

Senate Study Bill 1159 - Introduced

SENATE FILE _____
BY (PROPOSED COMMITTEE ON
LOCAL GOVERNMENT BILL BY
CHAIRPERSON WEBSTER)

A BILL FOR

1 An Act relating to Iowa's urban renewal law and urban
2 revitalization law, by establishing provisions governing
3 certain property used for gaming, and including effective date
4 and applicability provisions.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 403.5, Code 2025, is amended by adding the
2 following new subsection:

3 NEW SUBSECTION. 6A. An urban renewal plan adopted or amended
4 on or after the effective date of this Act shall not include an
5 urban renewal project related to property upon which a licensee,
6 issued a license under chapter 99F on or after January 1, 2025,
7 operates, and the urban renewal area shall not include the
8 property upon which such a licensee operates.

9 Sec. 2. Section 403.6, subsection 19, Code 2025, is amended
10 by adding the following new paragraph:

11 NEW PARAGRAPH. c. Notwithstanding any other provision to
12 the contrary, an assessment agreement entered into on or after
13 the effective date of this Act involving property upon which a
14 licensee, issued a license under chapter 99F on or after January
15 1, 2025, will operate, shall establish the minimum actual value
16 of the land and completed improvements made on the land at an
17 amount not less than the project cost presented to the state
18 racing and gaming commission as part of the license approval.

19 Sec. 3. Section 403.19, subsection 2, paragraph a, Code 2025,
20 is amended to read as follows:

21 a. That portion of the taxes each year in excess of such
22 amount shall be allocated to and when collected be paid into a
23 special fund of the municipality to pay the principal of and
24 interest on loans, moneys advanced to, or indebtedness, whether
25 funded, refunded, assumed, or otherwise, including bonds issued
26 under the authority of section 403.9, subsection 1, incurred by
27 the municipality to finance or refinance, in whole or in part, an
28 urban renewal project within the area, and to provide assistance
29 for low and moderate income family housing as provided in section
30 403.22. However, except as provided in paragraph "b", taxes
31 for the regular and voter-approved physical plant and equipment
32 levy of a school district imposed pursuant to section 298.2 and
33 taxes for the instructional support program of a school district
34 imposed pursuant to section 257.19, taxes for the payment of
35 bonds and interest of each taxing district, taxes levied against

1 property upon which a licensee, issued a license under chapter
2 99F on or after January 1, 2025, operates, and taxes imposed
3 under section 346.27, subsection 22, related to joint county-city
4 buildings shall be collected against all taxable property within
5 the taxing district without limitation by the provisions of this
6 subsection.

7 Sec. 4. Section 404.3C, subsection 2, Code 2025, is amended
8 by adding the following new paragraph:

9 NEW PARAGRAPH. c. Notwithstanding any other provision to the
10 contrary, an assessment agreement entered into on or after the
11 effective date of this Act, involving property upon which a
12 licensee, issued a license under chapter 99F on or after January
13 1, 2025, will operate, shall establish the minimum actual value
14 of the land and completed improvements made on the land at an
15 amount not less than the project cost presented to the state
16 racing and gaming commission as part of the license approval.

17 Sec. 5. EFFECTIVE DATE. This Act, being deemed of immediate
18 importance, takes effect upon enactment.

19 Sec. 6. APPLICABILITY. The following applies to property
20 taxes due and payable in fiscal years beginning on or after July
21 1, 2025:

22 The section of this Act amending section 403.19.

23 EXPLANATION

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

26 This bill relates to Iowa's urban renewal and urban
27 revitalization laws.

28 The bill prohibits an urban renewal plan from including
29 projects related to the property upon which a license has been
30 issued on or after January 1, 2025, to a licensee to conduct
31 gambling games pursuant to Code chapter 99F and prohibits the
32 urban renewal area from including the property upon which such a
33 licensee operates.

34 The bill specifies that a minimum assessment agreement in
35 either an urban renewal or urban revitalization area involving

1 property upon which a licensee, issued a license to conduct
2 gambling games pursuant to Code chapter 99F on or after January
3 1, 2025, will operate shall establish the minimum actual value at
4 an amount not less than the project cost presented to the state
5 racing and gaming commission as part of the license approval.

6 The bill excludes from a division of revenue (tax increment
7 financing) under Code section 403.19, property taxes levied
8 against a property upon which a licensee, issued a license under
9 Code chapter 99F on or after January 1, 2025, operates.

10 The bill takes effect upon enactment and the section of the
11 bill amending Code section 403.19 applies to property taxes due
12 and payable in fiscal years beginning on or after July 1, 2025.

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