

FILED MAR 8 1999

SENATE FILE 331

BY KIBBIE, BLACK, BOLKCOM,
CONNOLLY, DEARDEN, DELUHERY,
DVORSKY, FINK, FLYNN, FRAISE,
GRONSTAL, HAMMOND, HANSEN,
HARPER, HORN, JUDGE, McCOY,
SHEARER, SZYMONIAK, and SOUKUP

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

A BILL FOR

1 An Act relating to and making appropriations to the property tax
2 relief fund for county mental health, mental retardation, and
3 developmental disability expenditures and including an
4 effective date and applicability provision.

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

6
7
8
9
10
11
12
13
14
15
16
17
18
19
20

SF 331
APPROPRIATIONS

1 Section 1. Section 426B.1, subsections 2 and 3, Code 1999,
2 are amended to read as follows:

3 2. There is appropriated to the property tax relief fund
4 for the indicated fiscal years from the general fund of the
5 state the following amounts:

6 ~~a. For the fiscal year beginning July 1, 1995, sixty-one~~
7 ~~million dollars.~~

8 ~~b. For the fiscal year beginning July 1, 1996, seventy-~~
9 ~~eight million dollars.~~

10 ~~c. a.~~ For the fiscal year beginning July 1, ~~1997~~ 1998, and
11 ~~succeeding fiscal years,~~ ninety-five million dollars.

12 b. For the fiscal year beginning July 1, 1999, one hundred
13 fifteen million dollars.

14 c. For the fiscal year beginning July 1, 2000, one hundred
15 thirty-five million dollars.

16 d. For the fiscal year beginning July 1, 2001, one hundred
17 forty-five million dollars.

18 e. For the fiscal year beginning July 1, 2002, one hundred
19 fifty-five million dollars.

20 f. For the fiscal year beginning July 1, 2003, and
21 succeeding fiscal years, one hundred sixty-five million
22 dollars.

23 3. There is annually appropriated from the property tax
24 relief fund to the department of human services to supplement
25 the medical assistance appropriation for the fiscal year
26 beginning July 1, ~~1997~~ 1999, and for succeeding fiscal years,
27 six million six hundred thousand dollars to be used for the
28 nonfederal share of the costs of services provided to minors
29 with mental retardation under the medical assistance program
30 to meet the requirements of section 249A.12, subsection 4.

31 The appropriation in this subsection shall be charged to the
32 property tax relief fund prior to the distribution of moneys
33 from the fund under section 426B.2 and the amount of moneys
34 available for distribution shall be reduced accordingly.

35 ~~However, the appropriation in this subsection shall be~~

1 ~~considered-to-be-a-property-tax-relief-payment-for-purposes-of~~
2 ~~the-combined-amount-of-payments-required-to-achieve-fifty~~
3 ~~percent-of-the-counties'-base-year-expenditures-as-provided-in~~
4 ~~section-426B.27-subsection-2.~~

5 Sec. 2. Section 426B.2, subsections 2 and 3, Code 1999,
6 are amended to read as follows:

7 2. ~~The-distributions-under-subsection-1-shall-continue-to~~
8 ~~be-made-until-the-combined-amount-of-the-distributions-made~~
9 ~~under-subsection-1-are-equal-to-fifty-percent-of-the-total-of~~
10 ~~all-counties'-base-year-expenditures-as-defined-in-section~~
11 ~~331.438.~~ The amount of payment to a county from the property
12 tax relief fund for a fiscal year shall not exceed the amount
13 the county has proposed to levy for the county mental health,
14 mental retardation, and developmental disabilities services
15 fund under section 331.424A, prior to adjustment pursuant to
16 section 426B.3 for the property tax relief payment. If as a
17 result of this limitation, moneys remain in the property tax
18 relief fund at the close of the fiscal year, these moneys
19 shall remain available for distribution in the succeeding
20 fiscal year under subsection 1.

21 3. The director of human services shall draw warrants on
22 the property tax relief fund, payable to the county treasurer
23 in the amount due to a county in accordance with subsection
24 subsections 1 and 2 and mail the warrants to the county
25 auditors in September and March of each year.

26 Sec. 3. FISCAL YEAR 1999-2000 ADJUSTMENT FOR RELIEF FUND
27 PAYMENTS. Notwithstanding section 426B.3, for the fiscal year
28 beginning July 1, 1999, the department of management shall
29 reduce each county's certified property tax levy for the
30 county's mental health, mental retardation, and developmental
31 disabilities services fund by the increased amount of payment
32 from the property tax relief fund which the county is to
33 receive as a result of the enactment of this Act. In
34 addition, the department of management shall revise each
35 county's rate of taxation necessary to raise the reduced levy

1 amount.

2 Sec. 4. EFFECTIVE DATE AND APPLICABILITY. This Act, being
3 deemed of immediate importance, takes effect upon enactment
4 and is first applicable to county budgets for the fiscal year
5 beginning July 1, 1999.

6 EXPLANATION

7 This bill relates to and makes appropriations to the
8 property tax relief fund for county mental health, mental
9 retardation, and developmental disability (MH/MR/DD)
10 expenditures.

11 The bill amends Code section 426B.1, which creates the fund
12 and provides the standing limited appropriation to the fund.
13 The amendment incrementally increases the standing limited
14 appropriation of \$95 million in current law to \$165 million
15 over a five-year period beginning with fiscal year 1999-2000.
16 In addition, language is stricken in the standing limited
17 appropriation from the fund for purposes of medical assistance
18 (Medicaid) that refers to a 50 percent appropriation target
19 that is repealed by the bill.

20 Code section 426B.2 is amended to strike a provision which
21 requires the property tax relief fund distributions to
22 continue until distributions are equal to 50 percent of the
23 combined county base year expenditures for MH/MR/DD services.

24 New language is inserted providing that a county's property
25 tax relief payment cannot exceed the amount the county
26 proposed to levy for the county's MH/MR/DD services fund prior
27 to adjustment for the relief payment. Any moneys remaining in
28 the property tax relief fund because of payment reductions is
29 to be distributed as part of the overall distribution to
30 counties in the succeeding fiscal year.

31 For fiscal year 1999-2000, the requirement for the county
32 auditor to adjust the county certified levy amount and
33 taxation rate due to the property tax relief fund payment is
34 suspended and will instead be performed by the department of
35 management for the increased amount of property tax relief to

1 be received as a result of the bill.

2 The bill takes effect upon enactment and is first
3 applicable to county budgets developed for the fiscal year
4 beginning July 1, 1999.

- 5
- 6
- 7
- 8
- 9
- 10
- 11
- 12
- 13
- 14
- 15
- 16
- 17
- 18
- 19
- 20
- 21
- 22
- 23
- 24
- 25
- 26
- 27
- 28
- 29
- 30
- 31
- 32
- 33
- 34
- 35