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4-15-98 (P. 1660)

5-3/31/98 Ways + Means
5-4/2/98 motion to R/C by
McKibben
FILED MAR 31 1998
5-4/6/98 Motion W/D

SENATE JOINT RESOLUTION 2004
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SSB 2072)

Passed Senate, Date 4-2-98 ^(P. 1045) Passed House, Date 4/22/98 ^(P. 114)
Vote: Ayes 32 Nays 16 Vote: Ayes 55 Nays 44
Approved _____

SENATE JOINT RESOLUTION

1 A Joint Resolution proposing amendments to the Constitution of
2 the State of Iowa relating to the state budget by limiting
3 state general fund expenditures and restricting certain state
4 tax revenue changes.

5 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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S. J. R. 2004

1 Section 1. The following amendment to the Constitution of
2 the State of Iowa is proposed:

3 The Constitution of the State of Iowa is amended by adding
4 the following new section to new Article XIII:

5 ARTICLE XIII.

6 EXPENDITURE LIMITATION.

7 GENERAL FUND EXPENDITURE LIMITATION. Section 1.

8 1. For the purposes of this section:

9 a. "Adjusted revenue estimate" means the most recent
10 revenue estimate determined before January 1, or a later and
11 lesser revenue estimate determined before adjournment of the
12 regular session of the General Assembly, for the general fund
13 for the following fiscal year as determined by a revenue
14 estimating conference which shall be established by the General
15 Assembly by law, adjusted by subtracting estimated refunds
16 payable from that estimated revenue and adding any available
17 surplus in accordance with subsection 5.

18 b. "General fund" means the principal operating fund of the
19 state which shall be established by the General Assembly by
20 law.

21 c. "New revenues" means moneys which are received by the
22 state due to increased tax rates or fees or newly created taxes
23 or fees over and above those moneys which are received due to
24 state taxes or fees which are in effect as of January 1
25 following the most recent state revenue estimating conference.
26 "New revenues" also includes moneys received by the general
27 fund due to new transfers over and above those moneys received
28 by the general fund due to transfers which are in effect as of
29 January 1 following the most recent state revenue estimating
30 conference. The state revenue estimating conference shall
31 determine the eligibility of transfers to the general fund
32 which are to be considered as new revenue in determining the
33 state general fund expenditure limitation.

34 2. A state general fund expenditure limitation is created
35 and calculated in subsection 3, for each fiscal year beginning

1 on or after July 1 following the effective date of this
2 section.

3 3. Except as otherwise provided in this section, the state
4 general fund expenditure limitation for a fiscal year shall be
5 ninety-nine percent of the adjusted revenue estimate.

6 4. The state general fund expenditure limitation shall be
7 used by the Governor in the preparation of the budget and by
8 the General Assembly in the budget process. If a new revenue
9 source is proposed, the budget revenue projection used for that
10 new revenue source for the period beginning on the effective
11 date of the new revenue source and ending in the fiscal year in
12 which the source is included in the adjusted revenue estimate
13 shall be ninety-five percent of the amount remaining after
14 subtracting estimated refunds payable from the projected
15 revenue from that source. If a new revenue source is
16 established and implemented, the original state general fund
17 expenditure limitation amount provided for in subsection 3
18 shall be readjusted to include ninety-five percent of the
19 estimated revenue from that source.

20 5. Any surplus existing at the end of a fiscal year which
21 exceeds ten percent of the adjusted revenue estimate of that
22 fiscal year shall be included in the adjusted revenue estimate
23 for the following fiscal year. Any surplus equal to ten
24 percent or less of the adjusted revenue estimate of the fiscal
25 year may be included in the adjusted revenue estimate for the
26 following fiscal year if approved in a bill receiving the
27 affirmative votes of at least three-fifths of the whole
28 membership of each house of the General Assembly. For purposes
29 of this section, "surplus" means the cumulative excess of
30 revenues and other financing sources over expenditures and
31 other financing uses for the general fund at the end of a
32 fiscal year.

33 6. The scope of the expenditure limitation under subsection
34 3 shall not include federal funds, donations, constitutionally
35 dedicated moneys, and moneys in expenditures from a state

1 retirement system.

2 7. The Governor shall submit and the General Assembly shall
3 pass a budget which does not exceed the state general fund
4 expenditure limitation.

5 8. The Governor shall not submit and the General Assembly
6 shall not pass a budget which in order to balance assumes
7 reversion of any part of the total of the appropriations
8 included in the budget.

9 9. The state shall use consistent standards, in accordance
10 with generally accepted accounting principles, for all state
11 budgeting and accounting purposes.

12 10. The General Assembly shall enact laws to implement this
13 section.

14 Sec. 2. The following amendment to the Constitution of the
15 State of Iowa is proposed:

16 The Constitution of the State of Iowa is amended by adding
17 the following new sections to new Article XIII:

18 ARTICLE XIII.

19 THREE-FIFTHS MAJORITY FOR TAX LAW CHANGES.

20 THREE-FIFTHS MAJORITY TO INCREASE TAXES. Section 1. A bill
21 containing provisions enacting, amending, or repealing the
22 state income tax or enacting, amending, or repealing the state
23 sales and use taxes, in which the aggregate fiscal impact of
24 those provisions relating to those taxes results in a net
25 increase in state tax revenues, as determined by the General
26 Assembly, shall require the affirmative votes of at least
27 three-fifths of the whole membership of each house of the
28 General Assembly for passage. This section does not apply to
29 income tax or sales and use taxes imposed at the option of a
30 local government.

31 THREE-FIFTHS MAJORITY TO ENACT NEW STATE TAX. Sec. 2. A
32 bill that establishes a new state tax to be imposed by the
33 state shall require the affirmative votes of at least three-
34 fifths of the whole membership of each house of the General
35 Assembly for passage.

1 ENFORCEMENT OF THREE-FIFTHS MAJORITY REQUIREMENT. Sec. 3.
2 A lawsuit challenging the proper enactment of a bill pursuant
3 to section 1 or 2 shall be filed no later than one year
4 following the enactment. Failure to file such a lawsuit within
5 the one-year time limit shall negate the three-fifths majority
6 requirement as it applies to the bill.

7 Each bill to which section 1 or 2 applies shall include a
8 separate provision describing the requirements for enactment
9 prescribed by section 1 or 2.

10 IMPLEMENTATION. Sec. 4. The General Assembly shall enact
11 laws to implement sections 1 through 3.

12 Sec. 3. The foregoing proposed amendments to the
13 Constitution of the State of Iowa are referred to the General
14 Assembly to be chosen at the next general election for members
15 of the General Assembly and the Secretary of State is directed
16 to cause them to be published for three consecutive months
17 previous to the date of that election as provided by law.

18 EXPLANATION

19 This resolution proposes two amendments within a new Article
20 XIII to the Constitution of the State of Iowa which relate to
21 state budgets.

22 The first amendment establishes a state general fund
23 expenditure limitation. The amount of the limitation is 99
24 percent of the adjusted revenue estimate. The amendment
25 defines adjusted revenue estimate and requires that that
26 estimate be determined by a revenue estimating conference which
27 is to be created by the General Assembly by law. The amendment
28 requires that the expenditure limitation be used by the
29 Governor in preparation of the Governor's budget and by the
30 General Assembly in the budget process. The amendment also
31 provides that, if a new revenue source is established and
32 implemented, 95 percent of the estimate of that new revenue
33 shall be included in the expenditure limitation.

34 The first amendment also provides that the amount of any
35 surplus which exceeds an amount equal to 10 percent of the

1 adjusted revenue estimate may be included in the adjusted
2 revenue estimate for the following fiscal year. Any surplus
3 which is equal to 10 percent or less of the amount of the
4 adjusted revenue estimate may be included in the following
5 year's adjusted revenue estimate if use of those funds is
6 approved by a three-fifths majority of each house of the
7 General Assembly. The amendment also requires the State to use
8 generally accepted accounting principles for state budgeting
9 and accounting purposes. The amendment provides that the
10 General Assembly shall enact laws to implement the amendment.

11 The second amendment contained in the resolution requires a
12 three-fifths majority for certain tax law changes. The
13 amendment provides that any bill which enacts, amends, or
14 repeals the state income tax or the state sales and use tax,
15 and which causes, in the aggregate, an increase in state tax
16 revenues, as determined by the General Assembly must be adopted
17 by a three-fifths of the whole membership of each house of the
18 General Assembly. The amendment also requires a three-fifths
19 majority vote of each house of the General Assembly in order to
20 enact a new state tax to be imposed by the state. A lawsuit
21 challenging a bill pursuant to either three-fifths majority
22 passage requirement must be filed no later than one year from
23 the date of enactment of the bill. Finally, the amendment
24 provides that the General Assembly shall enact laws to
25 implement the amendment.

26 The resolution, if adopted, will be referred to the next
27 General Assembly. If the next General Assembly adopts this
28 resolution, the amendment will be submitted to the voters for
29 their decision on ratification.

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SENATE JOINT RESOLUTION 2004

S-5495

1 Amend Senate Joint Resolution 2004 as follows:

2 1. By striking page 1, line 1, through page 4,
3 line 17, and inserting the following:

4 "Section 1. The following amendment to the
5 Constitution of the State of Iowa is proposed:

6 The Constitution of the State of Iowa is amended by
7 adding the following new section to new Article XIII:

8 ARTICLE XIII.

9 EXPENDITURE LIMITATION.

10 GENERAL FUND EXPENDITURE LIMITATION. Section 1.

11 1. For the purposes of this section:

12 a. "Adjusted revenue estimate" means the most
13 recent revenue estimate determined before January 1,
14 or a later and lesser revenue estimate determined
15 before adjournment of the regular session of the
16 General Assembly, for the general fund for the
17 following fiscal year as determined by a revenue
18 estimating conference which shall be established by
19 the General Assembly by law, adjusted by subtracting
20 estimated refunds payable from that estimated revenue
21 and adding any available surplus in accordance with
22 subsection 5.

23 b. "General fund" means the principal operating
24 fund of the state which shall be established by the
25 General Assembly by law.

26 c. "New revenues" means moneys which are received
27 by the state due to increased tax rates or fees or
28 newly created taxes or fees over and above those
29 moneys which are received due to state taxes or fees
30 which are in effect as of January 1 following the most
31 recent state revenue estimating conference. "New
32 revenues" also includes moneys received by the general
33 fund due to new transfers over and above those moneys
34 received by the general fund due to transfers which
35 are in effect as of January 1 following the most
36 recent state revenue estimating conference. The state
37 revenue estimating conference shall determine the
38 eligibility of transfers to the general fund which are
39 to be considered as new revenue in determining the
40 state general fund expenditure limitation.

41 2. A state general fund expenditure limitation is
42 created and calculated in subsection 3, for each
43 fiscal year beginning on or after July 1 following the
44 effective date of this section.

45 3. Except as otherwise provided in this section,
46 the state general fund expenditure limitation for a
47 fiscal year shall be ninety-nine percent of the
48 adjusted revenue estimate.

49 4. The state general fund expenditure limitation
50 shall be used by the Governor in the preparation of

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1 the budget and by the General Assembly in the budget
2 process. If a new revenue source is proposed, the
3 budget revenue projection used for that new revenue
4 source for the period beginning on the effective date
5 of the new revenue source and ending in the fiscal
6 year in which the source is included in the adjusted
7 revenue estimate shall be ninety-five percent of the
8 amount remaining after subtracting estimated refunds
9 payable from the projected revenue from that source.

10 If a new revenue source is established and
11 implemented, the original state general fund
12 expenditure limitation amount provided for in
13 subsection 3 shall be readjusted to include ninety-
14 five percent of the estimated revenue from that
15 source.

16 5. Any surplus existing at the end of a fiscal
17 year which exceeds ten percent of the adjusted revenue
18 estimate of that fiscal year shall be included in the
19 adjusted revenue estimate for the following fiscal
20 year. Any surplus equal to ten percent or less of the
21 adjusted revenue estimate of the fiscal year may be
22 included in the adjusted revenue estimate for the
23 following fiscal year if approved in a bill receiving
24 the affirmative votes of at least three-fifths of the
25 whole membership of each house of the General
26 Assembly. For purposes of this section, "surplus"
27 means the cumulative excess of revenues and other
28 financing sources over expenditures and other
29 financing uses for the general fund at the end of a
30 fiscal year.

31 6. The scope of the expenditure limitation under
32 subsection 3 shall not include federal funds,
33 donations, constitutionally dedicated moneys, and
34 moneys in expenditures from a state retirement system.

35 7. The Governor shall submit and the General
36 Assembly shall pass a budget which does not exceed the
37 state general fund expenditure limitation.

38 8. The Governor shall not submit and the General
39 Assembly shall not pass a budget which in order to
40 balance assumes reversion of any part of the total of
41 the appropriations included in the budget.

42 9. The state shall use consistent standards, in
43 accordance with generally accepted accounting
44 principles, for all state budgeting and accounting
45 purposes.

46 10. The General Assembly shall enact laws to
47 implement this section.

48 Sec. 2. The foregoing proposed amendment to the
49 Constitution of the State of Iowa is referred to the
50 General Assembly to be chosen at the next general

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1 election for members of the General Assembly and the
2 Secretary of State is directed to cause it to be
3 published for three consecutive months previous to the
4 date of that election as provided by law."

5 2. Title page, line 1, by striking the word
6 "amendments" and inserting the following: "an
7 amendment".

8 3. Title page, by striking lines 3 and 4 and
9 inserting the following: "state general fund
10 expenditures".

By TOM FLYNN

S-5495 FILED APRIL 2, 1998

LOST

(p. 1042)

SENATE JOINT RESOLUTION 2004

S-5493

1 Amend Senate Joint Resolution 2004 as follows:
2 1. Page 3, line 15, by inserting after the word
3 "proposed" the following: "as an alternative to, and
4 separate from, the proposed amendment in section 3 of
5 this resolution, and the voters shall only be able to
6 vote in the alternative for this amendment or for the
7 proposed amendment in section 3 of this resolution,
8 and this amendment shall be ratified only if a
9 majority of the electors voting on this amendment and
10 the proposed amendment in section 3 of this resolution
11 approves this amendment".

12 2. Page 4, by inserting after line 11 the
13 following:

14 "Sec. 3. The following amendment to the
15 Constitution of the State of Iowa is proposed as an
16 alternative to, and separate from, the proposed
17 amendment in section 2 of this resolution, and the
18 voters shall only be able to vote in the alternative
19 for this amendment or for the proposed amendment in
20 section 2 of this resolution, and this amendment shall
21 be ratified only if a majority of the electors voting
22 on this amendment and the proposed amendment in
23 section 2 of this resolution approves this amendment:

24 The Constitution of the State of Iowa is amended by
25 adding the following new sections to new Article XIII:
26 ARTICLE XIII.

27 REQUIREMENTS FOR TAX LAW CHANGES.

28 REFERENDUM TO INCREASE TAXES. Section 1. The
29 people reserve to themselves the power to affirm or
30 reject at the polls any Act or a portion of any Act of
31 the General Assembly which raises the tax rates
32 imposed on the income of individuals or sales or use
33 tax rates.

34 A referendum to affirm or reject an Act or portion
35 of an Act which raises the tax rates imposed on the
36 income of individuals or sales or use tax rates shall
37 be held not later than ninety days after the final
38 adjournment of the session of the General Assembly
39 that passed the Act on which a referendum is required.
40 An Act or portion of an Act which raises the tax rates
41 imposed on the income of individuals or sales or use
42 tax rates shall not become effective until the
43 question is decided by the voters at the polls.

44 An Act or portion of an Act which raises the tax
45 rates imposed on the income of individuals or sales or
46 use tax rates is deemed rejected if a majority of the
47 votes cast are in favor of rejecting the Act. An Act
48 or portion of an Act rejected is repealed immediately
49 upon certification of the referendum results by the
50 Secretary of State.

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1 THREE-FIFTHS MAJORITY TO ENACT NEW STATE TAX. Sec.
2 2. A bill that establishes a new state tax to be
3 imposed by the state shall require the affirmative
4 votes of at least three-fifths of the whole membership
5 of each house of the General Assembly for passage.

6 ENFORCEMENT OF THREE-FIFTHS MAJORITY REQUIREMENT.
7 Sec. 3. A lawsuit challenging the proper enactment of
8 a bill pursuant to section 1 shall be filed no later
9 than one year following the enactment. Failure to
10 file such a lawsuit within the one-year time limit
11 shall negate the three-fifths majority requirement as
12 it applies to the bill.

13 Each bill to which section 1 applies shall include
14 a separate provision describing the requirements for
15 enactment prescribed by section 1.

16 IMPLEMENTATION. Sec. 4. The General Assembly
17 shall enact laws to implement sections 1 through 3."

By TOM VILSACK

S-5493 FILED APRIL 2, 1998

LOST

(P.1034)

SENATE JOINT RESOLUTION 2004

S-5490

1 Amend Senate Joint Resolution 2004 as follows:

2 1. Page 3, by striking lines 19 through 30 and
3 inserting the following:

4 "REQUIREMENTS FOR TAX LAW CHANGES.

5 REFERENDUM TO INCREASE TAXES. Section. 1. The
6 people reserve to themselves the power to affirm or
7 reject at the polls any Act or a portion of any Act of
8 the General Assembly which raises the tax rates
9 imposed on the income of individuals or sales or use
10 tax rates.

11 A referendum to affirm or reject an Act or portion
12 of an Act which raises the tax rates imposed on the
13 income of individuals or sales or use tax rates shall
14 be held not later than ninety days after the final
15 adjournment of the session of the General Assembly
16 that passed the Act on which a referendum is required.
17 An Act or portion of an Act which raises the tax rates
18 imposed on the income of individuals or sales or use
19 tax rates shall not become effective until the
20 question is decided by the voters at the polls.

21 An Act or portion of an Act which raises the tax
22 rates imposed on the income of individuals or sales or
23 use tax rates is deemed rejected if a majority of the
24 votes cast are in favor of rejecting the Act. An Act
25 or portion of an Act rejected is repealed immediately
26 upon certification of the referendum results by the
27 Secretary of State."

28 2. Page 4, line 3, by striking the figure and
29 word "1 or".

30 3. Page 4, line 7, by striking the figure and
31 word "1 or".

32 4. Page 4, line 9, by striking the figure and
33 word "1 or".

By TOM VILSACK

S-5490 FILED APRIL 2, 1998

LOST

(p. 1033)

SENATE JOINT RESOLUTION 2004

H-9036

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, line 17, by striking the word
4 "sections" and inserting the following: "section".

5 2. By striking page 3, line 19 through page 4,
6 line 11 and inserting the following:

7 "TAX BILLS.

8 PASSAGE OF TAX BILLS. Section 1. All bills
9 containing provisions relating to taxation shall
10 require for passage two separate votes in each house
11 of the General Assembly, with no more than ten
12 legislative days intervening between the first and
13 second vote in each house. Such bills after having
14 passed the house of origin shall be voted on and
15 passed in the other house before being voted on again
16 in the house of origin and returned to the other
17 house."

18 3. By renumbering as necessary.

By LARKIN of Lee

H-9036 FILED APRIL 9, 1998

W/D 4/21/98 (P.1872)

SENATE JOINT RESOLUTION 2004

H-9037

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 4, by striking lines 2 through 6.

By LARKIN of Lee

H-9037 FILED APRIL 9, 1998

*Lost 4/21/98
(P.1874)*

SENATE JOINT RESOLUTION 2004

H-9046

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 4, by striking lines 7 through 9.

By OSTERHAUS of Jackson

H-9046 FILED APRIL 9, 1998

Lost 4/22/98 (P.1907)

SENATE JOINT RESOLUTION 2004

H-9060

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, line 1, by inserting after the word
4 "system." the following: "Any expenditure made for

5 infrastructure purposes shall not be considered an
6 expenditure for purposes of the state general fund
7 expenditure limitation."

By DODERER of Johnson

H-9060 FILED APRIL 9, 1998

*Lost
4-15-98
(P.1670)*

SENATE JOINT RESOLUTION 2004

H-8953

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:
3 1. Page 4, by inserting before line 12 the
4 following:
5 "Sec. _____. The following amendment to the
6 Constitution of the State of Iowa is proposed:
7 Section 1 of Article X of the Constitution of the
8 State of Iowa is amended to read as follows:
9 HOW PROPOSED -- SUBMISSION. Section 1. Any
10 amendment or amendments to this constitution may be
11 proposed in either house of the general assembly; and
12 if the ~~same shall be~~ amendment or amendments are
13 agreed to by a majority at least three-fifths of the
14 members elected to each of the two houses, such
15 proposed amendment shall be entered on their journals,
16 with the yeas and nays taken thereon, and referred to
17 the legislature to be chosen at the next general
18 election, and shall be published, as provided by law,
19 for three months previous to the time of making such
20 choice; and if, in the general assembly so next chosen
21 ~~as aforesaid, such the~~ proposed amendment or
22 amendments shall be are agreed to, by a majority at
23 least three-fifths of all the members elected to each
24 house, then it shall be the duty of the general
25 assembly to submit such proposed amendment or
26 amendments to the people, in such manner, and at such
27 time as the general assembly shall provide; and if the
28 people ~~shall~~ approve and ratify ~~such the~~ the amendment or
29 amendments, by a majority of the electors qualified to
30 vote for members of the general assembly, voting
31 thereon, such amendment or amendments shall become a
32 part of the constitution of this state."
33 2. By renumbering as necessary.

By JOCHUM of Dubuque

H-8953 FILED APRIL 6, 1998

Withdrawn
4/22/98
(p. 1906)

SENATE JOINT RESOLUTION 2004

H-9061

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 2, line 20, by striking the word "Any"
 4 and inserting the following: "If the".
 5 2. Page 2, line 20, by striking the word "which".
 6 3. Page 2, line 22, by inserting after the word
 7 "year" the following: ", the first one percent of the
 8 adjusted revenue estimate".
 9 4. Page 2, line 23, by inserting after the word
 10 "year." the following: "Any surplus in excess of
 11 eleven percent shall be transferred to the rebuild
 12 Iowa infrastructure fund."
 13 5. Page 3, by inserting after line 11 the
 14 following:
 15 " . A rebuild Iowa infrastructure fund is
 16 created. The fund shall consist of appropriations
 17 made to the fund and transfers of any surplus in the
 18 general fund as provided in subsection 5. The fund
 19 shall be separate from the general fund of the state
 20 and the balance in the fund shall not be considered
 21 part of the balance of the general fund of the state.
 22 Moneys in the infrastructure fund shall not revert
 23 to any other fund. Interest or earnings on moneys in
 24 the infrastructure fund shall be credited to the
 25 infrastructure fund.
 26 Moneys in the fund in a fiscal year shall be used
 27 as directed by the general assembly for public
 28 vertical infrastructure projects. For the purposes of
 29 this section, "vertical infrastructure" includes only
 30 land acquisition and construction, major renovation
 31 and major repair of buildings, all appurtenant
 32 structures, utilities, site development, and
 33 recreational trails. "Vertical infrastructure" does
 34 not include routine, recurring maintenance or
 35 operational expenses or leasing of a building,
 36 appurtenant structure, or utility without a lease-
 37 purchase agreement."
 38 6. By renumbering as necessary.

By FREVERT of Palo Alto

H-9061 FILED APRIL 9, 1998

w/p
4/22/98 (p. 1910)

SENATE JOINT RESOLUTION 2004

H-9064

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 3, by inserting after line 1 the
 4 following:
 5 "____. The cost of providing a property tax credit
 6 which is enacted by the General Assembly shall be
 7 fully funded by the state."
 8 2. By renumbering as necessary.

By MYERS of Johnson

H-9064 FILED APRIL 9, 1998

Not 4/15/98 (p. 1672)

SENATE JOINT RESOLUTION 2004

H-9065

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 3, by inserting after line 11 the
 4 following:
 5 "____. The General Assembly shall provide state
 6 reimbursement to local taxing jurisdictions for one
 7 hundred percent of the loss of property tax revenues
 8 resulting from property tax credits passed by the
 9 General Assembly and shall provide one hundred percent
 10 of the cost to local governmental units for
 11 obligations of the state as provided by law."

By CHAPMAN of Linn

H-9065 FILED APRIL 9, 1998

Not German

SENATE JOINT RESOLUTION 2004

H-9069

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 4, by inserting after line 11 the
 4 following:
 5 "Sec. 3. The following amendment to the
 6 Constitution of the State of Iowa is proposed:
 7 The Constitution of the State of Iowa is amended by
 8 striking section 15 of Article III and inserting in
 9 lieu thereof the following:
 10 BILLS. Sec. 15. All bills for raising revenue
 11 shall originate in the house of representatives; but
 12 the senate may propose or concur with amendments as on
 13 other bills. All other bills may originate in either
 14 house, and may be amended, altered, or rejected by the
 15 other house. Every bill having passed both houses
 16 shall be signed by the speaker and the president of
 17 their respective houses."
 18 2. By renumbering as necessary.

By RICHARDSON of Warren

H-9069 FILED APRIL 9, 1998

*Withdrawn 4/22/98
(p. 1907)*

SENATE JOINT RESOLUTION 2004

H-9062

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 2, by striking lines 20 through 32 and
4 inserting the following:

5 "5. a. The surplus existing in the general fund
6 of the state at the conclusion of the fiscal year is
7 appropriated for distribution in the succeeding fiscal
8 year as provided in paragraph "c". As used in this
9 subsection, "surplus" means the excess of revenues and
10 other financing sources over expenditures and other
11 financing uses for the general fund of the state in a
12 fiscal year.

13 b. The amount appropriated in this subsection is
14 not subject to quarterly requisitions and allotment,
15 or to conditional availability of appropriations.

16 c. Moneys appropriated under paragraph "a" shall
17 be first credited to the cash reserve fund. To the
18 extent that moneys appropriated under paragraph "a"
19 would make the moneys in the cash reserve fund exceed
20 five percent of the adjusted revenue estimate for the
21 next fiscal year, the moneys are appropriated to the
22 Iowa economic emergency fund.

23 d. If the moneys appropriated to the cash reserve
24 fund from the surplus do not make the moneys in the
25 cash reserve fund equal to five percent of the
26 adjusted revenue estimate for the following fiscal
27 year, there is appropriated from the general fund of
28 the state at the beginning of the next fiscal year an
29 amount sufficient for the cash reserve fund to reach
30 the five percent maximum balance for that fiscal
31 year."

32 2. Page 3, line 13, by inserting after the word
33 "section" the following: "and sections 2, 3, and 4".

34 3. Page 3, by inserting after line 13 the
35 following:

36 "GAAP FUND. Sec. 2.

37 1. The generally accepted accounting principles
38 fund is created. The fund shall be separate from the
39 general fund of the state and the balance in the fund
40 shall not be considered part of the balance of the
41 general fund of the state. The moneys in the fund
42 shall not revert to the general fund of the state or
43 any other fund.

44 2. There is no maximum balance for the generally
45 accepted accounting principles fund.

46 3. The moneys in the generally accepted accounting
47 principles fund shall only be appropriated by the
48 general assembly for reducing any deficit of the
49 state.

50 4. Interest or earnings on moneys deposited in the

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1 generally accepted accounting principles fund shall be
2 credited to the generally accepted accounting
3 principles fund.

4 IOWA ECONOMIC EMERGENCY FUND. Sec. 3.

5 1. The Iowa economic emergency fund is created.
6 The fund shall be separate from the general fund of
7 the state and the balance in the fund shall not be
8 considered part of the balance of the general fund of
9 the state. The moneys in the fund shall not revert to
10 the general fund unless and to the extent the fund
11 exceeds the maximum balance.

12 2. The maximum balance of the fund is the amount
13 equal to five percent of the adjusted revenue estimate
14 for the fiscal year. If the amount of moneys in the
15 Iowa economic emergency fund is equal to the maximum
16 balance, moneys in excess of this amount shall be
17 transferred to the general fund of the state and the
18 original state general fund expenditure limitation
19 provided in section 1, subsection 3, shall be
20 readjusted to include the moneys transferred.

21 3. The moneys in the Iowa economic emergency fund
22 may be appropriated by the general assembly only in
23 the fiscal year for which the appropriation is made.
24 The moneys shall only be appropriated by the general
25 assembly for emergency expenditures. However, except
26 as provided in subsection 6, the balance in the Iowa
27 economic emergency fund may be used in determining the
28 cash position of the general fund of the state for the
29 payment of state obligations.

30 4. Interest or earnings on moneys deposited in the
31 Iowa economic emergency fund shall be credited to the
32 Iowa economic emergency fund.

33 CASH RESERVE FUND. Sec. 4.

34 1. A cash reserve fund is created. The cash
35 reserve fund shall be separate from the general fund
36 of the state and shall not be considered part of the
37 general fund of the state except in determining the
38 cash position of the state as provided in subsection
39 3. The moneys in the cash reserve fund shall not
40 revert to the general fund of the state and shall not
41 be transferred, used, obligated, appropriated, or
42 otherwise encumbered except as provided in this
43 section. Interest or earnings on moneys deposited in
44 the cash reserve fund shall be credited to the cash
45 reserve fund. Moneys in the cash reserve fund may be
46 used for cash flow purposes provided that any moneys
47 so allocated are returned to the cash reserve fund by
48 the end of each fiscal year.

49 2. The maximum balance of the cash reserve fund is
50 equal to five percent of the adjusted revenue estimate

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1 for the general fund of the state for the fiscal year.
 2 3. The moneys in the cash reserve fund may be
 3 appropriated by the general assembly in accordance
 4 with subsection 4 only in the fiscal year for which
 5 the appropriation is made. The moneys shall only be
 6 appropriated by the general assembly for nonrecurring
 7 emergency expenditures and shall not be appropriated
 8 for payment of any collective bargaining agreement or
 9 arbitrator's decision negotiated or awarded under
 10 state law. However, except as provided in subsection
 11 6, the balance in the cash reserve fund may be used in
 12 determining the cash position of the general fund of
 13 the state for payment of state obligations.

14 4. a. Except as provided in subsection 1, an
 15 appropriation shall not be made from the cash reserve
 16 fund unless the appropriation is in accordance with
 17 all of the following:

18 (1) The appropriation is contained in a bill or
 19 joint resolution in which the appropriation is the
 20 only subject matter of the bill or joint resolution.

21 (2) The bill or joint resolution states the
 22 reasons the appropriation is necessary.

23 b. In addition to the requirements of paragraph
 24 "a", an appropriation shall not be made from the cash
 25 reserve fund which would cause the fund's balance to
 26 be less than three percent of the adjusted revenue
 27 estimate for the fiscal year for which the
 28 appropriation is made unless the bill or joint
 29 resolution is approved by vote of at least three-
 30 fifths of the members of both chambers of the general
 31 assembly and is signed by the governor."

32 4. By renumbering as necessary.

By WEIGEL of Chickasaw

H-9062 FILED APRIL 9, 1998

lost 4/15/98 (P 1670)

SENATE JOINT RESOLUTION 2004

H-9063

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:

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

5 "_____. The cost of providing a property tax credit
 6 which is enacted by the General Assembly shall be
 7 fully funded by the state. If a state appropriation
 8 made to fund a credit which is enacted by the General
 9 Assembly is not sufficient to fully fund the credit,
 10 the political subdivision shall be required to extend
 11 to the taxpayer only that portion of the credit funded
 12 by the state appropriation."

13 2. By renumbering and correcting internal
 14 references as necessary.

By MYERS of Johnson

H-963 FILED APRIL 9, 1998

*w/d 4/22/98
 (P. 1918)*

SENATE JOINT RESOLUTION 2004

H-9074

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 4, by inserting before line 12 the
4 following:

5 "Sec. _____. The following amendment to the
6 Constitution of the State of Iowa is proposed:
7 Section 1 of Article X of the Constitution of the
8 State of Iowa is amended to read as follows:

9 HOW PROPOSED -- SUBMISSION. Section 1. Any
10 amendment or amendments to this constitution may be
11 proposed in either house of the general assembly; and
12 if the ~~same shall be~~ amendment or amendments are
13 agreed to by a majority at least three-fifths of the
14 members elected to each of the two houses, such
15 proposed amendment shall be entered on their journals,
16 with the yeas and nays taken thereon, and referred to
17 the legislature to be chosen at the next general
18 election, and shall be published, as provided by law,
19 for three months previous to the time of making such
20 choice; and if, in the general assembly so next chosen
21 ~~as aforesaid, such the~~ proposed amendment or
22 amendments ~~shall be~~ are agreed to, by a majority at
23 least three-fifths of ~~all~~ the members elected to each
24 house, then it shall be the duty of the general
25 assembly to submit such proposed amendment or
26 amendments to the people, in such manner, and at such
27 time as the general assembly shall provide; and if the
28 people ~~shall~~ approve and ratify ~~such the~~ amendment or
29 amendments, by a three-fifths majority of the electors
30 qualified to vote for members of the general assembly,
31 voting thereon, such amendment or amendments shall
32 become a part of the constitution of this state."

33 2. By renumbering as necessary.

By JOCHUM of Dubuque

H-9074 FILED APRIL 9, 1998

Withdrawn
4/22/98
(P. 190B)

SENATE JOINT RESOLUTION 2004

H-9070

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 3, line 22, by striking the words "tax
 4 or" and inserting the following: "tax,".
 5 2. Page 3, line 23, by inserting after the word
 6 "taxes," the following: "or enacting, amending, or
 7 repealing provisions relating to state-imposed fees,".
 8 3. Page 3, line 30, by inserting after the word
 9 "government." the following: "The requirements of
 10 this section apply to fees imposed by the state,
 11 regardless of the means of collection, which are
 12 collected in exchange for goods or services provided
 13 by state government."

By RICHARDSON of Warren

H-9070 FILED APRIL 9, 1998

Lost 4/21/98 (P.1872)

SENATE JOINT RESOLUTION 2004

H-9071

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 3, by inserting after line 11 the
 4 following:
 5 " . Local taxing jurisdictions shall be
 6 reimbursed by the state one hundred percent of the
 7 loss in property tax revenue resulting from property
 8 tax credits provided to the following:
 9 a. Homesteads based upon home ownership.
 10 b. Agricultural land based upon school district
 11 levies.
 12 c. Family farms based upon school district levies.
 13 d. Military veterans based upon time and length of
 14 service."

By WEIGEL of Chickasaw

H-9071 FILED APRIL 9, 1998

*Not Harmonized
4.21.98 (P.1838)*

SENATE JOINT RESOLUTION 2004

H-9073

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 4, line 3, by striking the words "one
 4 year" and inserting the following: "two years".
 5 2. Page 4, line 5, by striking the word "one-
 6 year" and inserting the following: "two-year".

By DODERER of Johnson
OSTERHAUS of Jackson

H-9073 FILED APRIL 9, 1998

*W/D
4/21/98
(P.1874)*

SENATE JOINT RESOLUTION 2004

H-9077

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 4, by inserting after line 11 the
4 following:

5 "Sec. 3. The following amendment to the
6 Constitution of the State of Iowa is proposed:

7 The Constitution of the State of Iowa is amended by
8 striking section 15 of Article III and inserting in
9 lieu thereof the following:

10 BILLS. Sec. 15. All appropriation bills shall
11 originate in the house of representatives; but the
12 senate may propose or concur with amendments as on
13 other bills. All other bills may originate in either
14 house, and may be amended, altered, or rejected by the
15 other house. Every bill having passed both houses
16 shall be signed by the speaker and president of their
17 respective houses."

18 2. By renumbering as necessary.

By JOCHUM of Dubuque

H-9077 FILED APRIL 9, 1998

w/d 4/22/98 (p. 1907)

SENATE JOINT RESOLUTION 2004

H-9078

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. By striking page 1, line 1, through page 3,
4 line 13.

5 2. Page 4, line 12, by striking the word
6 "amendments" and inserting the following:
7 "amendment".

8 3. Page 4, line 13, by striking the word "are"
9 and inserting the following: "is".

10 4. Page 4, line 16, by striking the word "them"
11 and inserting the following: "it".

12 5. Title page, line 1, by striking the word
13 "amendments" and inserting the following: "an
14 amendment".

15 6. Title page, by striking lines 2 and 3 and
16 inserting the following: "the State of Iowa relating
17 to restricting certain state".

18 7. By renumbering as necessary.

By BERNAU of Story

H-9078 FILED APRIL 9, 1998

w/d
4/21/98
(p. 1872)

SENATE JOINT RESOLUTION 2004

H-9075

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 4, by inserting after line 11 the
4 following:

5 "Sec. 3. The following amendment to the
6 Constitution of the State of Iowa is proposed:

7 The Constitution of the State of Iowa is amended by
8 adding the following new section to new Article XIII:

9 PROHIBITION ON STATE MANDATES. Section 1. If a
10 state mandate is enacted by the General Assembly, or
11 otherwise imposed on a political subdivision and the
12 state mandate requires a political subdivision to
13 engage in any new activity, to provide any new
14 service, or to provide any service beyond that
15 required by any law, and the state does not
16 appropriate moneys to fully fund the cost of the state
17 mandate, the political subdivision is not required to
18 perform the activity or provide the service and the
19 political subdivision shall not be subject to the
20 imposition of any fines or penalties for the failure
21 to comply with the state mandate. For the purposes of
22 this section, any requirement originating from the
23 federal government and administered, implemented, or
24 enacted by the state, and any allocation of federal
25 moneys conditioned upon enactment of a state law or
26 rule, are not state mandates."

27 2. By renumbering as necessary.

By BERNAU of Story

H-9075 FILED APRIL 9, 1998

W/D 4/22/98 (P.1907)

SENATE JOINT RESOLUTION 2004

H-9076

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. By striking page 1, line 6, through page 3,
4 line 13, and inserting the following:

5 "STATE GENERAL FUND RESERVES

6 STATE GENERAL FUND RESERVES. Section 1. The state
7 will maintain as part of the general fund reserve
8 accounts equal to at least ten percent of general fund
9 expenditures made in the fiscal year. The total
10 amount in the reserve accounts may be less than ten
11 percent in a fiscal year, if approved in a bill
12 receiving the affirmative votes of at least three-
13 fifths of the whole membership of each house of the
14 General Assembly."

15 2. Title page, line 2, by striking the word
16 "limiting" and inserting the following:
17 "restricting".

By BERNAU of Story

H-9076 FILED APRIL 9, 1998

*Loet
4/21/98
(P.1871)*

SENATE JOINT RESOLUTION 2004

H-9082

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, line 35, by inserting after the word
4 "passage" the following: "unless the bill also
5 repeals an existing tax or taxes resulting in a
6 revenue neutral net fiscal impact for the bill".

By BERNAU of Story

H-9082 FILED APRIL 9, 1998

Lost
4/21/98 (P. 1874)

SENATE JOINT RESOLUTION 2004

H-9083

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, line 25, by inserting after the word
4 "revenues" the following: "of one-tenth of one
5 percent or more".

By SHOULTZ of Black Hawk

H-9083 FILED APRIL 9, 1998

w/d 4/22/98 (P. 1910)

SENATE JOINT RESOLUTION 2004

H-9084

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, line 28, by inserting after the word
4 "passage" the following: ", except as provided in
5 section 4".

6 2. Page 4, by inserting after line 9 the
7 following:

8 "EXCEPTION TO THREE-FIFTHS MAJORITY REQUIREMENT.

9 Sec. 4. The three-fifths majority requirement in
10 section 1 does not apply if the surplus in the general
11 fund falls or is estimated to fall below an amount
12 equal to three percent of the amount of expenditures
13 and other financing uses in the fiscal year in which
14 the bill is considered for passage. For purposes of
15 this section, "surplus" means the cumulative excess of
16 revenues and other financing sources over expenditures
17 and other financing uses for the general fund of the
18 state at the end of the fiscal year."

19 3. Page 4, line 10, by striking the figure "4"
20 and inserting the following: "5".

21 4. Page 4, line 11, by striking the figure "3"
22 and inserting the following: "4".

23 5. By renumbering as necessary.

By BERNAU of Story

H-9084 FILED APRIL 9, 1998

w/d 4/21/98 (P. 1873)

SENATE JOINT RESOLUTION 2004

H-9079

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 2, by striking lines 20 through 28 and
4 inserting the following:

5 "_____. If a surplus will exist at the end of a
6 fiscal year, the state general fund expenditure
7 limitation amount provided for in subsection 3 for the
8 subsequent fiscal year shall be readjusted to include
9 one hundred percent of the amount of the surplus. For
10 purposes".

A

11 2. Page 3, line 4, by inserting after the word
12 "limitation." the following: "The governor in
13 submitting the budget, and the general assembly in
14 passing a budget, shall not have recurring
15 expenditures in excess of recurring revenues."

B

By CHAPMAN of Linn

H-9079 FILED APRIL 9, 1998

A - Lost 4-15-98 (P.1667)

B - Lost 4-15-98 (P.1672)

SENATE JOINT RESOLUTION 2004

H-9080

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, line 22, by striking the words "tax
4 or" and inserting the following: "tax,".

5 2. Page 3, line 23, by inserting after the word
6 "taxes," the following: "or enacting, amending, or
7 repealing provisions relating to any state-imposed fee
8 which exceeds one hundred dollars,".

9 3. Page 3, line 24, by inserting after the word
10 "taxes" the following: "or fees".

11 4. Page 3, line 25, by inserting after the word
12 "tax" the following: "or fee".

13 5. Page 3, line 30, by inserting after the word
14 "government." the following: "The requirements of
15 this section apply to any fee imposed by the state
16 which exceeds one hundred dollars, regardless of the
17 means of collection, and which is collected in
18 exchange for goods or services provided by state
19 government."

By RICHARDSON of Warren

H-9080 FILED APRIL 9, 1998

4/21/98 (P.1873)

SENATE JOINT RESOLUTION 2004

H-9081

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, line 10, by striking the word
4 "principles," and inserting the following:
5 "principles established by the governmental accounting
6 standards board or its successor,".

By WEIGEL of Chickasaw

H-9081 FILED APRIL 9, 1998

Lost 4/21/98 (P.1836)

SENATE JOINT RESOLUTION 2004

H-9087

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:

3 1. Page 3, by inserting after line 11 the
 4 following:

5 "____. The budget submitted by the Governor and
 6 passed by the General Assembly shall provide full
 7 funding of any education instructional support
 8 programs provided for by law."

9 2. Page 3, by inserting after line 11 the
 10 following:

11 "____. The budget submitted by the Governor and
 12 passed by the General Assembly shall provide full
 13 funding of any educational programs provided for by
 14 law for talented and gifted students in elementary and
 15 secondary grades."

16 3. Page 3, by inserting after line 11 the
 17 following:

18 "____. The budget submitted by the Governor and
 19 passed by the General Assembly shall provide for
 20 timely state aid payments to schools."

21 4. By renumbering as necessary.

By FREVERT of Palo Alto

H-9087 FILED APRIL 9, 1998

A. W/D 4/21/98 (P. 1839)
B. Sent 4/21/98 (P. 1839)

SENATE JOINT RESOLUTION 2004

H-9088

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:

3 1. Page 2, by striking lines 34 and 35 and
 4 inserting the following: "3 shall not include federal
 5 funds; donations; the unemployment trust fund; moneys
 6 in the road use tax fund, the fish and game trust
 7 fund, and any other constitutionally dedicated moneys;
 8 and moneys in expenditures from a state".

By WEIGEL of Chickasaw

H-9088 FILED APRIL 9, 1998

W/D 4/22/98 (P. 1910)

SENATE JOINT RESOLUTION 2004

H-9089

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:

3 1. Page 3, lines 25 and 26, by striking the words
 4 "the General Assembly" and inserting the following:
 5 "a revenue estimating conference which shall be
 6 established by the General Assembly by law".

By BERNAU of Story

H-9089 FILED APRIL 9, 1998

4/21/98
(P. 1873)

SENATE JOINT RESOLUTION 2004

H-9085

1 Amend the amendment, H-9060, to Senate Joint
 2 Resolution 2004, as passed by the Senate, as follows:
 3 1. Page 1, line 5, by inserting after the word
 4 "purposes" the following: "which is necessary due to
 5 a state emergency or fire damage".

By DODERER of Johnson

H-9085 FILED APRIL 9, 1998

Adopted
4-15-98 (p. 1670)

SENATE JOINT RESOLUTION 2004

H-9086

1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 3, by inserting after line 1 the
 4 following:
 5 "____. Any expenditure made for education purposes
 6 shall not be considered an expenditure for purposes of
 7 the state general fund expenditure limitation."
 8 2. Page 3, by inserting after line 1 the
 9 following:
 10 "____. Any expenditure made for resource
 11 enhancement and protection purposes shall not be
 12 considered an expenditure for purposes of the state
 13 general fund expenditure limitation."
 14 3. Page 3, by inserting after line 1 the
 15 following:
 16 "____. Any expenditure made for the purpose of
 17 providing health care for the elderly shall not be
 18 considered an expenditure for purposes of the state
 19 general fund expenditure limitation."
 20 4. Page 3, by inserting after line 1 the
 21 following:
 22 "____. Any expenditure made for purposes of funding
 23 early childhood programs shall not be considered an
 24 expenditure for purposes of the state general fund
 25 expenditure limitation."
 26 5. By renumbering as necessary.

By FREVERT of Palo Alto

H-9086 FILED APRIL 9, 1998

W/D 4/22/98
(p. 1910)

SENATE JOINT RESOLUTION 2004

H-9093

1 Amend Senate Joint Resolution 2004, as passed, by
2 the Senate, as follows:
3 1. Page 2, line 2, by inserting after the word
4 "section" the following: ", as required in subsection
5 5".
6 2. Page 2, by striking lines 20 through 28 and
7 inserting the following:
8 "5. If the surplus at the end of a fiscal year
9 will equal less than ten percent of the adjusted
10 revenue estimate for the fiscal year, the state
11 general fund expenditure limitation shall apply to the
12 following fiscal year as calculated under this
13 section. For purposes".

By BERNAU of Story

H-9093 FILED APRIL 9, 1998

W/D 4/22/98
(P. 1910)

SENATE JOINT RESOLUTION 2004

H-9094

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:
3 1. By striking page 3, line 14, through page 4,
4 line 11.
5 2. Page 4, line 12, by striking the word
6 "amendments" and inserting the following:
7 "amendment".
8 3. Page 4, line 13, by striking the word "are"
9 and inserting the following: "is".
10 4. Page 4, line 16, by striking the word "them"
11 and inserting the following: "it".
12 5. Title page, line 1, by striking the word
13 "amendments" and inserting the following: "an
14 amendment".
15 6. Title page, by striking lines 3 and 4 and
16 inserting the following: "state general fund
17 expenditures."
18 7. By renumbering as necessary.

By WISE of Lee

H-9094 FILED APRIL 9, 1998

Withdrawn
4/22/98 (P. 1906)

SENATE JOINT RESOLUTION 2004

H-9090

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:
3 1. Page 3, line 28, by inserting after the word
4 "passage." the following: "Each house of the General
5 Assembly shall hold a public hearing on the bill prior
6 to a vote being taken on the bill by that house of the
7 General Assembly."

By BERNAU of Story

H-9090 FILED APRIL 9, 1998

W/D 4/21/98 (P. 1873)

SENATE JOINT RESOLUTION 2004

H-9091

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:
3 1. Page 3, by striking lines 25 and 26 and
4 inserting the following: "increase in state tax
5 revenues of one percent or more shall require the
6 affirmative votes of at least".

By SHOULTZ of Black Hawk

H-9091 FILED APRIL 9, 1998

Lost 4/21/98 (P. 1873)

SENATE JOINT RESOLUTION 2004

H-9092

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:
3 1. Page 2, by striking lines 20 through 28 and
4 inserting the following:
5 "____. If a surplus will exist at the end of a
6 fiscal year, the state general fund expenditure
7 limitation amount provided for in subsection 3 for the
8 subsequent fiscal year shall be readjusted to include
9 one hundred percent of the amount of the surplus. For
10 purposes".

By CHAPMAN of Linn

H-9092 FILED APRIL 9, 1998

*W/D 4/15/98**(P. 667)*

SENATE JOINT RESOLUTION 2004

H-9101

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:
3 1. Page 3, line 11, by inserting after the word
4 "purposes." the following: "Any state government plan
5 for retirement shall be fully funded at all times, and
6 the state shall use consistent standards in accordance
7 with generally accepted actuarial and accounting
8 principles for the plan."

By BERNAU of Story

H-9101 FILED APRIL 9, 1998

Lost 4/21/98 (P. 1837)

SENATE JOINT RESOLUTION 2004

H-9102

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:
3 1. Page 3, by striking lines 23 through 26 and
4 inserting the following: "sales and use taxes shall
5 require the affirmative votes of at least".

By BERNAU of Story

H-9102 FILED APRIL 9, 1998

w/d 4/21/98 (P. 1873)

SENATE JOINT RESOLUTION 2004

H-9103

1 Amend Senate Joint Resolution 2004, as amended by
2 the Senate, as follows:
3 1. By striking page 2, line 33, through page 3,
4 line 1 and inserting the following:
5 "6. The scope of the expenditure limitation under
6 subsection 3 shall not include federal funds,
7 donations, and moneys in expenditures from a state
8 retirement system. The scope of the expenditure
9 limitation under subsection 3 shall include moneys in
10 the road use tax fund, unemployment trust fund, the
11 fish and game trust fund, and any other
12 constitutionally dedicated moneys; moneys in the
13 rebuild Iowa infrastructure fund or its successor;
14 moneys in the cash reserve fund or its successor; and
15 moneys in the economic emergency fund or its
16 successor."

By BERNAU of Story

H-9103 FILED APRIL 9, 1998

*w/d 4/22/98
(P. 910)*

SENATE JOINT RESOLUTION 2004

H-9098

- 1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 3, by striking line 19 and inserting the
 4 following: "STATE TAXES."
 5 2. Page 4, by inserting after line 9 the
 6 following:
 7 "REFUND OF UNCONSTITUTIONAL TAXES. Sec. 4. If any
 8 state tax is declared unconstitutional by the United
 9 States Supreme Court or the Supreme Court of Iowa, the
 10 state shall refund to the appropriate taxpayers, with
 11 interest applied to the amount refunded, all amounts
 12 collected by the state as a result of the
 13 unconstitutional tax."
 14 3. Page 4, line 11, by striking the figure "3"
 15 and inserting the following: "4".
 16 4. By renumbering as necessary.

By JOCHUM of Dubuque

H-9098 FILED APRIL 9, 1998

W/D 4/22/98
(P.1910)

SENATE JOINT RESOLUTION 2004

H-9099

- 1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 2, line 28, by inserting after the word
 4 "Assembly." the following: "However, the requirement
 5 of approval by at least a three-fifths vote does not
 6 apply in the case of a bill solely providing property
 7 tax relief."

By WEIGEL of Chickasaw

H-9099 FILED APRIL 9, 1998

W/D 4/22/98
(P.1910)

SENATE JOINT RESOLUTION 2004

H-9100

- 1 Amend Senate Joint Resolution 2004, as passed by
 2 the Senate, as follows:
 3 1. Page 3, by inserting after line 11 the
 4 following:
 5 " . A local government may file a lawsuit
 6 challenging a budget passed by the General Assembly if
 7 the budget passed by the General Assembly does not
 8 adequately fund obligations of the state as provided
 9 by law."
 10 2. By renumbering as necessary.

By LARKIN of Lee

H-9100 FILED APRIL 9, 1998

Not Larkin
4/21/98 (P.1840)

SENATE JOINT RESOLUTION 2004

H-9105

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 1, by inserting after line 33 the
4 following:

5 "d. The first sixty million dollars of gambling
6 revenues received by the state in each fiscal year
7 shall be credited to the general fund of the state.
8 All such revenues in excess of sixty million dollars
9 shall be credited to the rebuild Iowa infrastructure
10 fund."

11 2. Page 3, by inserting after line 11 the
12 following:

13 "_____. A rebuild Iowa infrastructure fund is
14 created. The fund shall consist of excess gambling
15 revenues as provided in section 1, paragraph "d",
16 interest and earnings on any surplus moneys, and any
17 appropriations made to the fund. The fund shall be
18 separate from the general fund of the state and the
19 balance in the fund shall not be considered part of
20 the balance of the general fund of the state.

21 Moneys in the infrastructure fund shall not revert
22 to any other fund. Interest or earnings on moneys in
23 the infrastructure fund shall be credited to the
24 infrastructure fund.

25 Moneys in the fund in a fiscal year shall be used
26 as directed by the General Assembly for public
27 vertical infrastructure projects. For the purposes of
28 this section, "vertical infrastructure" includes only
29 land acquisition and construction, major renovation
30 and major repair of buildings, all appurtenant
31 structures, utilities, site development, and
32 recreational trails. "Vertical infrastructure" does
33 not include routine, recurring maintenance or
34 operational expenses or leasing of a building,
35 appurtenant structure, or utility without a lease-
36 purchase agreement."

By WARNSTADT of Woodbury

H-9105 FILED APRIL 9, 1998

W/D 4/22/98 (P. 1910)

SENATE JOINT RESOLUTION 2004

H-9107

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 3, by inserting after line 11 the
4 following:

5 "_____. Lottery revenues received by the state after
6 deduction of prizes and administrative expenses shall
7 be credited to a special fund which shall be separate
8 from the general fund of the state. Moneys in this
9 special fund shall be expended as determined by the
10 General Assembly for nonrecurring projects."

By WARNSTADT of Woodbury

H-9107 FILED APRIL 9, 1998

Not Linn 4/21/98 (P. 1870)

SENATE JOINT RESOLUTION 2004

H-9104

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 2, line 20, by inserting before the word
4 "Any" the following: "a."

5 2. Page 2, by striking lines 22 and 23 and
6 inserting the following: "fiscal year shall be
7 deposited into the property tax relief fund. Any
8 surplus equal to ten".

9 3. Page 2, by inserting after line 32 the
10 following:

11 "b. The property tax relief fund is created. The
12 fund shall be separate from the general fund of the
13 state and the balance in the fund shall not be
14 considered part of the balance of the general fund of
15 the state. The moneys in the fund shall not revert to
16 the general fund of the state or any other fund. The
17 maximum balance of the property tax relief fund equals
18 five percent of the adjusted revenue estimate for the
19 fiscal year. Any money in excess of the maximum
20 balance shall be transferred to the general fund and
21 be included in the adjusted revenue estimate for the
22 following fiscal year. The moneys in the property tax
23 relief fund shall only be appropriated by the General
24 Assembly for reducing overall state or local taxes of
25 the state. Interest or earnings on moneys deposited
26 in the property tax relief fund shall be credited to
27 the property tax relief fund."

By WEIGEL of Chickasaw

H-9104 FILED APRIL 9, 1998

*W/D 4/22/98
(P. 1910)*

SENATE JOINT RESOLUTION 2004

H-9112

1 Amend the amendment, H-9065, to Senate Joint
2 Resolution 2004, as passed by the Senate, as follows:

3 1. Page 1, line 11, by inserting after the word
4 "law." the following: "However, the General Assembly
5 may provide for less than one hundred percent
6 reimbursement of such revenue loss or costs of such
7 obligations if the bill providing for this is approved
8 by at least three-fifths vote of the whole membership
9 of each house of the General Assembly."

By CHAPMAN of Linn

H-9112 FILED APRIL 9, 1998

*Adopted
4/21/98
(P. 1837)*

SENATE JOINT RESOLUTION 2004

H-9113

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 4, by inserting before line 12 the
4 following:

5 "The Constitution of the State of Iowa is amended
6 by adding the following new sections to new Article
7 XIII:

ARTICLE XIII.

POLITICAL CAMPAIGN EXPENDITURE AND
CONTRIBUTION LIMITATIONS.

10 GENERAL ASSEMBLY CANDIDATES' POLITICAL CAMPAIGN
11 EXPENDITURES LIMITED. Section 1.

12 1. For the purposes of this section:

13 a. "Election campaign cycle" means the period of
14 time following the day of one general election through
15 the day of the next general election.

16 b. "Election district" means the geographic area
17 to be represented by a candidate who wins an election.

18 2. The aggregate amount of expenditures, including
19 independent expenditures advocating the election of
20 the candidate or the defeat of the candidate's
21 opponent, as the General Assembly may by law provide,
22 for an election campaign cycle for a candidate for the
23 General Assembly shall not exceed one dollar
24 multiplied by the population of persons residing
25 within the election district where the candidate is on
26 the ballot or is running as a write-in candidate.

27 3. The aggregate amount of expenditures allowed
28 under subsection 2 shall be adjusted for each election
29 campaign cycle by a percentage equal to the percentage
30 increase in the consumer price index for all urban
31 consumers, United States city average, for the
32 immediately preceding year, as published by the
33 federal department of labor, bureau of labor
34 statistics. If such publication ceases to be
35 published, a comparable factor shall be used to make
36 the adjustment required by this section.

37 POLITICAL CONTRIBUTION LIMITATIONS. Sec. 2.

38 1. For the purposes of this section, "election
39 campaign cycle" shall mean the period of time
40 following the day of one general election through the
41 day of the next general election.

42 2. Contributions to a political candidate for the
43 General Assembly, or to the candidate's committee,
44 including independent expenditures attributed to a
45 candidate as the General Assembly may by law define,
46 shall not exceed the following amounts:

47 a. Two hundred dollars from any individual, during
48 an election campaign cycle.

49 b. Two thousand dollars from any political

H-9113

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Page 2

- 1 committee, during an election campaign cycle.
- 2 3. In addition, contributions to a candidate
- 3 during an election campaign cycle pursuant to
- 4 subsection 2, paragraph "b", in the aggregate may not
- 5 exceed thirty-five percent of the candidate's maximum
- 6 expenditure limitation, as determined in section 1."
- 7 2. Title page, line 4, by inserting after the
- 8 word "changes" the following: ", and relating to
- 9 political campaigns by setting reasonable limitations
- 10 on certain campaign contributions and expenditures".
- 11 3. By renumbering as necessary.

By JOCHUM of Dubuque

H-9113 FILED APRIL 9, 1998

Not Serrone 4/22/98 (P. 1908)

SENATE JOINT RESOLUTION 2004

H-9114

- 1 Amend Senate Joint Resolution 2004, as passed by
- 2 the Senate, as follows:
- 3 1. Page 4, by inserting after line 11 the
- 4 following:
- 5 "Sec. 3. The following amendment to the
- 6 Constitution of the State of Iowa is proposed:
- 7 The Constitution of the State of Iowa is amended by
- 8 adding the following new section to new Article XIII:
- 9 PROHIBITION ON STATE MANDATES. Section 1. If a
- 10 state mandate is enacted by the General Assembly, or
- 11 otherwise imposed on a political subdivision and the
- 12 state mandate requires a political subdivision to
- 13 engage in any new activity, to provide any new
- 14 service, or to provide any service beyond that
- 15 required by any law, and the state does not
- 16 appropriate moneys to fully fund the cost of the state
- 17 mandate, the political subdivision is not required to
- 18 perform the activity or provide the service and the
- 19 political subdivision shall not be subject to the
- 20 imposition of any fines or penalties for the failure
- 21 to comply with the state mandate. For the purposes of
- 22 this section, any requirement originating from the
- 23 federal government and administered, implemented, or
- 24 enacted by the state, and any allocation of federal
- 25 moneys conditioned upon enactment of a state law or
- 26 rule, are not state mandates.
- 27 The prohibition in this section does not apply if
- 28 the bill containing the state mandate passes by the
- 29 affirmative votes of at least three-fifths of the
- 30 whole membership of each house of the General
- 31 Assembly."
- 32 2. By renumbering as necessary.

By BERNAU of Story

H-9114 FILED APRIL 9, 1998

*Not Serrone
motion to Suspend Rules lost 4/22/98 (P. 1910)*

SENATE JOINT RESOLUTION 2004

H-9116

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 1, by inserting after line 33 the
4 following:

5 "d. Beginning with the third fiscal year following
6 enactment of this section, all gambling revenues,
7 including lottery revenues and racing and gaming
8 revenues, received by the state in each fiscal year
9 shall be credited to the rebuild Iowa infrastructure
10 fund."

11 2. Page 3, by inserting after line 11 the
12 following:

13 "_____. A rebuild Iowa infrastructure fund is
14 created. The fund shall consist of all gambling
15 revenues as provided in section 1, paragraph "d",
16 interest and earnings on any surplus moneys, and any
17 appropriations made to the fund. The fund shall be
18 separate from the general fund of the state and the
19 balance in the fund shall not be considered part of
20 the balance of the general fund of the state.

21 Moneys in the infrastructure fund shall not revert
22 to any other fund. Interest or earnings on moneys in
23 the infrastructure fund shall be credited to the
24 infrastructure fund.

25 Moneys in the fund in a fiscal year shall be used
26 as directed by the General Assembly for public
27 vertical infrastructure projects. For the purposes of
28 this section, "vertical infrastructure" includes only
29 land acquisition and construction, major renovation
30 and major repair of buildings, all appurtenant
31 structures, utilities, site development, and
32 recreational trails. "Vertical infrastructure" does
33 not include routine, recurring maintenance or
34 operational expenses or leasing of a building,
35 appurtenant structure, or utility without a lease-
36 purchase agreement."

By WARNSTADT of Woodbury

H-9116 FILED APRIL 9, 1998

*W/R 4/22/98
(P. 1911)*

SENATE JOINT RESOLUTION 2004

H-9115

1 Amend Senate Joint Resolution 2004, as passed by
2 the Senate, as follows:

3 1. Page 1, by inserting after line 33 the
4 following:

5 "d. At least one-half of all gambling revenues,
6 including lottery revenues and racing and gaming
7 revenues, received by the state in each fiscal year
8 shall be credited to the rebuild Iowa infrastructure
9 fund. The remaining gambling revenues shall be
10 credited to the general fund of the state."

11 2. Page 3, by inserting after line 11 the
12 following:

13 "_____. A rebuild Iowa infrastructure fund is
14 created. The fund shall consist of at least one-half
15 of all gambling revenues as provided in section 1,
16 paragraph "d", interest and earnings on any surplus
17 moneys, and any appropriations made to the fund. The
18 fund shall be separate from the general fund of the
19 state and the balance in the fund shall not be
20 considered part of the balance of the general fund of
21 the state.

22 Moneys in the infrastructure fund shall not revert
23 to any other fund. Interest or earnings on moneys in
24 the infrastructure fund shall be credited to the
25 infrastructure fund.

26 Moneys in the fund in a fiscal year shall be used
27 as directed by the General Assembly for public
28 vertical infrastructure projects. For the purposes of
29 this section, "vertical infrastructure" includes only
30 land acquisition and construction, major renovation
31 and major repair of buildings, all appurtenant
32 structures, utilities, site development, and
33 recreational trails. "Vertical infrastructure" does
34 not include routine, recurring maintenance or
35 operational expenses or leasing of a building,
36 appurtenant structure, or utility without a lease-
37 purchase agreement."

By WARNSTADT of Woodbury

H-9115 FILED APRIL 9, 1998

W/D 4/22/98
(p. 1910)

SENATE JOINT RESOLUTION 2004

H-9195

1 Amend the amendment, H-9105, to Senate Joint
2 Resolution 2004, as passed by the Senate, as follows:
3 1. Page 1, by striking lines 3 through 10.
4 2. Page 1, by inserting after line 12 the
5 following:
6 ""_____. The General Assembly shall, by statute, set
7 the portion of gambling revenues to be credited to the
8 general fund of the state and the portion of gambling
9 revenues to be credited to the rebuild Iowa
10 infrastructure fund."

By SCHRADER of Marion

H-9195 FILED APRIL 15, 1998

W/A 4/22/98
(P.1910)

SENATE JOINT RESOLUTION 2004

H-9142

- 1 Amend the amendment, H-9087, to Senate Joint
- 2 Resolution 2004, as passed by the Senate, as follows:
- 3 1. Page 1, line 12, by inserting after the word
- 4 "full" the following: "state".

By FREVERT of Palo Alto

H-9142 FILED APRIL 13, 1998

O/Order 4/21/98 (p.1839)

SENATE JOINT RESOLUTION 2004

H-9140

- 1 Amend the amendment, H-9079, to Senate Joint
- 2 Resolution 2004, as passed by the Senate, as follows:
- 3 1. Page 1, line 3, by striking the figure "28"
- 4 and inserting the following: "23".
- 5 2. Page 1, line 6, by inserting after the word
- 6 "year" the following: "in excess of ten percent of
- 7 the adjusted revenue estimate for that fiscal year".
- 8 3. Page 1, by striking lines 9 and 10 and
- 9 inserting the following: "one hundred percent of such
- 10 excess. Any surplus equal to ten".

By CHAPMAN of Linn

H-9140 FILED APRIL 13, 1998

Adopted 4/15/98 (p.1666)

SENATE JOINT RESOLUTION 2004

H-9141

- 1 Amend the amendment, H-9082, to Senate Joint
- 2 Resolution 2004, as passed by the Senate, as follows:
- 3 1. Page 1, line 6, by inserting after the word
- 4 "bill" the following: "or unless the bill also
- 5 contains a provision reducing property taxes resulting
- 6 in a revenue neutral net fiscal impact for the bill".

By BERNAU of Story

H-9141 FILED APRIL 13, 1998

Adopted 4-21-98 (p.1874)

SENATE JOINT RESOLUTION 2004

H-9191

- 1 Amend the amendment, H-9073, to Senate Joint
- 2 Resolution 2004, as passed by the Senate, as follows:
- 3 1. Page 1, line 4, by striking the word "two" and
- 4 inserting the following: "three".
- 5 2. Page 1, line 6, by striking the word "two-
- 6 year" and inserting the following: "three-year".

By SCHRADER of Marion

H-9191 FILED APRIL 15, 1998

*O/Order
4/21/98 (p.1874)*

McKibben
Borleng
Douglas
Connolly
Palmer

SSB 2072
Ways & Means

SENATE JOINT RESOLUTION
BY (PROPOSED COMMITTEE ON WAYS
AND MEANS RESOLUTION BY
CHAIRPERSON DOUGLAS)

Succeeded By
SJR 2004

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

SENATE JOINT RESOLUTION

1 A Joint Resolution proposing an amendment to the Constitution of
2 the State of Iowa relating to protection of taxpayers' rights
3 by limiting the growth rate of taxes, revenue, and spending of
4 the state government and by increasing the people's control
5 over taxes, revenue, and spending of the state government.

6 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. The following amendment to the Constitution of
2 the State of Iowa is proposed:

3 The Constitution of the State of Iowa is amended by adding
4 the following new Article XIII:

5 ARTICLE XIII

6 TAXPAYERS' RIGHTS

7 SECTION 1. The state government is subject to a revenue
8 limit and a spending limit as provided in section 7. Its
9 beginning revenue limit is equal to its total revenue in the
10 last fiscal year before this Article becomes effective. This
11 limit is adjusted annually for the total of (1) the cumulative
12 percentage rate of inflation or deflation since the base date,
13 as measured by the federal implicit price deflator for state
14 and local government purchases or its successor index, and (2)
15 the state's cumulative percentage population increase above
16 the population at the base date. There is no reduction or
17 offset for any cumulative population decrease below the
18 population at the base date. "Population" is determined by
19 the most recent federal census or federal census estimate.
20 The "base date" is the date eighteen months before this
21 Article becomes effective.

22 SEC. 2. "Revenue" includes all amounts received from all
23 sources, including but not limited to all taxes, fees,
24 charges, assessments, amounts borrowed, and other receipts,
25 except these excluded amounts: (1) amounts refunded to the
26 payers; (2) gifts and contracts from nongovernmental sources;
27 (3) receipts from the federal government; (4) fees voluntarily
28 paid for state university hospital services, but any part of a
29 fee in excess of the actual cost of providing that service is
30 revenue; (5) an amount equal to the state government's net
31 cost increase required by a federal law or rule, or change in
32 a federal law or rule, that takes effect after this Article
33 becomes effective, but only to the extent not offset by
34 federal funds; (6) amounts collected pursuant to section 8 of
35 Article VII; (7) amounts borrowed after approval by vote of

1 the electors; (8) amounts borrowed by issuing revenue bonds on
2 which no payment can be made from tax revenue; (9) receipts
3 applied to repay money borrowed lawfully, including interest;
4 and (10) amounts excluded from revenue by section 8.

5 SEC. 3. If state government revenue in a fiscal year
6 exceeds the revenue limit, the limit for the next fiscal year
7 shall be reduced by the excess amount.

8 SEC. 4. The revenue limit may be temporarily increased in
9 an amount approved by a majority of the electors voting in a
10 referendum. The increase is effective for no more than five
11 fiscal years. Each referendum ballot is limited to this issue
12 and shall not include any other proposal or subject. Each
13 such referendum shall be held only on the first Tuesday after
14 the first Monday in June or the first Tuesday after the first
15 Monday in November.

16 SEC. 5. The revenue limit may be temporarily increased by
17 law adopted by two-thirds vote of the whole membership of each
18 house of the General Assembly and approved by the Governor.
19 Each such law is effective for only one fiscal year.

20 SEC. 6. Any change under section 3, 4, or 5 is effective
21 only for the specified fiscal year or years and does not
22 affect computation of the limit under section 1.

23 SEC. 7. Total state government spending in a fiscal year
24 shall not exceed the spending limit, which is equal to the sum
25 of the (1) revenue limit for that year, adjusted for any
26 change under section 3, 4, or 5, or actual revenue, whichever
27 is less; (2) actual receipts in that year which are excluded
28 from revenue by section 2; and (3) net unspent funds carried
29 over from the preceding year. "Spending" includes all outlays
30 for all purposes, unless expressly excluded by section 8.

31 SEC. 8. "Revenue" includes all receipts for state
32 government trust funds for retirement, medical, or other
33 benefits, but earnings of these trust funds are excluded from
34 both revenue and spending. "Spending" includes all payments
35 and transfers into these trust funds, and excludes payments

1 out of these trust funds for the kind of benefits for which
2 the payments into the trust fund were made. Payments for
3 expenses of administration are included in spending. "Net
4 unspent funds" excludes these trust funds. This section also
5 applies to any state government trust fund for unemployment
6 benefits and to the state's unemployment trust fund account
7 with the federal government, except that (1) its receipts,
8 including reimbursements for benefits paid but excluding
9 penalties and interest, are excluded from revenue to the
10 extent that federal law requires them to be deposited promptly
11 with the federal government as a condition of federal approval
12 of the state's unemployment program, and (2) amounts lawfully
13 paid as unemployment benefits are excluded from spending.

14 SEC. 9. In each fiscal year the percentage of state
15 government spending that consists of state transfers to local
16 governments and tax credits against local taxes shall be at
17 least equal to that percentage in the last fiscal year before
18 this Article becomes effective.

19 SEC. 10. If a state law or rule, or change in a state law
20 or rule, that takes effect after this Article becomes
21 effective requires a local government to incur a net cost
22 increase, the State shall pay to the local government the
23 amount of the necessary net cost increase. The local
24 government need not comply with the law, rule, or change until
25 the State has complied with this section.

26 SEC. 11. Any state government plan for retirement or other
27 employee benefits shall be completely funded within ten years
28 after this Article becomes effective and at all times
29 thereafter, in accordance with generally accepted actuarial
30 and accounting principles.

31 SEC. 12. The state government shall use consistent
32 accounting, in accordance with generally accepted accounting
33 principles, for all purposes.

34 SEC. 13. This Article creates fundamental and inalienable
35 rights in each taxpayer and each citizen. Any infringement of

1 these rights shall be subjected to strictest scrutiny. This
2 Article shall be interpreted and implemented to achieve its
3 purpose to limit the growth rate of revenue and spending of
4 the state government. Any taxpayer or citizen has standing to
5 sue by individual or class action to enforce this Article and
6 laws implementing it and, if successful, shall be reimbursed
7 for all reasonable attorney fees and other expenses of the
8 suit.

9 SEC. 14. This Article becomes effective for the first
10 state fiscal year beginning at least six months after its
11 approval and ratification by the electors. The State, by law,
12 shall implement this Article and may adopt further
13 restrictions and limits. However, all provisions of this
14 Article are self-executing and severable.

15 Sec. 2. DECLARATION OF INTENT. It is the intent of the
16 General Assembly in agreeing to this proposed amendment that:

17 1. This declaration of intent shall be relied on by the
18 electors and the courts, with the same results as if it were
19 in the Constitution.

20 2. Article XIII requires all amounts borrowed to be
21 included in revenue, except the two kinds of borrowing
22 expressly excluded by section 2 of Article XIII. Article XIII
23 does not authorize any borrowing and does not impair the debt
24 limits and other provisions of Article VII. It does not
25 impair any law that limits taxes, revenue, spending,
26 borrowing, or debt or that requires approval by the electors
27 for a tax, tax increase, borrowing, or debt, including laws
28 requiring more than a majority vote and laws allowing the
29 electors to approve borrowing or debt for any stated number of
30 years. It does not impair any contract in existence when
31 Article XIII becomes effective.

32 3. In each referendum under section 4 of Article XIII, the
33 ballot and published notice shall clearly state: that the
34 proposal would allow the state government to increase its
35 taxes and other revenue by a stated amount above its

1 constitutional limit for each fiscal year during a stated
2 period; the total increase for that period; and the amount of
3 the revenue limit under section 1 of Article XIII for the
4 preceding and current fiscal years and for the next fiscal
5 year, estimated if necessary.

6 4. Official revisions of inflation and population data
7 affect the revenue limit for future fiscal years, but do not
8 change the limit for the fiscal year in which a revision is
9 made or for prior years.

10 5. If the state government excludes an amount from revenue
11 or spending under any provision of Article XIII, it must
12 accurately determine and establish the correct amount
13 excluded.

14 6. "Government" includes all parts, agencies, enterprises,
15 and operations of a government. "Local government" includes
16 each city, county, school district, special district, and
17 political subdivision in the State.

18 7. If the state government has a deficit of net unspent
19 funds at the end of a fiscal year, the deficit is subtracted
20 in computing the next year's spending limit under section 7 of
21 Article XIII. However, section 7 is intended to prevent any
22 such deficit and to require the state government to operate on
23 a balanced budget.

24 Sec. 3. It is the intent of the General Assembly that the
25 declaration of intent in section 2 be placed on the ballot
26 containing the question of ratification of this proposed
27 amendment to the Constitution.

28 Sec. 4. The foregoing proposed amendment to the
29 Constitution of the State of Iowa is referred to the General
30 Assembly to be chosen at the next general election for members
31 of the General Assembly and the Secretary of State is directed
32 to cause it to be published for three consecutive months
33 previous to the date of that election as provided by law.

34 **EXPLANATION**

35 This proposed Taxpayers' Rights Amendment adds a new

1 Article to the Iowa Constitution. It limits the future growth
2 rate of the total revenue and total spending of the state
3 government, with some exceptions.

4 The state government's beginning revenue limit is equal to
5 its total revenue in the last fiscal year before this
6 amendment becomes effective. This limit is adjusted annually
7 for the combined total of cumulative inflation or deflation
8 and any cumulative population increase after the base date.
9 The population adjustment can rise or fall, but it cannot fall
10 below the population at the base date. The base date is 18
11 months before this amendment becomes effective.

12 The state government's spending limit is equal to its
13 revenue limit, or actual revenue if less, for that year, plus
14 almost all actual receipts which are outside the revenue
15 limit, plus unspent funds carried over. This will require the
16 State to operate on a balanced budget.

17 The revenue limit can be temporarily increased in either of
18 two ways:

19 1. A majority vote of the people in a state referendum can
20 increase the limit in any amount, for any purpose, and for any
21 period up to five years.

22 2. A vote of two-thirds of all members of each house of
23 the General Assembly, with the governor's approval, can
24 increase the limit for one year.

25 If actual state revenue exceeds the revenue limit, the
26 limit for the next year is reduced by the excess amount. The
27 excess revenue cannot be spent in the year it is received but
28 can be spent in any future year. This is intended to help the
29 State even out the good and bad economic years.

30 The State must maintain the percentage of total state
31 spending that consists of state transfers to local governments
32 and tax credits against local taxes, at least equal to that
33 percentage in the last fiscal year before this amendment
34 becomes effective. This is intended to protect local
35 governments and property taxpayers.

1 The State must pay for a state-mandated net cost increase
2 imposed on a local government after this amendment becomes
3 effective. The local government need not obey the mandate
4 until the State has complied.

5 The revenue limits include nearly all taxes and most other
6 revenue. Receipts outside the revenue limit are: amounts
7 refunded; private gifts and contracts; receipts from the
8 federal government; a fee for state university hospital
9 services, if the fee does not exceed the cost of the service;
10 the amount of a net cost increase caused by a new or changed
11 federal mandate and not offset by federal funds; motor vehicle
12 registration fees and motor vehicle fuel taxes which are
13 constitutionally earmarked for roads; amounts borrowed with
14 the voters' approval; amounts borrowed by revenue bonds not
15 payable from taxes; receipts used to repay borrowed money; and
16 earnings of trust funds.

17 If actual revenue is below the revenue limit, this does not
18 reduce any future revenue limit. Thus, the State is not
19 penalized for holding its revenue and spending below the
20 limit.

21 Sound funding of any state retirement or benefit plan for
22 employees is required within 10 years.

23 The state government is required to follow generally
24 accepted accounting principles.

25 Any taxpayer or citizen may sue to enforce this new Article
26 of the Constitution.

27 Explanatory language is included in a separate declaration
28 of intent which will not become part of the Constitution but
29 will serve as a guide for interpretation.

30 This resolution, if adopted, will be referred to the next
31 General Assembly. If the next General Assembly adopts this
32 resolution, the amendment will be submitted to the voters for
33 their decision on ratification.

34

35

SENATE JOINT RESOLUTION 2004

A JOINT RESOLUTION
PROPOSING AMENDMENTS TO THE CONSTITUTION OF THE STATE OF IOWA
RELATING TO THE STATE BUDGET BY LIMITING STATE GENERAL FUND
EXPENDITURES AND RESTRICTING CERTAIN STATE TAX REVENUE
CHANGES.

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

The Constitution of the State of Iowa is amended by adding
the following new section to new Article XIII:

ARTICLE XIII.

EXPENDITURE LIMITATION.

GENERAL FUND EXPENDITURE LIMITATION. Section 1.

1. For the purposes of this section:

a. "Adjusted revenue estimate" means the most recent
revenue estimate determined before January 1, or a later and
lesser revenue estimate determined before adjournment of the
regular session of the General Assembly, for the general fund
for the following fiscal year as determined by a revenue
estimating conference which shall be established by the

General Assembly by law, adjusted by subtracting estimated
refunds payable from that estimated revenue and adding any
available surplus in accordance with subsection 5.

b. "General fund" means the principal operating fund of
the state which shall be established by the General Assembly
by law.

c. "New revenues" means moneys which are received by the
state due to increased tax rates or fees or newly created
taxes or fees over and above those moneys which are received
due to state taxes or fees which are in effect as of January 1
following the most recent state revenue estimating conference.
"New revenues" also includes moneys received by the general
fund due to new transfers over and above those moneys received
by the general fund due to transfers which are in effect as of
January 1 following the most recent state revenue estimating
conference. The state revenue estimating conference shall
determine the eligibility of transfers to the general fund
which are to be considered as new revenue in determining the
state general fund expenditure limitation.

2. A state general fund expenditure limitation is created
and calculated in subsection 3, for each fiscal year beginning
on or after July 1 following the effective date of this
section.

3. Except as otherwise provided in this section, the state
general fund expenditure limitation for a fiscal year shall be
ninety-nine percent of the adjusted revenue estimate.

4. The state general fund expenditure limitation shall be
used by the Governor in the preparation of the budget and by
the General Assembly in the budget process. If a new revenue
source is proposed, the budget revenue projection used for
that new revenue source for the period beginning on the
effective date of the new revenue source and ending in the
fiscal year in which the source is included in the adjusted
revenue estimate shall be ninety-five percent of the amount
remaining after subtracting estimated refunds payable from the

projected revenue from that source. If a new revenue source is established and implemented, the original state general fund expenditure limitation amount provided for in subsection 3 shall be readjusted to include ninety-five percent of the estimated revenue from that source.

5. Any surplus existing at the end of a fiscal year which exceeds ten percent of the adjusted revenue estimate of that fiscal year shall be included in the adjusted revenue estimate for the following fiscal year. Any surplus equal to ten percent or less of the adjusted revenue estimate of the fiscal year may be included in the adjusted revenue estimate for the following fiscal year if approved in a bill receiving the affirmative votes of at least three-fifths of the whole membership of each house of the General Assembly. For purposes of this section, "surplus" means the cumulative excess of revenues and other financing sources over expenditures and other financing uses for the general fund at the end of a fiscal year.

6. The scope of the expenditure limitation under subsection 3 shall not include federal funds, donations, constitutionally dedicated moneys, and moneys in expenditures from a state retirement system.

7. The Governor shall submit and the General Assembly shall pass a budget which does not exceed the state general fund expenditure limitation.

8. The Governor shall not submit and the General Assembly shall not pass a budget which in order to balance assumes reversion of any part of the total of the appropriations included in the budget.

9. The state shall use consistent standards, in accordance with generally accepted accounting principles, for all state budgeting and accounting purposes.

10. The General Assembly shall enact laws to implement this section.

Sec. 2. The following amendment to the Constitution of the State of Iowa is proposed:

The Constitution of the State of Iowa is amended by adding the following new sections to new Article XIII:

ARTICLE XIII.

THREE-FIFTHS MAJORITY FOR TAX LAW CHANGES.

THREE-FIFTHS MAJORITY TO INCREASE TAXES. Section 1. A bill containing provisions enacting, amending, or repealing the state income tax or enacting, amending, or repealing the state sales and use taxes, in which the aggregate fiscal impact of those provisions relating to those taxes results in a net increase in state tax revenues, as determined by the General Assembly, shall require the affirmative votes of at least three-fifths of the whole membership of each house of the General Assembly for passage. This section does not apply to income tax or sales and use taxes imposed at the option of a local government.

THREE-FIFTHS MAJORITY TO ENACT NEW STATE TAX. Sec. 2. A bill that establishes a new state tax to be imposed by the state shall require the affirmative votes of at least three-fifths of the whole membership of each house of the General Assembly for passage.

ENFORCEMENT OF THREE-FIFTHS MAJORITY REQUIREMENT. Sec. 3. A lawsuit challenging the proper enactment of a bill pursuant to section 1 or 2 shall be filed no later than one year following the enactment. Failure to file such a lawsuit within the one-year time limit shall negate the three-fifths majority requirement as it applies to the bill.

Each bill to which section 1 or 2 applies shall include a separate provision describing the requirements for enactment prescribed by section 1 or 2.

IMPLEMENTATION. Sec. 4. The General Assembly shall enact laws to implement sections 1 through 3.

Sec. 3. The foregoing proposed amendments to the Constitution of the State of Iowa are referred to the General

Assembly to be chosen at the next general election for members of the General Assembly and the Secretary of State is directed to cause them to be published for three consecutive months previous to the date of that election as provided by law.

MARY E. KRAMER
President of the Senate

RON J. CORBETT
Speaker of the House

I hereby certify that this resolution originated in the Senate and is known as Senate Joint Resolution 2004, Seventy-seventh General Assembly.

MARY PAT GUNDERSON
Secretary of the Senate

SJR 2004