouse levy (old name for the physical plant and equipment levy) will also be authorized to receive an additional \$0.67.

FISCAL IMPACT

Senate File 482 has a maximum fiscal impact of \$54.4 million compared to current law, if all school districts approve an additional \$0.67 per \$1,000 of taxable valuation. The fiscal impact can effect a combination of property taxes and income surtax.

Assuming that only school districts that are at the maximum physical plant and equipment levy or schoolhouse levy will approve an additional \$0.67 per \$1,000 of taxable valuation, the fiscal impact is \$32.9 million for 161 school districts.

(LSB 2730SV, JAS)

FILED MARCH 18, 1997

BY DENNIS PROUTY, FISCAL DIRECTOR

Redfern, chair
Kibbie
Tinsman

SSB 244
Education

Succeeded By
SENATE FILE SF/HF 482
BY (PROPOSED COMMITTEE ON
EDUCATION BILL BY
CHAIRPERSON REDFERN)

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Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
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16 surtax as provided in subsection 3 with the maximum amount
17 levied and imposed limited to an amount that could be raised
18 by a ~~sixty-seven~~ one dollar and thirty-four cent property tax
19 levy. The levy limitations of this subsection are subject to
20 subsection 5.

21 Sec. 2. Section 298.2, Code 1997, is amended by adding the
22 following new subsection:

23 NEW SUBSECTION. 1A. If the electors of a school district
24 have authorized a sixty-seven cents per thousand dollars of
25 assessed valuation in the district voter-approved levy under
26 subsection 1 prior to July 1, 1997, the levy shall continue
27 for the period authorized under the voter approved levy, and
28 the maximum levy that can be authorized by the electors under
29 the voter approved levy on or after July 1, 1997, under this
30 section, is an additional sixty-seven cents for a period to
31 coincide with the period for which the initial sixty-seven
32 cents per thousand dollars of assessed valuation in the
33 district was approved.

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EXPLANATION

35 The bill increases the voter approved physical plant and

1 equipment levy from 67 cents to \$1.34 cents per \$1,000 of
2 assessed value. The bill applies to voter approved levies
3 which are approved on or after July 1, 1997.

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