

FEB 5 2003

EDUCATION

HOUSE FILE 124  
BY ALONS

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

A BILL FOR

1 An Act providing for an inflation factor adjustment to be added  
2 to authorized community college levies, and providing an  
3 applicability date provision.

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

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HF 124

1 Section 1. NEW SECTION. 260C.30 LEVIES -- ANNUAL  
2 INFLATION FACTOR.

3 1. The maximum levy limits specified in sections 260C.17,  
4 260C.22, and 260C.28 shall be subject to an annual inflation  
5 factor adjustment. The amount of the adjustment shall be  
6 calculated as provided in subsection 2 of this section.

7 2. a. Notwithstanding section 260C.17, unnumbered  
8 paragraph 2, or any other provision of law to the contrary,  
9 for the fiscal year beginning in the 2004 calendar year and  
10 for each subsequent fiscal year, the maximum levy limits  
11 specified in sections 260C.17, 260C.22, and 260C.28 shall be  
12 multiplied by the cumulative adjustment factor for that fiscal  
13 year. "Cumulative adjustment factor" means the product of the  
14 annual adjustment factor for the 2003 calendar year and all  
15 annual adjustment factors for subsequent calendar years. The  
16 cumulative adjustment factor applies to the fiscal year  
17 beginning in the calendar year for which the latest annual  
18 adjustment factor has been determined.

19 b. The annual adjustment factor for the 2003 calendar year  
20 is one hundred percent. For each subsequent calendar year,  
21 the annual adjustment factor equals the annual inflation  
22 factor for the calendar year as computed in section 422.4 for  
23 purposes of the individual income tax.

24 Sec. 2. APPLICABILITY DATES. The inflation factor  
25 adjustment provisions in this Act are applicable to the  
26 maximum levy limits applicable to levies which have been  
27 authorized on or before the effective date of this Act,  
28 including the voter-approved levies pursuant to sections  
29 260C.22 and 260C.28, and to amounts which shall be certified  
30 for levy on or after the effective date of this Act.

31 EXPLANATION

32 This bill provides for the addition of an annual inflation  
33 factor applicable to the maximum community college levy limits  
34 specified in Code sections 260C.17, 260C.22, and 260C.28. The  
35 bill provides that the annual inflation factor shall be

1 determined by a formula that multiplies the maximum levy limit  
2 for the fiscal year beginning in the 2004 calendar year by a  
3 cumulative adjustment factor for that fiscal year. The bill  
4 provides that the cumulative adjustment factor refers to the  
5 product of an annual adjustment factor for the 2003 calendar  
6 year and all annual adjustment factors for subsequent calendar  
7 years, and applies to the fiscal year beginning in the  
8 calendar year for which the latest annual adjustment factor  
9 has been determined. The bill provides that the annual  
10 adjustment factor for the 2003 calendar year is 100 percent,  
11 and that for each subsequent calendar year, the annual  
12 adjustment factor equals the annual inflation factor for the  
13 calendar year as computed in Code section 422.4 for purposes  
14 of the individual income tax. The bill provides that the  
15 annual inflation factor shall be applied notwithstanding any  
16 other Code provision to the contrary, and shall be applicable  
17 to previously authorized levies, including voter-approved  
18 levies, in existence on the effective date of the bill, as  
19 well as levies authorized on or after that date.

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