

House File 39 - Introduced

HOUSE FILE 39

BY GUSTOFF

A BILL FOR

1 An Act relating to local governments by modifying individual
2 property tax statements mailed to owners and taxpayers, and
3 requiring notifications by mail of bond issuances.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 24.2A, subsection 2, paragraph b, Code
2 2025, is amended by adding the following new subparagraph:

3 NEW SUBPARAGRAPH. (07) For budgets for fiscal years
4 beginning on or after July 1, 2026, a comparison of the amount of
5 property taxes due on the owner's or taxpayer's property for the
6 current fiscal year and the estimate of the proposed amount of
7 property taxes due on the owner's or taxpayer's property for the
8 budget year, including the percentage in change in such amounts.

9 Sec. 2. Section 331.442, subsection 2, paragraph a, Code
10 2025, is amended to read as follows:

11 a. The board shall publish notice of the proposal to issue
12 the bonds, including a statement of the amount and purpose of
13 the bonds, a statement of the estimated cost of the project for
14 which the bonds are to be issued, and an estimate of the annual
15 increase in property taxes as the result of the bond issuance
16 on a residential property with an actual value of one hundred
17 thousand dollars. The notice shall be published as provided in
18 section 331.305 with the minutes of the meeting at which the
19 board adopts a resolution to call a county special election to
20 vote upon the question of issuing the bonds. The cost of the
21 project, as published in the notice pursuant to this paragraph,
22 is an estimate and is not intended to be binding on the board
23 in later proceedings related to the project. In addition to
24 publishing the notice of the proposal to issue the bonds, the
25 board shall mail a copy of the notice of the proposal by regular
26 mail to each eligible elector of the county.

27 Sec. 3. Section 384.25, subsection 2, Code 2025, is amended
28 to read as follows:

29 2. Before the council may institute proceedings for the
30 issuance of bonds for an essential corporate purpose, a notice
31 of the proposed action, including a statement of the amount and
32 purposes of the bonds, and an estimate of the annual increase
33 in property taxes as the result of the bond issuance on a
34 residential property with an actual value of one hundred thousand
35 dollars, and the time and place of the meeting at which the

1 council proposes to take action for the issuance of the bonds,
2 must be published as provided in section 362.3. In addition to
3 publishing the notice of the proposed action, the council shall
4 mail a copy of the notice of the proposed action by regular
5 mail to each eligible elector of the city. At the meeting,
6 the council shall receive oral or written objections from any
7 resident or property owner of the city. After all objections
8 have been received and considered, the council may, at that
9 meeting or any adjournment thereof, take additional action for
10 the issuance of the bonds or abandon the proposal to issue the
11 bonds. Any resident or property owner of the city may appeal the
12 decision of the council to take additional action to the district
13 court of the county in which any part of the city is located,
14 within fifteen days after the additional action is taken, but the
15 additional action of the council is final and conclusive unless
16 the court finds that the council exceeded its authority. The
17 provisions of this subsection with respect to notice, hearing,
18 and appeal, are in lieu of the provisions contained in chapter
19 73A, or any other law.

20 Sec. 4. IMPLEMENTATION OF ACT. Section 25B.2, subsection 3,
21 shall not apply to this Act.

22 EXPLANATION

23 The inclusion of this explanation does not constitute agreement with
24 the explanation's substance by the members of the general assembly.

25 This bill relates to local governments by modifying individual
26 property tax statements mailed to owners and taxpayers, and
27 providing notifications by mail of bond issuances.

28 For budgets for fiscal years beginning on or after July 1,
29 2026, the individual property tax statements mailed to owners and
30 taxpayers shall contain a comparison of the amount of property
31 taxes due on the owner's or taxpayer's property for the current
32 fiscal year and the estimate of the proposed amount of property
33 taxes due on the owner's or taxpayer's property for the budget
34 year, including the percentage change in such amounts.

35 Currently, a city or county must publish the notice of a

1 proposal to issue bonds. The bill requires the city or county
2 to mail a copy of the notice to issue bonds by regular mail to
3 each eligible elector of the city or county, as applicable.

4 The bill may include a state mandate as defined in Code
5 section 25B.3. The bill makes inapplicable Code section 25B.2,
6 subsection 3, which would relieve a political subdivision from
7 complying with a state mandate if funding for the cost of the
8 state mandate is not provided or specified. Therefore, political
9 subdivisions are required to comply with any state mandate
10 included in the bill.

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