

HOUSE FILE 2732
BY KURTENBACH

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to certification to the county auditor of the
2 amount of loans, advances, indebtedness, or bonds issued or
3 incurred for urban renewal purposes.

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

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HF 2732

1 Section 1. Section 403.19, subsection 5, Code 2005, is
2 amended to read as follows:

3 5. a. A municipality shall certify to the county auditor
4 on or before December 1 the amount of loans, advances,
5 indebtedness, or bonds which qualify for payment from the
6 special fund referred to in subsection 2, for each urban
7 renewal area in the municipality, and the filing of the
8 certificate shall make it a duty of the auditor to provide for
9 the division of taxes in each subsequent year without further
10 certification, except as provided in paragraphs "b" and "c",
11 until the amount of the loans, advances, indebtedness, or
12 bonds is paid to the special fund. If any loans, advances,
13 indebtedness, or bonds are issued which qualify for payment
14 from the special fund and which are in addition to amounts
15 already certified, the municipality shall certify the amount
16 of the additional obligations on or before December 1 of the
17 year such obligations were issued, and the filing of the
18 certificate shall make it a duty of the auditor to provide for
19 the division of taxes in each subsequent year without further
20 certification, except as provided in paragraphs "b" and "c",
21 until the amount of the loans, advances, indebtedness, or
22 bonds is paid to the special fund. Any subsequent
23 certifications under this subsection shall not include amounts
24 previously certified.

25 A certification made under this paragraph "a" shall include
26 the date that the individual loans, advances, indebtedness, or
27 bonds were initially approved by the governing body of the
28 municipality.

29 b. If the amount certified in paragraph "a" is reduced by
30 payment from sources other than the division of taxes, by a
31 refunding or refinancing of the obligation which results in
32 lowered principal and interest on the amount of the
33 obligation, or for any other reason, the municipality on or
34 before December 1 of the year the action was taken which
35 resulted in the reduction shall certify the amount of the

1 reduction to the county auditor.

2 c. In any year, the county auditor shall, upon receipt of
3 a certified request from a municipality filed on or before
4 December 1, increase the amount to be allocated under
5 subsection 1 in order to reduce the amount to be allocated in
6 the following fiscal year to the special fund, to the extent
7 that the municipality does not request allocation to the
8 special fund of the full portion of taxes which could be
9 collected. Upon receipt of a certificate from a municipality,
10 the auditor shall mail a copy of the certificate to each
11 affected taxing district.

12 EXPLANATION

13 This bill specifies that the amount of loans, advances,
14 indebtedness, or bonds issued for urban renewal purposes need
15 only be certified once to the county auditor unless loans,
16 advances, indebtedness, or bonds are subsequently issued and
17 are in addition to the amount already certified. The bill
18 requires that the date the municipality initially approves
19 such loans, advances, indebtedness, or bonds shall also be
20 included in the certification. The bill further specifies
21 that if the municipality takes action that results in a
22 reduction of the amount of an urban renewal obligation already
23 certified, the municipality shall certify the amount of the
24 reduction.

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