## Senate File 314 - Introduced

SENATE FILE 314

BY COMMITTEE ON LOCAL
GOVERNMENT

(SUCCESSOR TO SSB 1062)

## A BILL FOR

- 1 An Act relating to the procedures to be followed for certain
- 2 county projects involving the judicial branch.
- 3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

- 1 Section 1. Section 331.301, subsection 10, paragraph e,
- 2 subparagraph (1), subparagraph divisions (a) and (b), Code
- 3 2011, are amended to read as follows:
- 4 (a) The board must follow substantially the authorization
- 5 procedures of section 331.443 to authorize a lease or
- 6 lease-purchase contract for personal property which is payable
- 7 from the general fund. The board must follow substantially
- 8 the authorization procedures of section 331.443 to authorize
- 9 a lease or lease-purchase contract for real property which is
- 10 payable from the general fund if the principal amount of the
- 11 lease-purchase contract does not exceed the following limits:
- 12 (i) Four Six hundred thousand dollars in a county having a 13 population of twenty-five thousand or less.
- 14 (ii) Five Seven hundred fifty thousand dollars in a county
- 15 having a population of more than twenty-five thousand but not
- 16 more than fifty thousand.
- 17 (iii) Six Nine hundred thousand dollars in a county having
- 18 a population of more than fifty thousand but not more than one
- 19 hundred thousand.
- 20 (iv) Eight One million two hundred thousand dollars in a
- 21 county having a population of more than one hundred thousand
- 22 but not more than two hundred thousand.
- 23 (v) One million five hundred thousand dollars in a county
- 24 having a population of more than two hundred thousand.
- 25 (b) (i) However, if the principal amount of a lease or
- 26 lease-purchase contract pursuant to this subparagraph (1) is
- 27 less than twenty-five thousand dollars, the board may authorize
- 28 the lease or lease-purchase contract without following the
- 29 authorization procedures of section 331.443.
- 30 (ii) If the board determines that at least fifty percent of
- 31 the real property to be leased or lease-purchased is to be used
- 32 or occupied by the judicial branch as referenced in section
- 33 602.1102, the board may follow the authorization procedures of
- 34 section 331.443 even if the principal amount of the lease or
- 35 lease-purchase contract exceeds the limitations in subparagraph

- l division (a).
- 2 Sec. 2. Section 331.402, subsection 3, paragraph d,
- 3 subparagraph (1), Code 2011, is amended to read as follows:
- 4 (1) (a) The board shall follow substantially the
- 5 authorization procedures of section 331.443 to authorize a
- 6 loan agreement for personal property which is payable from
- 7 the general fund. The board must follow substantially the
- 8 authorization procedures of section 331.443 to authorize a loan
- 9 agreement for real property which is payable from the general
- 10 fund if the principal amount of the loan agreement does not
- ll exceed the following limits:
- 12 (a) (i) Four Six hundred thousand dollars in a county
- 13 having a population of twenty-five thousand or less.
- 14 (b) (ii) Five Seven hundred fifty thousand dollars in a
- 15 county having a population of more than twenty-five thousand
- 16 but not more than fifty thousand.
- 17 (c) (iii) Six Nine hundred thousand dollars in a county
- 18 having a population of more than fifty thousand but not more
- 19 than one hundred thousand.
- 20 (iv) Eight One million two hundred thousand dollars in
- 21 a county having a population of more than one hundred thousand
- 22 but not more than two hundred thousand.
- 23 <del>(e)</del> (v) One million five hundred thousand dollars in a
- 24 county having a population of more than two hundred thousand.
- (b) If the board determines that at least fifty percent of
- 26 the real property that is the subject of the loan agreement is
- 27 to be used or occupied by the judicial branch as referenced
- 28 in section 602.1102, the board may follow the authorization
- 29 procedures of section 331.443 even if the principal amount of
- 30 the loan agreement exceeds the limitations in subparagraph
- 31 division (a).
- 32 Sec. 3. Section 331.441, subsection 2, paragraph b,
- 33 subparagraph (5), Code 2011, is amended to read as follows:
- 34 (5) (a) Public buildings, including the site or grounds of,
- 35 and the erection, equipment, remodeling, or reconstruction of,

- 1 and additions or extensions to the buildings, and including the
- 2 provision and maintenance of juvenile detention or shelter care
- 3 facilities, when the cost principal amount of bonds does not
- 4 exceed the following limits:
- 5 (a) (i) Six hundred thousand dollars in a county having a
- 6 population of twenty-five thousand or less.
- 7 (b) (ii) Seven hundred fifty thousand dollars in a county
- 8 having a population of more than twenty-five thousand but not
- 9 more than fifty thousand.
- 10 (c) (iii) Nine hundred thousand dollars in a county having
- ll a population of more than fifty thousand but not more than one
- 12 hundred thousand.
- 13 (d) (iv) One million two hundred thousand dollars in a
- 14 county having a population of more than one hundred thousand
- 15 but not more than two hundred thousand.
- 16 (e) (v) One million five hundred thousand dollars in a
- 17 county having a population of more than two hundred thousand.
- 18 (b) If the board determines that at least fifty percent of
- 19 the public building will be used or occupied by the judicial
- 20 branch as referenced in section 602.1102, the board may
- 21 follow the authorization procedures of section 331.443 even
- 22 if the principal amount of bonds exceeds the limitations in
- 23 subparagraph division (a).
- 24 EXPLANATION
- 25 This bill relates to acquisition of property by a county and
- 26 county building projects involving the judicial branch.
- 27 The bill provides that if the project involves a real
- 28 property lease agreement, lease-purchase agreement, or loan
- 29 agreement, and at least 50 percent of the real property is
- 30 to be used or occupied by the judicial branch, the county,
- 31 when entering into the agreement, is authorized to follow the
- 32 procedures for issuance of essential county purpose bonds.
- The bill also amends the definition of "essential county
- 34 purpose", relating to issuance of bonds for public buildings,
- 35 to provide that the dollar limitation on the principal amount

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- 1 of the bonds does not apply if at least 50 percent of the public
- 2 building will be used or occupied by the judicial branch.
- 3 Generally, an essential county purpose does not require
- 4 approval of the voters.
- 5 The bill increases the threshold amounts that determine
- 6 whether a project can be undertaken using the procedures for
- 7 essential county purpose bonds when the project involves a
- 8 lease, lease-purchase, or loan agreement. The bill increases
- 9 the threshold amounts in the following manner: For counties
- 10 with a population of 25,000 or less, the threshold amount
- 11 is increased from \$400,000 to \$600,000; for counties with
- 12 a population of more than 25,000 but not more than 50,000,
- 13 the threshold amount is increased from \$500,000 to \$750,000;
- 14 for counties with a population of more than 50,000 but not
- 15 more than 100,000, the threshold amount is increased from
- 16 \$600,000 to \$900,000; for counties with a population of more
- 17 than 100,000 but not more than 200,000, the threshold amount
- 18 is increased from \$800,000 to \$1.2 million; and for counties
- 19 with a population of more than 200,000, the threshold amount is
- 20 increased from \$1 million to \$1.5 million.