SENATE FILE 2500
BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO SF 2431)
(SUCCESSOR TO SSB 3009)

(As Amended and Passed by the Senate April 22, 2026)
ALL New Language by the Senate

A BILL FOR

An Act relating to townships, including the appointment and duties of township officers, township budgets, and the provision of fire protection and emergency medical services to townships by cities, and including effective date provisions.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

TOWNSHIP GOVERNANCE

Section 1. Section 39.22, unnumbered paragraph 1, Code 2026, is amended to read as follows:

~~The~~ This section applies only to the election or appointment of township officers in townships not subject to the provisions of section 359.11, subsection 1. The appointment of township officers in townships subject to the provisions of section 359.11, subsection 1, shall occur only as provided in that subsection. Otherwise, the offices of township trustee and township clerk shall be filled by appointment or election as follows:

Sec. 2. Section 64.1A, subsection 5, Code 2026, is amended to read as follows:

5. Township trustees and, if appointed pursuant to section 359.11, subsection 1, township clerks.

Sec. 3. Section 69.8, subsection 5, Code 2026, is amended to read as follows:

5. *Elected township offices.*

a. When a vacancy occurs in the office of township clerk or township trustee in a township that is not subject to the provisions of section 359.11, subsection 1, the vacancy shall be filled by appointment by the trustees. All appointments to fill vacancies in township offices shall be until a successor is elected at the next general election and qualifies by taking the oath of office. If the term of office in which the vacancy exists will expire within seventy days after the next general election, the person elected to the office for the succeeding term shall qualify by taking the oath of office within ten days after the election and shall serve for the remainder of the unexpired term, as well as for the next four-year term.

b. However, if the offices of two trustees are vacant in a township that is not subject to the provisions of section 359.11, subsection 1, the county board of supervisors shall fill the vacancies by appointment. If the offices of three

trustees are vacant in a township that is not subject to the provisions of section 359.11, subsection 1, the board may fill the vacancies by appointment, or the board may adopt a resolution stating that the board will exercise all powers and duties assigned by law to the trustees of the township in which the vacancies exist until the vacancies are filled at the next general election. If a township office vacancy is not filled by the trustees within thirty days after the vacancy occurs, the board of supervisors may appoint a successor to fill the vacancy until the vacancy can be filled at the next general election.

c. When a vacancy occurs in the office of township trustee or township clerk in a township that is subject to the provisions of section 359.11, subsection 1, the vacancy shall be filled pursuant to that subsection.

Sec. 4. Section 331.502, subsection 24, Code 2026, is amended to read as follows:

24. Carry out duties related to posting financial information of a township as provided in sections ~~359.23 and~~ 359.49 and 359.51A.

Sec. 5. Section 331.512, subsection 1, paragraph i, Code 2026, is amended to read as follows:

i. The levy of taxes certified by the board of trustees of a township as provided in ~~chapters~~ chapter 359 ~~and 360~~.

Sec. 6. Section 359.10, Code 2026, is amended to read as follows:

359.10 ~~New township — first election~~ Initial township elections.

When a new township is formed and is not subject to the provisions of section 359.11, subsection 1, or when a township ceases to be subject to the provisions of section 359.11, subsection 1, ~~in which~~ and township officers are to be elected, the board of supervisors shall call the first township election, to be held at such place as it may designate, on the day of the next general election. If at any time a new township

has been created in a year in which no general election is held, the board may call a special election for the election of the township officers of the new township, who shall continue in office until their successors are elected and qualified. There shall be elected two trustees for a term of two years, whose successors shall serve terms of four years, one trustee for a term of four years, and one clerk for a term of four years.

Sec. 7. Section 359.11, Code 2026, is amended by striking the section and inserting in lieu thereof the following:

359.11 Appointment of trustees and clerks —— training.

1. *a.* This subsection applies only to townships located in a county with a population of less than seventy-five thousand according to the most recent federal decennial census, except this subsection does not apply to any township with a taxable valuation for property tax purposes of two hundred fifty million dollars or more.

b. Prior to January 1, 2027, the board of supervisors shall appoint three registered voters of each township to serve on the board of trustees in each township, whose terms shall begin January 1, 2027. The initial terms of the board of trustees shall be staggered. One appointee under this paragraph shall serve a term of one year, one appointee under this paragraph shall serve a term of two years, and one appointee under this paragraph shall serve a term of three years. This paragraph is repealed January 1, 2031.

c. A board of trustees in each township shall consist of three registered voters of the township appointed by the board of supervisors to serve three-year terms staggered so that one term expires on January 1 of each year. Prior to the expiration of the term of an appointee to the board of trustees, the board of supervisors shall appoint a registered voter of the township to serve a term of three years beginning January 1.

d. The board of supervisors shall appoint a township clerk

to serve a term of four years beginning January 1.

2. A township that has appointed officers pursuant to subsection 1 that is no longer subject to subsection 1 due to the township being located in a county with a population of at least seventy-five thousand according to the most recent federal decennial census or the taxable valuation of the township for property tax purposes reaching or exceeding two hundred fifty million dollars shall arrange for the election of township officers pursuant to section 359.10.

3. The board of supervisors may remove a person appointed under subsection 1 at any time for neglect of duty or maladministration.

4. A vacancy on the board of trustees or of the position of township clerk shall be filled for the unexpired portion of the regular term in the same manner as regular appointments are made pursuant to subsection 1 or as provided in section 69.8, if applicable.

5. *a.* Prior to initially taking office as a township trustee or township clerk, the appointee or officer-elect shall attend training on township budgets, duties, and responsibilities, including but not limited to a trustee's role as a fence viewer under chapter 359A. The training shall be offered by the county agriculture extension council created pursuant to section 176A.5. If multiple county agricultural extension councils exist in the same county, the county agricultural extension councils shall coordinate to offer the required training. County agricultural extension councils may collaborate with the department of management and organizations representing county and city governments in producing the content for and presenting the required training. The county agricultural extension council shall notify the board of supervisors when an appointee or officer-elect has attended the required training.

b. If an appointee under subsection 1 fails to attend the required training, the board of supervisors shall make a new

appointment for the position and the new appointee shall attend the required training prior to taking office.

Sec. 8. NEW SECTION. **359.51A Annual reports.**

Each township clerk shall prepare and submit to the department of management and the county board of supervisors, on or before July 31 of each year, a report in writing, showing all receipts of money and disbursements in the clerk's office for each separate tax levy authorized by law for the preceding fiscal year, showing the current public debt of the township, showing the balance as of June 30 of all separate reserve accounts held by the township, and providing an itemized statement and any other information the department of management deems relevant, which shall be certified as correct by the trustees of the township. The report shall be in a form prescribed by the department of management in consultation with the county finance committee. Each township clerk shall send a copy of this written report to the department of management, county board of supervisors, and county auditor. The county auditor shall post the report or a summary of the report in a prominent place in the building where the auditor's office is located. The department of management shall post all reports received pursuant to this section on the department of management's internet site and a county shall post all reports received pursuant to this section on the county's internet site. The county treasurer shall withhold disbursement of township taxes until the report is filed with the county board of supervisors and the county auditor. The county auditor shall notify the county treasurer if taxes are to be withheld.

Sec. 9. NEW SECTION. **359.61 Intergovernmental agreements.**

1. Any legal or contractual agreement or obligation to which a township is subject in effect prior to the township becoming subject to the provisions of section 359.11, subsection 1, shall remain in effect until the expiration of the legal or contractual agreement or obligation.

2. Any agreement entered into under chapter 28E to which a

township is a party is invalid and unenforceable on and after January 1, 2027, if the agreement has not been filed with the secretary of state by that date pursuant to section 28E.8. This subsection does not prohibit a township from entering a new agreement under chapter 28E as long as the agreement is filed pursuant to section 28E.8.

Sec. 10. NEW SECTION. **384.12A Rural fire protection fund.**

1. A city that provides fire protection and emergency medical services to a township pursuant to a contract shall establish a rural fire protection fund under the control of the city's fire department.

2. A city that receives payment from a township pursuant to a township's levy for fire protection or emergency medical services pursuant to section 359.43 shall deposit such payments into the city's rural fire protection fund. The city shall use moneys in the rural fire protection fund only for purposes of providing fire protection and emergency medical services.

3. By June 30, 2026, and by June 30 of each year thereafter, a city that deposits payments from a township into the city's rural fire protection fund pursuant to subsection 2 shall share with the township board of trustees and, if the township is subject to the provisions of section 359.11, subsection 1, with the county board of supervisors an itemized list of expenditures from the fund.

4. Moneys remaining in a city's rural fire protection fund at the close of the city's fiscal year shall remain available for expenditure for the purposes of fire protection and emergency medical services.

Sec. 11. REPEAL. Sections 359.23, 359.38, and 359.39, Code 2026, are repealed.

Sec. 12. REPEAL. Chapter 360, Code 2026, is repealed.

Sec. 13. TRANSITION —— ELECTED TOWNSHIP OFFICIALS. The term of all elected township officials in all townships subject to the provisions of section 359.11, subsection 1, as enacted by this division of this Act, shall terminate on January 1,

2027. A person serving as a township trustee or township clerk pursuant to chapter 359, Code 2026, may continue serving in that role until January 1, 2027.

Sec. 14. TRANSITION —— TRANSFER OF MONEYS. On or before September 1, 2026, any moneys collected by a township pursuant to taxes levied under chapter 360, Code 2026, and under control of the township clerk shall be transferred by the township clerk to the general fund of a school district or districts pro rata in which the moneys were raised.

Sec. 15. EFFECTIVE DATE. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION II

TOWNSHIP BUDGETS

Sec. 16. Section 359.49, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 1A. *a.* Prior to adoption and certification of the budget proposed pursuant to this section, the board of trustees shall provide the proposed budget to the board of supervisors.

b. The board of supervisors shall have the option to approve or reject the proposed budget of a township subject to section 359.11, subsection 1. The board of supervisors shall approve or reject the proposed budget of a township subject to section 359.11, subsection 1, and direct changes to be made in a timely manner so as to not delay the duties of the board of trustees to adopt a budget and certify taxes by the deadlines provided in this section.

c. The board of supervisors shall not direct or allocate any moneys collected pursuant to a levy in one township for use in another township. This paragraph does not prohibit cost-sharing agreements entered into between two or more townships.

d. All approved budgets, whether approved by the board of trustees or by the board of supervisors as required under paragraph "*b*", shall be itemized and presented at hearings and

meetings for the review or consideration of the county budget or a county levy.

Sec. 17. Section 359.49, subsections 4 and 7, Code 2026, are amended to read as follows:

4. The board of trustees shall transmit a copy of the proposed budget and a notice of the meeting set as required by subsection 5 to the county auditor for posting. The county auditor shall post the notice and the proposed budget in an area of the courthouse where notices to the public are commonly posted. The county auditor shall also post the notice and proposed budget on the county's internet site.

7. After the meeting on the proposed budget, the board of trustees shall adopt by resolution a budget for at least the next fiscal year, and the clerk shall certify the necessary tax levy for the next fiscal year to the county auditor and the county board of supervisors by April 30. The tax levy certified may be less than but shall not be more than the amount estimated in the proposed budget submitted at the meeting. Two copies each of the detailed budget as adopted and of the certified tax levy must be transmitted to the county auditor by April 30. The county auditor shall post the detailed budget on the county's internet site.

Sec. 18. Section 359.50, subsection 1, Code 2026, is amended to read as follows:

1. A township budget as finally adopted for the following fiscal year becomes effective July 1. A township budget for the current fiscal year may be amended, with the approval of the board of supervisors if approval is required under section 359.49, subsection 1A, paragraph "*b*", for any of the following purposes:

a. To permit the expenditure of unexpended, unencumbered cash balances on hand at the end of the preceding fiscal year ~~which~~ that had not been anticipated in the budget.

b. To permit the expenditure of amounts anticipated to be available from sources other than property taxation, and ~~which~~

that had not been anticipated in the budget.

Sec. 19. EFFECTIVE DATE. This division of this Act takes effect January 1, 2027.