

House File 2258 - Introduced

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A BILL FOR

1 An Act establishing a forest and fruit tree reservation
2 property tax exemption advisory committee.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. FOREST AND FRUIT TREE RESERVATION PROPERTY TAX
2 EXEMPTION ADVISORY COMMITTEE.

3 1. The department of natural resources shall establish
4 a forest and fruit tree reservation property tax exemption
5 advisory committee as part of the department. The advisory
6 committee shall study Iowa's forest and fruit tree reservation
7 law, chapter 427C and section 441.22, focusing on those
8 provisions of law that provide a property tax exemption to
9 landowners.

10 2. The advisory committee shall be composed of the following
11 voting members:

12 a. The director of the department of natural resources, or
13 the director's designee.

14 b. The director of the economic development authority, or
15 the director's designee.

16 c. One representative from each of the following
17 organizations or entities, appointed by the governor:

18 (1) The Iowa state association of county supervisors.

19 (2) The Iowa state association of assessors.

20 (3) The Iowa league of cities.

21 (4) The Iowa association of realtors.

22 (5) The Iowa woodland owners association.

23 (6) The Iowa environmental council.

24 (7) The Iowa farm bureau federation.

25 (8) The Iowa farmers union.

26 (9) The Iowa conservation alliance.

27 d. One individual taxpayer currently receiving a property
28 tax exemption under chapter 427C, appointed by the governor.

29 3. In addition to the voting members, the advisory committee
30 shall include four members of the general assembly with not
31 more than one member from each chamber being from the same
32 political party. The two senators shall be appointed one each
33 by the majority leader of the senate and by the minority leader
34 of the senate. The two representatives shall be appointed one
35 each by the speaker of the house of representatives and by the

1 minority leader of the house of representatives. Legislative
2 members shall serve in an ex officio, nonvoting capacity. A
3 legislative member is eligible for per diem and expenses as
4 provided in section 2.10.

5 4. The director of the department of natural resources or
6 the director's designee shall serve as the chairperson of the
7 advisory committee.

8 5. In fulfilling its duties, the advisory committee shall
9 do all of the following:

10 a. Review and analyze issues relating to the property tax
11 exemption program under chapter 427C.

12 b. Examine the current status of the property tax exemption
13 program under chapter 427C including but not limited to the
14 number of acres that are currently receiving the exemption on
15 both a statewide and per county basis, and information relating
16 to the types of taxpayers currently utilizing the exemption.

17 c. Examine the economic impact and value of the tax
18 exemption program under chapter 427C, including an assessment
19 of public opinion of the program.

20 d. Study new and innovative ways to protect erodible soils
21 and to provide watershed protection.

22 e. Review similar forest and fruit tree reservation
23 programs in other midwestern states, including a determination
24 of whether such programs require forest or fruit tree
25 management plans and the costs of implementing and monitoring
26 such plans. The committee shall also determine an estimated
27 cost for implementing a management plan system as part of the
28 property tax exemption program under chapter 427C.

29 f. Estimate the economic impact to local government and
30 school district budgets from the property tax exemption under
31 chapter 427C.

32 g. Examine the current or potential abuses of the property
33 tax exemption under chapter 427C by property owners and
34 make recommendations to correct these abuses. Such abuses
35 may include but are not limited to forest and fruit tree

1 reservation landowners receiving economic benefits through
2 providing hunting privileges or by other means.

3 h. Review current enforcement provisions within the
4 chapter 427C program and make recommendations for improving
5 enforcement, including but not limited to identifying the
6 appropriate state or local officials authorized to enforce
7 the law, the costs of enforcement, and whether signage of
8 forest and fruit tree reservations would benefit those persons
9 required to enforce the law.

10 i. Review the appropriateness of the current level of
11 exemption under chapter 427C.

12 j. Consider the appropriateness of a cap on the number of
13 acres per county which may receive an exemption under chapter
14 427C in order to reduce property tax revenue loss.

15 k. Examine other means for local governments to replace the
16 lost property tax revenue due to the property tax exemption
17 under chapter 427C including but not limited to a requirement
18 that forest and fruit tree reservations be required to pay all
19 or a portion of specified property tax levies or the imposition
20 of a property tax levy on forest and fruit tree reservations.

21 6. The advisory committee shall approve recommendations
22 on all relevant items specified in subsection 4, paragraphs
23 "a" through "k". The advisory committee shall prepare a
24 report that summarizes the advisory committee's activities,
25 analyzes the issues studied by the advisory committee, includes
26 the recommendations approved by the advisory committee, and
27 includes any other information that the advisory committee
28 deems relevant.

29 7. The advisory committee shall submit the report prepared
30 under subsection 6 to the governor and the general assembly not
31 later than January 14, 2013.

32 EXPLANATION

33 This bill directs the department of natural resources to
34 establish a forest and fruit tree reservation property tax
35 exemption advisory committee as part of the department. The

1 advisory committee is required to study Iowa's forest and
2 fruit tree reservation law (Code chapter 427C and Code section
3 441.22), focusing on those provisions of law that provide a
4 property tax exemption to landowners.

5 The advisory committee is composed of the following voting
6 members: the director of the department of natural resources,
7 or the director's designee, who serves as the chairperson;
8 the director of the economic development authority, or the
9 director's designee; one representative from each of nine
10 specified organizations or entities, appointed by the governor;
11 and one individual taxpayer currently receiving a property tax
12 exemption under the program, appointed by the governor.

13 In addition to the voting members, the advisory committee
14 includes four members of the general assembly with not more
15 than one member from each chamber being from the same political
16 party. The two senators shall be appointed one each by the
17 majority leader of the senate and by the minority leader of the
18 senate. The two representatives shall be appointed one each by
19 the speaker of the house of representatives and by the minority
20 leader of the house of representatives. Legislative members
21 shall serve in an ex officio, nonvoting capacity.

22 The bill specifies the issues under the forest and fruit tree
23 property tax exemption program to be reviewed by the advisory
24 committee, directs the advisory committee to review similar
25 laws from other states, and requires the advisory committee to
26 formulate recommendations.

27 The bill requires the advisory committee to prepare a report
28 that summarizes the advisory committee's activities, analyzes
29 the issues studied, includes the recommendations approved by
30 the advisory committee, and includes any other information
31 that the advisory committee deems relevant and necessary.
32 The report must be submitted to the governor and the general
33 assembly not later than January 14, 2013.