

Senate Study Bill 1135

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
TRANSPORTATION BILL BY
CHAIRPERSON DRAKE)

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

A BILL FOR

1 An Act relating to the establishment of a regional transit
2 district within the unincorporated areas of one or more
3 counties and within certain cities, authorizing the imposition
4 of a limited property tax levy, and providing for the issuance
5 of general obligation bonds and revenue bonds.
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
7 TLSB 1550SC 80
8 sc/cf/24

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1 1 Section 1. NEW SECTION. 331.386 REGIONAL TRANSIT
1 2 DISTRICT AUTHORIZED == DEFINITION == FINANCE AUTHORITY.
1 3 1. DEFINITION. As used in this section, unless the
1 4 context otherwise requires, "regional transit district" means
1 5 a public transit district created pursuant to an agreement
1 6 pursuant to chapter 28E by one or more counties and
1 7 participating cities to provide support for transportation
1 8 passengers by one or more public transit systems designated
1 9 under chapter 324A.
1 10 2. REGIONAL TRANSIT DISTRICT CREATED.
1 11 a. One or more contiguous counties may, by chapter 28E
1 12 agreement, create a regional transit district. The district
1 13 shall consist of the unincorporated area of any participating
1 14 county and the incorporated area of any city in the county
1 15 that does not have an urban transit system. However, a city
1 16 without an urban transit system may, by resolution forwarded
1 17 to the board of supervisors, decline to participate in a
1 18 regional transit district. A city with an urban transit
1 19 system may participate in a regional transit district if the
1 20 city council, by resolution forwarded to the board of
1 21 supervisors, notifies the county that it wishes to
1 22 participate. A city that is located in a nonparticipating
1 23 county that is contiguous to a county creating a regional
1 24 transit district may, by resolution forwarded to the board of
1 25 supervisors of the regional transit district county, notify
1 26 the county that it wishes to participate.
1 27 b. The governing body of a regional transit district has
1 28 all the rights, powers, privileges, and immunities of a local
1 29 government relating to the purpose for which the regional
1 30 transit district is created. In exercising its powers, the
1 31 governing body may establish a schedule of fares and collect
1 32 fares for the transportation of passengers.
1 33 3. BONDING AUTHORITY.
1 34 a. The establishment, construction, reconstruction,
1 35 repair, equipping, remodeling, extension, maintenance, and
2 1 operation of works, vehicles, and facilities of a regional
2 2 transit district may be financed by general obligation bonds
2 3 as an essential county purpose pursuant to division IV, part
2 4 3.
2 5 b. The establishment, construction, reconstruction,
2 6 repair, equipping, remodeling, extension, maintenance, and
2 7 operation of works, vehicles, and facilities of a regional
2 8 transit district may be financed by revenue bonds as a county
2 9 enterprise pursuant to division IV, part 4.
2 10 Sec. 2. NEW SECTION. 331.424D REGIONAL TRANSIT DISTRICT
2 11 LEVY.
2 12 1. The board may levy annually a tax not to exceed ninety=
2 13 five cents per thousand dollars of the assessed value of all
2 14 taxable property in the county within a regional transit
2 15 district. However, for a city participating in a regional
2 16 transit district, the tax levy imposed pursuant to section
2 17 384.12, subsection 10, and this section shall not exceed the
2 18 aggregate of ninety=five cents per thousand dollars of the
2 19 assessed value of all taxable property in the participating

2 20 city.
2 21 2. A participating city located in a nonparticipating
2 22 contiguous county shall levy for the regional transit district
2 23 under section 384.12, subsection 10. The sum of the tax levy
2 24 certified for the regional transit district and for any urban
2 25 or municipal transit system of the city shall not exceed
2 26 ninety-five cents per thousand dollars of assessed value each
2 27 year.

2 28 3. The proceeds of the tax levy shall be used for the
2 29 operation and maintenance of a regional transit district and
2 30 for the creation of a reserve fund. The board may divide the
2 31 territory of a regional transit district outside the
2 32 boundaries of a city into separate service areas and impose a
2 33 separate levy not to exceed the maximum rate authorized by
2 34 this section in each service area.

2 35 Sec. 3. Section 331.441, subsection 2, paragraph b, Code
3 1 2003, is amended by adding the following new subparagraph:
3 2 NEW SUBPARAGRAPH. (15) The establishment, construction,
3 3 reconstruction, repair, equipping, remodeling, extension,
3 4 maintenance, and operation of works, vehicles, and facilities
3 5 of a regional transit district.

3 6 Sec. 4. Section 331.461, subsection 2, Code 2003, is
3 7 amended by adding the following new paragraph:

3 8 NEW PARAGRAPH. h. A regional transit district including
3 9 the establishment, construction, reconstruction, repair,
3 10 equipping, remodeling, extension, maintenance, and operation
3 11 of its works, vehicles, and facilities.

3 12 EXPLANATION

3 13 This bill authorizes the creation of a regional transit
3 14 district in one or more contiguous counties.

3 15 The bill provides that a regional transit district shall
3 16 consist of the unincorporated area of a participating county
3 17 and cities without an urban transit system within the county
3 18 unless the city, by resolution, declines to participate. A
3 19 city that has an urban transit system and is located in a
3 20 participating county may, by resolution, participate in the
3 21 regional transit district. The bill also provides that a city
3 22 located in a nonparticipating contiguous county may, by
3 23 resolution, participate in the regional transit district.

3 24 The bill provides that the governing body of a regional
3 25 transit district may establish a schedule of fares and collect
3 26 fares for its transportation services.

3 27 The bill authorizes imposition of a regional transit
3 28 district property tax levy not to exceed 95 cents per \$1,000
3 29 of the assessed value of all taxable property in the county
3 30 within a regional transit district, including within a
3 31 participating city. The levy is for maintenance and operation
3 32 of a regional transit district and for a reserve fund. If a
3 33 city is included in a regional transit district, the regional
3 34 district levy and the supplemental levy for municipal transit
3 35 purposes shall not exceed the current limitation of \$.95 per
4 1 \$1,000 of assessed value.

4 2 The bill also amends the county bonding laws to provide
4 3 that a regional transit district is a county enterprise for
4 4 the purpose of issuing revenue bonds and an essential county
4 5 purpose for the purpose of issuing general obligation bonds to
4 6 finance its works, equipment, and facilities.

4 7 LSB 1550SC 80

4 8 sc/cf/24