

**House Study Bill 768 - Introduced**

HOUSE FILE \_\_\_\_\_  
BY (PROPOSED COMMITTEE ON  
WAYS AND MEANS BILL BY  
CHAIRPERSON NORDMAN)

**A BILL FOR**

1 An Act relating to school district budgeting by modifying  
2 provisions relating to proposed property tax amounts.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 24.2A, subsection 2, paragraph b,  
2 subparagraph (3), Code 2026, is amended to read as follows:

3 (3) The combined amount of the proposed property tax dollars  
4 to be certified for all of the political subdivision's levies  
5 for the budget year and the proposed combined property tax rate  
6 per one thousand dollars for such levies. If the political  
7 subdivision is a school district and the state percent of  
8 growth and the categorical state percent of growth for the  
9 applicable school budget year have not been established by law  
10 prior to March 5, the proposed property tax dollar amount shall  
11 not exceed such property tax dollar amounts calculated using  
12 percents of growth equal to those applicable to the immediately  
13 preceding school budget year.

14 Sec. 2. Section 24.2A, subsection 4, paragraph a, Code 2026,  
15 is amended to read as follows:

16 a. Each political subdivision shall set a time and place  
17 for a public hearing on the political subdivision's proposed  
18 property tax amount for the budget year and the political  
19 subdivision's information included in the statements under  
20 subsection 2. The proposed property tax hearing shall be set  
21 on a date on or after March 20 of the budget year immediately  
22 preceding the budget year for which the tax is being proposed.  
23 At the hearing, the governing body of the political subdivision  
24 shall receive oral or written testimony from any resident or  
25 property owner of the political subdivision. This public  
26 hearing shall be separate from any other meeting of the  
27 governing body of the political subdivision, including any  
28 other meeting or public hearing relating to the political  
29 subdivision's budget, and other business of the political  
30 subdivision that is not related to the proposed property tax  
31 amounts and the information in the statements shall not be  
32 conducted at the public hearing. After all testimony has been  
33 received and considered, the governing body may decrease,  
34 but not increase, the proposed property tax amount to be  
35 included in the political subdivision's budget. However,

1 if the political subdivision is a school district, due to  
2 the timing of enrollment determinations and enactment of  
3 legislation affecting school district budgets during the budget  
4 process, the school district may, subject to other limitations  
5 established by law, increase the proposed property tax amount  
6 to be included in the school district's budget.

7 EXPLANATION

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

10 Cities, counties, and school districts are prohibited from  
11 increasing applicable proposed property tax amounts following  
12 the hearing under Code section 24.2A as part of the budgeting  
13 process. This bill permits a school district, due to the  
14 timing of enrollment determinations and the enactment of school  
15 aid legislation, to increase the proposed property tax amount  
16 to be included in the school district's budget.

17 The bill also provides that if the political subdivision  
18 is a school district and the state percent of growth and  
19 the categorical state percent of growth for the applicable  
20 school budget year have not been established by law prior to  
21 March 5, the proposed property tax dollar amount under Code  
22 section 24.2A shall not exceed such property tax dollar amounts  
23 calculated using percents of growth equal to those applicable  
24 to the immediately preceding school budget year.