



Iowa General Assembly  
Daily Bills, Amendments & Study Bills  
April 27, 2011

**House File 690 - Introduced**

HOUSE FILE  
BY COMMITTEE ON WAYS AND  
MEANS

(SUCCESSOR TO HF 636)  
(SUCCESSOR TO HF 413)

**A BILL FOR**

1 An Act relating to urban revitalization areas by authorizing  
2 a property tax exemption for certain vacant commercial  
3 property, and including effective date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 2410HZ (2) 84  
md/sc



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1 1 Section 1. Section 404.3, subsections 5 and 6, Code 2011,  
1 2 are amended to read as follows:  
1 3 5. A city or county may adopt a different tax exemption  
1 4 schedule than those allowed in subsection 1, 2, 3, or 4. The  
1 5 different schedule adopted shall not allow a greater exemption,  
1 6 but may allow a smaller exemption, in a particular year,  
1 7 than allowed in the schedule specified in the corresponding  
1 8 subsection of this section. A different schedule adopted by a  
1 9 city or county shall apply to every revitalization area within  
1 10 the city or county, unless the qualified property is eligible  
1 11 for an exemption pursuant to section 404.3A, ~~or~~ 404.3B, or  
1 12 404.3C, and except in areas of the city or county which have  
1 13 been designated as both urban renewal and urban revitalization  
1 14 areas. In an area designated for both urban renewal and urban  
1 15 revitalization, a city or county may adopt a different schedule  
1 16 than has been adopted for revitalization areas which have not  
1 17 been designated as urban renewal areas.  
1 18 6. The owners of qualified real estate eligible for the  
1 19 exemption provided in this section or section 404.3A, ~~or~~  
1 20 404.3B, or 404.3C shall elect to take the applicable exemption  
1 21 or shall elect to take the applicable exemption provided in  
1 22 the different schedule authorized by subsection 5 and adopted  
1 23 in the city or county plan if a different schedule has been  
1 24 adopted. Once the election has been made and the exemption  
1 25 granted, the owner is not permitted to change the method of  
1 26 exemption.  
1 27 Sec. 2. NEW SECTION. 404.3C Vacant commercial property  
1 28 exemption.  
1 29 1. Notwithstanding the schedules provided for in sections  
1 30 404.3 and 404.3B, a city or county may provide that all  
1 31 qualified real estate assessed as commercial property that is  
1 32 vacant on the date the exemption is adopted, has been vacant  
1 33 for at least the six months prior to the date the exemption  
1 34 is adopted, and meets one or more of the following conditions  
1 35 is eligible to receive an exemption from taxation based on a



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2 1 schedule established by the applicable city or county under  
2 2 subsection 2 or 3:  
2 3     a. The real estate regularly attracts unauthorized  
2 4 residential use, unlicensed transient business, unauthorized  
2 5 disposal of trash, or unauthorized parking.  
2 6     b. The assessed value of the real estate has declined during  
2 7 the period of time when the real estate has been vacant.  
2 8     c. The real estate is determined to contain one or more  
2 9 nuisances under chapter 657 or to be a public nuisance as  
2 10 defined in section 657A.1, subsection 7.  
2 11     2. a. All qualified real estate described in subsection 1  
2 12 is eligible to receive an exemption from taxation on the actual  
2 13 value added by the improvements. The exemption is for a period  
2 14 of fifteen years. The amount of the partial exemption shall  
2 15 be established by the applicable city or county and is equal  
2 16 to a percent of the actual value added by the improvements,  
2 17 determined as follows:  
2 18       (1) For the first year, not more than eighty percent.  
2 19       (2) For the second year, not more than seventy=five percent.  
2 20       (3) For the third year, not more than seventy percent.  
2 21       (4) For the fourth year, not more than sixty=five percent.  
2 22       (5) For the fifth year, not more than sixty percent.  
2 23       (6) For the sixth year, not more than fifty=five percent.  
2 24       (7) For the seventh year, not more than fifty percent.  
2 25       (8) For the eighth year, not more than forty=five percent.  
2 26       (9) For the ninth year, not more than forty percent.  
2 27       (10) For the tenth year, not more than thirty=five percent.  
2 28       (11) For the eleventh year, not more than thirty percent.  
2 29       (12) For the twelfth year, not more than twenty=five  
2 30 percent.  
2 31       (13) For the thirteenth year, not more than twenty percent.  
2 32       (14) For the fourteenth year, not more than twenty percent.  
2 33       (15) For the fifteenth year, not more than twenty percent.  
2 34     b. All qualified real estate described in subsection 1 is,  
2 35 in lieu of the exemption schedule established under paragraph



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3 1 "a", eligible to receive an exemption from taxation established  
3 2 by the applicable city or county not to exceed one hundred  
3 3 percent on the actual value added by the improvements. The  
3 4 exemption is for a period of five years.  
3 5 3. All qualified real estate described in subsection 1  
3 6 is, in lieu of the exemption schedules under subsection 2,  
3 7 eligible to receive an exemption from taxation on the actual  
3 8 value added by the improvements if such improvements meet or  
3 9 exceed standard 90.1=2007, published by the American society  
3 10 of heating, refrigerating, and air conditioning engineers,  
3 11 by thirty percent. Compliance with the requirements of  
3 12 this subsection relating to standard 90.1=2007, published  
3 13 by the American society of heating, refrigerating, and air  
3 14 conditioning engineers, shall be certified by a qualified,  
3 15 licensed engineer. The exemption is for a period of ten  
3 16 years. The amount of the exemption shall be established by  
3 17 the applicable city or county and is equal to a percent of the  
3 18 actual value added by the improvements, determined as follows:  
3 19 a. For the first year, not more than one hundred percent.  
3 20 b. For the second year, not more than one hundred percent.  
3 21 c. For the third year, not more than one hundred percent.  
3 22 d. For the fourth year, not more than one hundred percent.  
3 23 e. For the fifth year, not more than one hundred percent.  
3 24 f. For the sixth year, not more than eighty percent.  
3 25 g. For the seventh year, not more than sixty percent.  
3 26 h. For the eighth year, not more than forty percent.  
3 27 i. For the ninth year, not more than twenty percent.  
3 28 j. For the tenth year, not more than ten percent.  
3 29 Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
3 30 immediate importance, takes effect upon enactment.  
3 31 EXPLANATION  
3 32 This bill relates to urban revitalization areas by  
3 33 authorizing a property tax exemption for certain vacant  
3 34 commercial property.  
3 35 The bill creates new Code section 404.3C that establishes



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4 1 a property tax exemption for qualified real estate of a  
4 2 revitalization area under Code chapter 404 that is assessed  
4 3 as commercial property, remained vacant for a period of six  
4 4 consecutive months, and which meets one or more specified  
4 5 conditions. Those conditions include that the real estate  
4 6 regularly attracts unauthorized residential use, unlicensed  
4 7 transient business, unauthorized disposal of trash, or  
4 8 unauthorized parking; that the assessed value of the real  
4 9 estate has declined during the period of time when the real  
4 10 estate has been vacant; and that the real estate is determined  
4 11 to contain one or more specified nuisances.  
4 12 The bill establishes a 15=year exemption schedule that  
4 13 provides exemptions for each year ranging from not more than 80  
4 14 percent to not more than 20 percent. The bill also establishes  
4 15 a five=year exemption schedule, in lieu of the 15=year  
4 16 schedule, that provides a 100 percent exemption for each of  
4 17 the five years. For qualified real estate that includes  
4 18 improvements meeting or exceeding certain standards established  
4 19 by the American society of heating, refrigerating, and air  
4 20 conditioning engineers, the bill provides an alternative  
4 21 10=year exemption schedule that begins with a 100 percent  
4 22 exemption for the first five years and then is reduced each  
4 23 year during the last five years of the exemption.  
4 24 The bill takes effect upon enactment.

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HOUSE FILE  
BY COMMITTEE ON WAYS AND  
MEANS

(SUCCESSOR TO HSB 240)

**A BILL FOR**

1 An Act relating to state and local government finances by  
2 increasing the regular program foundation base, establishing  
3 property tax levy limits for cities and counties,  
4 establishing certain property assessment limitations, and  
5 including applicability provisions.  
6 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
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1 1 DIVISION I  
1 2 EDUCATION FINANCE  
1 3 Section 1. Section 257.1, subsection 2, paragraph b, Code  
1 4 2011, is amended by striking the paragraph and inserting in  
1 5 lieu thereof the following:  
1 6 b. (1) The regular program foundation base per pupil is the  
1 7 following:  
1 8 (a) For the budget year commencing July 1, 2011, the  
1 9 regular program foundation base per pupil is eighty=seven and  
1 10 five=tenths percent of the regular program state cost per  
1 11 pupil.  
1 12 (b) For the budget year commencing July 1, 2012, the  
1 13 regular program foundation base per pupil is eighty=nine and  
1 14 twenty=eight hundredths percent of the regular program state  
1 15 cost per pupil.  
1 16 (c) For the budget year commencing July 1, 2013, the  
1 17 regular program foundation base per pupil is ninety=one and six  
1 18 hundredths percent of the regular program state cost per pupil.  
1 19 (d) For the budget year commencing July 1, 2014, the regular  
1 20 program foundation base per pupil is ninety=two and eighty=four  
1 21 hundredths percent of the regular program state cost per pupil.  
1 22 (e) For the budget year commencing July 1, 2015, the regular  
1 23 program foundation base per pupil is ninety=four and sixty=two  
1 24 hundredths percent of the regular program state cost per pupil.  
1 25 (f) For the budget year commencing July 1, 2016, the regular  
1 26 program foundation base per pupil is ninety=six and forty  
1 27 hundredths percent of the regular program state cost per pupil.  
1 28 (g) For the budget year commencing July 1, 2017, the regular  
1 29 program foundation base per pupil is ninety=eight and eighteen  
1 30 hundredths percent of the regular program state cost per pupil.  
1 31 (h) For the budget year commencing July 1, 2018, and  
1 32 succeeding budget years, the regular program foundation base  
1 33 per pupil is one hundred percent of the regular program state  
1 34 cost per pupil.  
1 35 (2) For each budget year, the special education support



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2 1 services foundation base is seventy=nine percent of the special  
2 2 education support services state cost per pupil. The combined  
2 3 foundation base is the sum of the regular program foundation  
2 4 base, the special education support services foundation base,  
2 5 the total teacher salary supplement district cost, the total  
2 6 professional development supplement district cost, the total  
2 7 early intervention supplement district cost, the total area  
2 8 education agency teacher salary supplement district cost,  
2 9 and the total area education agency professional development  
2 10 supplement district cost.

2 11 DIVISION II

2 12 PROPERTY ASSESSMENT LIMITATIONS

2 13 Sec. 2. Section 441.21, subsection 4, Code 2011, is amended  
2 14 to read as follows:

2 15 4. For valuations established as of January 1, 1979,  
2 16 the percentage of actual value at which agricultural and  
2 17 residential property shall be assessed shall be the quotient  
2 18 of the dividend and divisor as defined in this section. The  
2 19 dividend for each class of property shall be the dividend  
2 20 as determined for each class of property for valuations  
2 21 established as of January 1, 1978, adjusted by the product  
2 22 obtained by multiplying the percentage determined for that  
2 23 year by the amount of any additions or deletions to actual  
2 24 value, excluding those resulting from the revaluation of  
2 25 existing properties, as reported by the assessors on the  
2 26 abstracts of assessment for 1978, plus six percent of the  
2 27 amount so determined. However, if the difference between the  
2 28 dividend so determined for either class of property and the  
2 29 dividend for that class of property for valuations established  
2 30 as of January 1, 1978, adjusted by the product obtained by  
2 31 multiplying the percentage determined for that year by the  
2 32 amount of any additions or deletions to actual value, excluding  
2 33 those resulting from the revaluation of existing properties,  
2 34 as reported by the assessors on the abstracts of assessment  
2 35 for 1978, is less than six percent, the 1979 dividend for the



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3 1 other class of property shall be the dividend as determined for  
3 2 that class of property for valuations established as of January  
3 3 1, 1978, adjusted by the product obtained by multiplying  
3 4 the percentage determined for that year by the amount of  
3 5 any additions or deletions to actual value, excluding those  
3 6 resulting from the revaluation of existing properties, as  
3 7 reported by the assessors on the abstracts of assessment for  
3 8 1978, plus a percentage of the amount so determined which is  
3 9 equal to the percentage by which the dividend as determined  
3 10 for the other class of property for valuations established  
3 11 as of January 1, 1978, adjusted by the product obtained by  
3 12 multiplying the percentage determined for that year by the  
3 13 amount of any additions or deletions to actual value, excluding  
3 14 those resulting from the revaluation of existing properties,  
3 15 as reported by the assessors on the abstracts of assessment  
3 16 for 1978, is increased in arriving at the 1979 dividend for  
3 17 the other class of property. The divisor for each class of  
3 18 property shall be the total actual value of all such property  
3 19 in the state in the preceding year, as reported by the  
3 20 assessors on the abstracts of assessment submitted for 1978,  
3 21 plus the amount of value added to said total actual value by  
3 22 the revaluation of existing properties in 1979 as equalized  
3 23 by the director of revenue pursuant to section 441.49. The  
3 24 director shall utilize information reported on abstracts of  
3 25 assessment submitted pursuant to section 441.45 in determining  
3 26 such percentage. For valuations established as of January 1,  
3 27 1980, and each assessment year thereafter beginning before  
3 28 January 1, 2012, the percentage of actual value as equalized  
3 29 by the director of revenue as provided in section 441.49 at  
3 30 which agricultural and residential property shall be assessed  
3 31 shall be calculated in accordance with the methods provided  
3 32 herein including the limitation of increases in agricultural  
3 33 and residential assessed values to the percentage increase of  
3 34 the other class of property if the other class increases less  
3 35 than the allowable limit adjusted to include the applicable



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4 1 and current values as equalized by the director of revenue,  
4 2 except that any references to six percent in this subsection  
4 3 shall be four percent. For valuations established as of  
4 4 January 1, 2012, and each assessment year thereafter, the  
4 5 percentage of actual value as equalized by the director of  
4 6 revenue as provided in section 441.49 at which agricultural  
4 7 and residential property shall be assessed shall be calculated  
4 8 in accordance with the methods provided herein including  
4 9 the limitation of increases in agricultural and residential  
4 10 assessed values to the percentage increase of the other  
4 11 class of property if the other class increases less than the  
4 12 allowable limit adjusted to include the applicable and current  
4 13 values as equalized by the director of revenue, except that  
4 14 any references to six percent in this subsection shall be two  
4 15 percent.

4 16 Sec. 3. Section 441.21, subsection 5, Code 2011, is amended  
4 17 to read as follows:

4 18 5. a. ~~For valuations established as of January 1, 1979,~~  
— 4 19 ~~commercial property and industrial property, excluding~~  
— 4 20 ~~properties referred to in section 427A.1, subsection 8, shall~~  
— 4 21 ~~be assessed as a percentage of the actual value of each class~~  
— 4 22 ~~of property. The percentage shall be determined for each~~  
— 4 23 ~~class of property by the director of revenue for the state in~~  
— 4 24 ~~accordance with the provisions of this section. For valuations~~  
— 4 25 ~~established as of January 1, 1979, the percentage shall be~~  
— 4 26 ~~the quotient of the dividend and divisor as defined in this~~  
— 4 27 ~~section. The dividend for each class of property shall be the~~  
— 4 28 ~~total actual valuation for each class of property established~~  
— 4 29 ~~for 1978, plus six percent of the amount so determined. The~~  
— 4 30 ~~divisor for each class of property shall be the valuation~~  
— 4 31 ~~for each class of property established for 1978, as reported~~  
— 4 32 ~~by the assessors on the abstracts of assessment for 1978,~~  
— 4 33 ~~plus the amount of value added to the total actual value by~~  
— 4 34 ~~the revaluation of existing properties in 1979 as equalized~~  
— 4 35 ~~by the director of revenue pursuant to section 441.49. For~~



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5 1 valuations established as of January 1, 1979, property valued  
5 2 by the department of revenue pursuant to chapters 428, 433,  
5 3 437, and 438 shall be considered as one class of property and  
5 4 shall be assessed as a percentage of its actual value. The  
5 5 percentage shall be determined by the director of revenue in  
5 6 accordance with the provisions of this section. For valuations  
5 7 established as of January 1, 1979, the percentage shall be  
5 8 the quotient of the dividend and divisor as defined in this  
5 9 section. The dividend shall be the total actual valuation  
5 10 established for 1978 by the department of revenue, plus ten  
5 11 percent of the amount so determined. The divisor for property  
5 12 valued by the department of revenue pursuant to chapters 428,  
5 13 433, 437, and 438 shall be the valuation established for 1978,  
5 14 plus the amount of value added to the total actual value by  
5 15 the revaluation of the property by the department of revenue  
5 16 as of January 1, 1979. ~~For valuations established as of~~  
~~5 17 January 1, 1980, commercial property and industrial property,~~  
~~5 18 excluding properties referred to in section 427A.1, subsection~~  
~~5 19 8, shall be assessed at a percentage of the actual value of~~  
~~5 20 each class of property. The percentage shall be determined~~  
~~5 21 for each class of property by the director of revenue for the~~  
~~5 22 state in accordance with the provisions of this section. For~~  
~~5 23 valuations established as of January 1, 1980, the percentage~~  
~~5 24 shall be the quotient of the dividend and divisor as defined in~~  
~~5 25 this section. The dividend for each class of property shall~~  
~~5 26 be the dividend as determined for each class of property for~~  
~~5 27 valuations established as of January 1, 1979, adjusted by the~~  
~~5 28 product obtained by multiplying the percentage determined~~  
~~5 29 for that year by the amount of any additions or deletions to~~  
~~5 30 actual value, excluding those resulting from the revaluation~~  
~~5 31 of existing properties, as reported by the assessors on the~~  
~~5 32 abstracts of assessment for 1979, plus four percent of the~~  
~~5 33 amount so determined. The divisor for each class of property~~  
~~5 34 shall be the total actual value of all such property in 1979,~~  
~~5 35 as equalized by the director of revenue pursuant to section~~



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~~6 1 441.49, plus the amount of value added to the total actual~~  
~~6 2 value by the revaluation of existing properties in 1980. The~~  
~~6 3 director shall utilize information reported on the abstracts of~~  
~~6 4 assessment submitted pursuant to section 441.45 in determining~~  
~~6 5 such percentage. For valuations established as of January 1,~~  
~~6 6 1980, property valued by the department of revenue pursuant~~  
~~6 7 to chapters 428, 433, 437, and 438 shall be assessed at a~~  
~~6 8 percentage of its actual value. The percentage shall be~~  
~~6 9 determined by the director of revenue in accordance with the~~  
~~6 10 provisions of this section. For valuations established as of~~  
~~6 11 January 1, 1980, the percentage shall be the quotient of the~~  
~~6 12 dividend and divisor as defined in this section. The dividend~~  
~~6 13 shall be the total actual valuation established for 1979 by~~  
~~6 14 the department of revenue, plus eight percent of the amount so~~  
~~6 15 determined. The divisor for property valued by the department~~  
~~6 16 of revenue pursuant to chapters 428, 433, 437, and 438 shall be~~  
~~6 17 the valuation established for 1979, plus the amount of value~~  
~~6 18 added to the total actual value by the revaluation of the~~  
~~6 19 property by the department of revenue as of January 1, 1980.~~  
~~6 20 For valuations established as of January 1, 1981, and each~~  
~~6 21 year thereafter, the percentage of actual value as equalized~~  
~~6 22 by the director of revenue as provided in section 441.49 at~~  
~~6 23 which commercial property and industrial property, excluding~~  
~~6 24 properties referred to in section 427A.1, subsection 8, shall~~  
~~6 25 be assessed shall be calculated in accordance with the methods~~  
~~6 26 provided herein, except that any references to six percent~~  
~~6 27 in this subsection shall be four percent. For valuations~~  
~~6 28 established as of January 1, 1981, and each year thereafter,~~  
~~6 29 the percentage of actual value at which property valued by~~  
~~6 30 the department of revenue pursuant to chapters 428, 433, 437,~~  
~~6 31 and 438 shall be assessed shall be calculated in accordance~~  
~~6 32 with the methods provided herein, except that any references~~  
~~6 33 to ten percent in this subsection shall be eight percent.~~  
~~6 34 Beginning with valuations established as of January 1, 1979,~~  
~~6 35 and each year thereafter, property valued by the department of~~



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7 1 revenue pursuant to chapter 434 shall also be assessed at a  
7 2 percentage of its actual value which percentage shall be equal  
7 3 to the percentage determined by the director of revenue for  
7 4 ~~commercial property, industrial property, or property valued by~~  
7 5 the department of revenue pursuant to chapters 428, 433, 437,  
7 6 and 438, ~~whichever is lowest.~~

7 7 b. For valuations established on or after January 1, 2012,  
7 8 commercial property, excluding properties referred to in  
7 9 section 427A.1, subsection 8, shall be assessed as a percentage  
7 10 of the actual value, as determined in this paragraph.

7 11 (1) For valuations established for the assessment year  
7 12 beginning January 1, 2012, the percentage of actual value as  
7 13 equalized by the director of revenue as provided in section  
7 14 441.49 at which commercial property shall be assessed shall be  
7 15 ninety=two percent.

7 16 (2) For valuations established for the assessment year  
7 17 beginning January 1, 2013, the percentage of actual value as  
7 18 equalized by the director of revenue as provided in section  
7 19 441.49 at which commercial property shall be assessed shall be  
7 20 eighty=four percent.

7 21 (3) For valuations established for the assessment year  
7 22 beginning January 1, 2014, the percentage of actual value as  
7 23 equalized by the director of revenue as provided in section  
7 24 441.49 at which commercial property shall be assessed shall be  
7 25 seventy=six percent.

7 26 (4) For valuations established for the assessment year  
7 27 beginning January 1, 2015, the percentage of actual value as  
7 28 equalized by the director of revenue as provided in section  
7 29 441.49 at which commercial property shall be assessed shall be  
7 30 sixty=eight percent.

7 31 (5) For valuations established for the assessment year  
7 32 beginning January 1, 2016, and each assessment year thereafter,  
7 33 the percentage of actual value as equalized by the director  
7 34 of revenue as provided in section 441.49 at which commercial  
7 35 property shall be assessed shall be sixty percent.



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8 1 c. For valuations established on or after January 1, 2012,  
8 2 industrial property, excluding properties referred to in  
8 3 section 427A.1, subsection 8, shall be assessed as a percentage  
8 4 of the actual value, as determined in this paragraph.

8 5 (1) For valuations established for the assessment year  
8 6 beginning January 1, 2012, the percentage of actual value as  
8 7 equalized by the director of revenue as provided in section  
8 8 441.49 at which industrial property shall be assessed shall be  
8 9 ninety=two percent.

8 10 (2) For valuations established for the assessment year  
8 11 beginning January 1, 2013, the percentage of actual value as  
8 12 equalized by the director of revenue as provided in section  
8 13 441.49 at which industrial property shall be assessed shall be  
8 14 eighty=four percent.

8 15 (3) For valuations established for the assessment year  
8 16 beginning January 1, 2014, the percentage of actual value as  
8 17 equalized by the director of revenue as provided in section  
8 18 441.49 at which industrial property shall be assessed shall be  
8 19 seventy=six percent.

8 20 (4) For valuations established for the assessment year  
8 21 beginning January 1, 2015, the percentage of actual value as  
8 22 equalized by the director of revenue as provided in section  
8 23 441.49 at which industrial property shall be assessed shall be  
8 24 sixty=eight percent.

8 25 (5) For valuations established for the assessment year  
8 26 beginning January 1, 2016, and each assessment year thereafter,  
8 27 the percentage of actual value as equalized by the director  
8 28 of revenue as provided in section 441.49 at which industrial  
8 29 property shall be assessed shall be sixty percent.

8 30 Sec. 4. NEW SECTION. 441.21A Legislative intent.

8 31 1. It is the intent of the general assembly that  
8 32 appropriations be made annually to reimburse local taxing  
8 33 authorities in this state for reductions in property tax  
8 34 collections on commercial and industrial property as a result  
8 35 of the assessment limitations on such property established



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9 1 under section 441.21, subsection 5, paragraphs "b" and "c", in  
9 2 the following amounts:  
9 3     a. For the fiscal year beginning July 1, 2013, fifty million  
9 4 dollars.  
9 5     b. For the fiscal year beginning July 1, 2014, one hundred  
9 6 million dollars.  
9 7     c. For the fiscal year beginning July 1, 2015, one hundred  
9 8 fifty million dollars.  
9 9     d. For the fiscal year beginning July 1, 2016, two hundred  
9 10 million dollars.  
9 11     e. For the fiscal year beginning July 1, 2017, and each  
9 12 fiscal year thereafter, two hundred fifty million dollars.  
9 13     2. The committee on ways and means of the senate and the  
9 14 committee on ways and means of the house of representatives  
9 15 shall each conduct an annual review of the implementation  
9 16 and fiscal impact of the commercial and industrial property  
9 17 assessment limitations established under section 441.21,  
9 18 subsection 5, paragraphs "b" and "c", on local taxing  
9 19 authorities in this state.  
9 20     Sec. 5. SAVINGS PROVISION. This division of this Act,  
9 21 pursuant to section 4.13, does not affect the operation of,  
9 22 or prohibit the application of, prior provisions of section  
9 23 441.21, or rules adopted under chapter 17A to administer prior  
9 24 provisions of section 441.21, for assessment years beginning  
9 25 before January 1, 2012, and for duties, powers, protests,  
9 26 appeals, proceedings, actions, or remedies attributable to an  
9 27 assessment year beginning before January 1, 2012.  
9 28     Sec. 6. APPLICABILITY. This division of this Act applies  
9 29 to property tax assessment years beginning on or after January  
9 30 1, 2012.  
9 31                                   DIVISION III  
9 32                   COUNTY AND CITY BUDGET LIMITATION  
9 33     Sec. 7. Section 23A.2, subsection 10, paragraph h, Code  
9 34 2011, is amended to read as follows:  
9 35     h. The performance of an activity listed in section 331.424,



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10 1 Code 2011, as a service for which a ~~supplemental levy~~ county  
10 2 may ~~be certified~~ include in its budget.

10 3 Sec. 8. Section 28M.5, subsection 2, Code 2011, is amended  
10 4 to read as follows:

10 5 2. If a regional transit district budget allocates  
10 6 revenue responsibilities to the board of supervisors of a  
10 7 participating county, the amount of the regional transit  
10 8 district levy that is the responsibility of the participating  
10 9 county shall be deducted from the maximum ~~rates~~ amount of taxes  
10 10 authorized to be levied by the county pursuant to section  
10 11 331.423, ~~subsections 1 and 2~~ subsection 3, paragraphs "b"  
10 12 and "c", as applicable, unless the county meets its revenue  
10 13 responsibilities as allocated in the budget from other  
10 14 available revenue sources. However, for a regional transit  
10 15 district that includes a county with a population of less than  
10 16 three hundred thousand, the amount of the regional transit  
10 17 district levy that is the responsibility of such participating  
10 18 county shall be deducted from the maximum ~~rate~~ amount of taxes  
10 19 authorized to be levied by the county pursuant to section  
10 20 331.423, subsection 4 3, paragraph "b".

10 21 Sec. 9. Section 123.38, subsection 2, Code 2011, is amended  
10 22 to read as follows:

10 23 2. Any licensee or permittee, or the licensee's or  
10 24 permittee's executor or administrator, or any person duly  
10 25 appointed by the court to take charge of and administer the  
10 26 property or assets of the licensee or permittee for the benefit  
10 27 of the licensee's or permittee's creditors, may voluntarily  
10 28 surrender a license or permit to the division. When a license  
10 29 or permit is surrendered the division shall notify the local  
10 30 authority, and the division or the local authority shall  
10 31 refund to the person surrendering the license or permit, a  
10 32 proportionate amount of the fee received by the division or  
10 33 the local authority for the license or permit as follows: if  
10 34 a license or permit is surrendered during the first three  
10 35 months of the period for which it was issued, the refund shall



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11 1 be three-fourths of the amount of the fee; if surrendered  
11 2 more than three months but not more than six months after  
11 3 issuance, the refund shall be one-half of the amount of the  
11 4 fee; if surrendered more than six months but not more than  
11 5 nine months after issuance, the refund shall be one-fourth of  
11 6 the amount of the fee. No refund shall be made, however, for  
11 7 any special liquor permit, nor for a liquor control license,  
11 8 wine permit, or beer permit surrendered more than nine months  
11 9 after issuance. For purposes of this subsection, any portion  
11 10 of license or permit fees used for the purposes authorized in  
11 11 section 331.424, subsection 1, paragraph "a", subparagraphs  
11 12 (1) and (2), Code 2011, and in section 331.424A, shall not be  
11 13 deemed received either by the division or by a local authority.  
11 14 No refund shall be made to any licensee or permittee, upon the  
11 15 surrender of the license or permit, if there is at the time  
11 16 of surrender, a complaint filed with the division or local  
11 17 authority, charging the licensee or permittee with a violation  
11 18 of this chapter. If upon a hearing on a complaint the license  
11 19 or permit is not revoked or suspended, then the licensee or  
11 20 permittee is eligible, upon surrender of the license or permit,  
11 21 to receive a refund as provided in this section; but if the  
11 22 license or permit is revoked or suspended upon hearing the  
11 23 licensee or permittee is not eligible for the refund of any  
11 24 portion of the license or permit fee.

11 25 Sec. 10. Section 218.99, Code 2011, is amended to read as  
11 26 follows:

11 27 218.99 Counties to be notified of patients' personal  
11 28 accounts.

11 29 The administrator in control of a state institution shall  
11 30 direct the business manager of each institution under the  
11 31 administrator's jurisdiction ~~which is mentioned in section~~  
~~11 32 331.424, subsection 1, paragraph "a", subparagraphs (1)~~  
~~11 33 and (2), and for which services are paid under section~~  
11 34 331.424A, to quarterly inform the county of legal settlement's  
11 35 entity designated to perform the county's central point of



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12 1 coordination process of any patient or resident who has an  
12 2 amount in excess of two hundred dollars on account in the  
12 3 patients' personal deposit fund and the amount on deposit. The  
12 4 administrators shall direct the business manager to further  
12 5 notify the entity designated to perform the county's central  
12 6 point of coordination process at least fifteen days before the  
12 7 release of funds in excess of two hundred dollars or upon the  
12 8 death of the patient or resident. If the patient or resident  
12 9 has no county of legal settlement, notice shall be made to the  
12 10 director of human services and the administrator in control of  
12 11 the institution involved.

12 12 Sec. 11. Section 331.263, subsection 2, Code 2011, is  
12 13 amended to read as follows:

12 14 2. The governing body of the community commonwealth  
12 15 shall have the authority to levy county taxes and shall  
12 16 have the authority to levy city taxes to the extent the  
12 17 city tax levy authority is transferred by the charter to  
12 18 the community commonwealth. A city participating in the  
12 19 community commonwealth shall transfer a portion of the  
12 20 city's tax levy authorized under section 384.1 or 384.12,  
12 21 whichever is applicable, to the governing body of the community  
12 22 commonwealth. The maximum ~~rates~~ amount of taxes authorized to  
12 23 be levied under ~~sections~~ section 384.1 and the maximum amount  
12 24 of taxes authorized to be levied under section 384.12 by a city  
12 25 participating in the community commonwealth shall be reduced  
12 26 by an amount equal to the rates of the same or similar taxes  
12 27 levied in the city by the governing body of the community  
12 28 commonwealth.

12 29 Sec. 12. Section 331.301, subsection 12, Code 2011, is  
12 30 amended to read as follows:

12 31 12. The board of supervisors may credit funds to a reserve  
12 32 for the purposes authorized by subsection 11 of this section,  
~~12 33 section 331.424, subsection 1, paragraph "a", subparagraph~~  
~~12 34 (6),~~ and section 331.441, subsection 2, paragraph "b". Moneys  
12 35 credited to the reserve, and interest earned on such moneys,



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13 1 shall remain in the reserve until expended for purposes  
13 2 authorized by subsection 11 of this section; ~~section 331.424,~~  
~~13 3 subsection 1, paragraph "a", subparagraph (6);~~ or section  
13 4 331.441, subsection 2, paragraph "b".  
13 5 Sec. 13. Section 331.421, subsections 1 and 10, Code 2011,  
13 6 are amended by striking the subsections.  
13 7 Sec. 14. Section 331.421, Code 2011, is amended by adding  
13 8 the following new subsection:  
13 9 NEW SUBSECTION. 7A. "Item" means a budgeted expenditure,  
13 10 appropriation, or cash reserve from a fund for a service area,  
13 11 program, program element, or purpose.  
13 12 Sec. 15. Section 331.423, Code 2011, is amended by striking  
13 13 the section and inserting in lieu thereof the following:  
13 14 331.423 Property tax dollars ==== maximums.  
13 15 1. Annually, the board shall determine separate property  
13 16 tax levy limits to pay for general county services and rural  
13 17 county services in accordance with this section. The property  
13 18 tax levies separately certified for general county services and  
13 19 rural county services under section 331.434 shall not raise  
13 20 property tax dollars that exceed the amount determined under  
13 21 this section.  
13 22 2. For purposes of this section and section 331.423B, unless  
13 23 the context otherwise requires:  
13 24 a. "Annual growth factor" means an index, expressed as  
13 25 a percentage, determined by the department of management by  
13 26 January 1 of the calendar year in which the budget year begins.  
13 27 In determining the annual growth factor, the department shall  
13 28 calculate the average of the preceding twelve=month percentage  
13 29 change, which shall be computed on a monthly basis, in the  
13 30 midwest consumer price index. In no case, however, shall the  
13 31 annual growth factor exceed four percent.  
13 32 b. "Boundary adjustment" means annexation, severance,  
13 33 incorporation, or discontinuance as those terms are defined in  
13 34 section 368.1.  
13 35 c. "Budget year" is the fiscal year beginning during the



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14 1 calendar year in which a budget is certified.  
14 2     d. "Current fiscal year" is the fiscal year ending during  
14 3 the calendar year in which a budget is certified.  
14 4     e. "Net new valuation taxes" means the amount of property  
14 5 tax dollars equal to the current fiscal year's levy rate in  
14 6 the county for general county services or for rural county  
14 7 services, as applicable, multiplied by the increase from the  
14 8 current fiscal year to the budget year in taxable valuation due  
14 9 to the following:  
14 10       (1) Net new construction, excluding all incremental  
14 11 valuation that is released in any one year from an urban  
14 12 renewal area for which taxes were being divided under section  
14 13 403.19 if the property for the valuation being released remains  
14 14 part of the urban renewal area.  
14 15       (2) Additions or improvements to existing structures.  
14 16       (3) Remodeling of existing structures for which a building  
14 17 permit is required.  
14 18       (4) Net boundary adjustment.  
14 19       (5) A municipality no longer dividing tax revenues in  
14 20 an urban renewal area as provided in section 403.19, to the  
14 21 extent that the incremental valuation released is due to new  
14 22 construction or revaluation on property newly constructed,  
14 23 additions or improvements to existing property, net boundary  
14 24 adjustment, or expiration of tax abatements, all occurring  
14 25 after the division of revenue begins.  
14 26       (6) That portion of taxable property located in an urban  
14 27 revitalization area on which an exemption was allowed and such  
14 28 exemption has expired.  
14 29     3. a. For the fiscal year beginning July 1, 2012, and  
14 30 subsequent fiscal years, the maximum amount of property tax  
14 31 dollars which may be certified for levy by a county for general  
14 32 county services and rural county services shall be the maximum  
14 33 property tax dollars calculated under paragraphs "b" and "c",  
14 34 respectively.  
14 35     b. The maximum property tax dollars that may be levied for



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15 1 general county services is an amount equal to the sum of the  
15 2 following:  
15 3     (1) The annual growth factor times the current fiscal year's  
15 4 maximum property tax dollars for general county services.  
15 5     (2) The amount of net new valuation taxes in the county.  
15 6     c. The maximum property tax dollars that may be levied for  
15 7 rural county services is an amount equal to the sum of the  
15 8 following:  
15 9     (1) The annual growth factor times the current fiscal year's  
15 10 maximum property tax dollars for rural county services.  
15 11     (2) The amount of net new valuation taxes in the  
15 12 unincorporated area of the county.  
15 13     4. a. For purposes of calculating maximum property tax  
15 14 dollars for general county services for the fiscal year  
15 15 beginning July 1, 2012, only, the term "current fiscal year's  
15 16 maximum property tax dollars" shall mean the total amount of  
15 17 property tax dollars certified by the county for general county  
15 18 services for the fiscal year beginning July 1, 2011.  
15 19     b. For purposes of calculating maximum property tax dollars  
15 20 for rural county services for the fiscal year beginning July  
15 21 1, 2012, only, the term "current fiscal year's maximum property  
15 22 tax dollars" shall mean the total amount of property tax dollars  
15 23 certified by the county for rural county services for the  
15 24 fiscal year beginning July 1, 2011.  
15 25     5. Property taxes certified for deposit in the mental  
15 26 health, mental retardation, and developmental disabilities  
15 27 services fund in section 331.424A, the emergency services fund  
15 28 in section 331.424C, the debt service fund in section 331.430,  
15 29 any capital projects fund established by the county for deposit  
15 30 of bond, loan, or note proceeds, and any temporary increase  
15 31 approved pursuant to section 331.424, are not included in the  
15 32 maximum amount of property tax dollars that may be certified  
15 33 for a budget year under subsection 3.  
15 34     6. The department of management, in consultation with the  
15 35 county finance committee, shall adopt rules to administer this



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16 1 section. The department shall prescribe forms to be used by  
16 2 counties when making calculations required by this section.  
16 3     Sec. 16. NEW SECTION. 331.423B Ending fund balance.  
16 4     1. a. Budgeted ending fund balances on a cash basis for  
16 5 a budget year in excess of twenty=five percent of budgeted  
16 6 expenditures in either the general fund or rural services  
16 7 fund for that budget year shall be explicitly reserved or  
16 8 designated for a specific purpose and specifically described  
16 9 in the certified budget. The description shall include the  
16 10 projected date that the expenditures will be appropriated for  
16 11 the specific purpose.  
16 12     b. A county is encouraged, but not required, to reduce  
16 13 budgeted, unreserved, or undesignated ending fund balances for  
16 14 the budget year to an amount equal to approximately twenty=five  
16 15 percent of budgeted expenditures in the general fund and  
16 16 rural services fund for that budget year unless a decision is  
16 17 certified by the state appeal board ordering a reduction in the  
16 18 ending fund balance of any of those funds.  
16 19     c. In a protest to the county budget under section 331.436,  
16 20 the county shall have the burden of proving that the budgeted  
16 21 balances in excess of twenty=five percent are reasonably likely  
16 22 to be appropriated for the explicitly reserved or designated  
16 23 specific purpose by the date identified in the certified  
16 24 budget. The excess budgeted balance for the specific purpose  
16 25 shall be considered an increase in an item in the budget for  
16 26 purposes of section 24.28.  
16 27     2. a. For a county that has, as of June 30, 2011, reduced  
16 28 its actual ending fund balance to less than twenty=five  
16 29 percent of actual expenditures on a cash basis, additional  
16 30 property taxes may be computed and levied as provided in this  
16 31 subsection. The additional property tax levy amount is an  
16 32 amount not to exceed twenty=five percent of actual expenditures  
16 33 from the general fund and rural services fund for the fiscal  
16 34 year beginning July 1, 2010, minus the combined ending fund  
16 35 balances for those funds for that year.



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17 1       b. The amount of the additional property taxes shall be  
17 2 apportioned between the general fund and the rural services  
17 3 fund. However, the amount apportioned for general county  
17 4 services and for rural county services shall not exceed for  
17 5 each fund twenty=five percent of actual expenditures for the  
17 6 fiscal year beginning July 1, 2010.

17 7       c. All or a portion of additional property tax dollars  
17 8 may be levied for the purpose of increasing cash reserves  
17 9 for general county services and rural county services in the  
17 10 budget year. The additional property tax dollars authorized  
17 11 under this subsection but not levied may be carried forward as  
17 12 unused ending fund balance taxing authority until and for the  
17 13 fiscal year beginning July 1, 2017. The amount carried forward  
17 14 shall not exceed twenty=five percent of the maximum amount of  
17 15 property tax dollars available in the current fiscal year.  
17 16 Additionally, property taxes that are levied as unused ending  
17 17 fund balance taxing authority under this subsection may be the  
17 18 subject of a protest under section 331.436, and the amount  
17 19 will be considered an increase in an item in the budget for  
17 20 purposes of section 24.28. The amount of additional property  
17 21 taxes levied under this subsection shall not be included in the  
17 22 computation of the maximum amount of property tax dollars which  
17 23 may be certified and levied under section 331.423.

17 24       Sec. 17. Section 331.424, Code 2011, is amended by striking  
17 25 the section and inserting in lieu thereof the following:  
17 26       331.424 Authority to levy beyond maximum property tax  
17 27 dollars.

17 28       1. The board may certify additions to the maximum amount  
17 29 of property tax dollars to be levied for a period of time not  
17 30 to exceed two years if the proposition has been submitted at a  
17 31 special election and received a favorable majority of the votes  
17 32 cast on the proposition.

17 33       2. The special election is subject to the following:  
17 34       a. The board must give at least thirty=two days' notice to  
17 35 the county commissioner of elections that the special election



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18 1 is to be held.

18 2     b. The special election shall be conducted by the county  
18 3 commissioner of elections in accordance with law.

18 4     c. The proposition to be submitted shall be substantially  
18 5 in the following form:

18 6         Vote "yes" or "no" on the following: Shall the county of  
18 7 \_\_\_\_\_ levy for an additional \$\_\_\_\_\_ each year for \_\_\_\_ years  
18 8 beginning July 1, \_\_\_\_\_, in excess of the statutory limits  
18 9 otherwise applicable for the (general county services or rural  
18 10 services) fund?

18 11     d. The canvass shall be held beginning at 1:00 p.m. on  
18 12 the second day which is not a holiday following the special  
18 13 election.

18 14     e. Notice of the special election shall be published at  
18 15 least once in a newspaper as specified in section 331.305 prior  
18 16 to the date of the special election. The notice shall appear  
18 17 as early as practicable after the board has voted to submit  
18 18 a proposition to the voters to levy additional property tax  
18 19 dollars.

18 20     3. Registered voters in the county may vote on the  
18 21 proposition to increase property taxes for the general fund  
18 22 in excess of the statutory limit. Registered voters residing  
18 23 outside the corporate limits of a city within the county may  
18 24 vote on the proposition to increase property taxes for the  
18 25 rural services fund in excess of the statutory limit.

18 26     4. The amount of additional property tax dollars certified  
18 27 under this section shall not be included in the computation  
18 28 of the maximum amount of property tax dollars which may be  
18 29 certified and levied under section 331.423.

18 30     Sec. 18. Section 331.424A, subsection 4, Code 2011, is  
18 31 amended to read as follows:

18 32     4. For the fiscal year beginning July 1, 1996, and for each  
18 33 subsequent fiscal year, the county shall certify a levy for  
18 34 payment of services. For each fiscal year, county revenues  
18 35 from taxes imposed by the county credited to the services fund



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19 1 shall not exceed an amount equal to the amount of base year  
19 2 expenditures for services as defined in section 331.438, less  
19 3 the amount of property tax relief to be received pursuant to  
19 4 section 426B.2, in the fiscal year for which the budget is  
19 5 certified. The county auditor and the board of supervisors  
19 6 shall reduce the amount of the levy certified for the services  
19 7 fund by the amount of property tax relief to be received. A  
19 8 levy certified under this section is not subject to ~~the appeal~~  
~~19 9 provisions of section 331.426 or to any other provision in law~~  
19 10 authorizing a county to exceed, increase, or appeal a property  
19 11 tax levy limit.  
19 12 Sec. 19. Section 331.427, subsection 3, paragraph 1, Code  
19 13 2011, is amended to read as follows:  
19 14 1. Services listed in section 331.424, subsection 1, Code  
19 15 2011, and section 331.554.  
19 16 Sec. 20. Section 331.428, subsection 2, paragraph d, Code  
19 17 2011, is amended to read as follows:  
19 18 d. Services listed under section 331.424, subsection 2, Code  
19 19 2011.  
19 20 Sec. 21. Section 373.10, Code 2011, is amended to read as  
19 21 follows:  
19 22 373.10 Taxing authority.  
19 23 The metropolitan council shall have the authority to  
19 24 levy city taxes to the extent the city tax levy authority  
19 25 is transferred by the charter to the metropolitan council.  
19 26 A member city shall transfer a portion of the city's tax  
19 27 levy authorized under section 384.1 or 384.12, whichever is  
19 28 applicable, to the metropolitan council. The maximum ~~rates~~  
~~19 29 amount of taxes authorized to be levied under sections section~~  
19 30 384.1 and the taxes authorized to be levied under section  
19 31 384.12 by a member city shall be reduced by an amount equal to  
19 32 the rates of the same or similar taxes levied in the city by the  
19 33 metropolitan council.  
19 34 Sec. 22. Section 384.1, Code 2011, is amended by striking  
19 35 the section and inserting in lieu thereof the following:



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20 1     384.1 Property tax dollars ==== maximums.  
20 2     1. A city shall certify taxes to be levied by the city  
20 3 on all taxable property within the city limits, for all city  
20 4 government purposes. Annually, the city council may certify  
20 5 basic levies for city government purposes, subject to the  
20 6 limitation on property tax dollars provided in this section.  
20 7     2. For purposes of this section and section 384.1B, unless  
20 8 the context otherwise requires:  
20 9     a. "Annual growth factor" means an index, expressed as  
20 10 a percentage, determined by the department of management by  
20 11 January 1 of the calendar year in which the budget year begins.  
20 12 In determining the annual growth factor, the department shall  
20 13 calculate the average of the preceding twelve=month percentage  
20 14 change, which shall be computed on a monthly basis, in the  
20 15 midwest consumer price index. In no case, however, shall the  
20 16 annual growth factor exceed four percent.  
20 17     b. "Boundary adjustment" means annexation, severance,  
20 18 incorporation, or discontinuance as those terms are defined in  
20 19 section 368.1.  
20 20     c. "Budget year" is the fiscal year beginning during the  
20 21 calendar year in which a budget is certified.  
20 22     d. "Current fiscal year" is the fiscal year ending during  
20 23 the calendar year in which a budget is certified.  
20 24     e. "Net new valuation taxes" means the amount of property  
20 25 tax dollars equal to the current fiscal year's levy rate in the  
20 26 city for the general fund multiplied by the increase from the  
20 27 current fiscal year to the budget year in taxable valuation due  
20 28 to the following:  
20 29     (1) Net new construction, excluding all incremental  
20 30 valuation that is released in any one year from an urban  
20 31 renewal area for which taxes were being divided under section  
20 32 403.19 if the property for the valuation being released remains  
20 33 part of the urban renewal area.  
20 34     (2) Additions or improvements to existing structures.  
20 35     (3) Remodeling of existing structures for which a building



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21 1 permit is required.

21 2 (4) Net boundary adjustment.

21 3 (5) A municipality no longer dividing tax revenues in  
21 4 an urban renewal area as provided in section 403.19, to the  
21 5 extent that the incremental valuation released is due to new  
21 6 construction or revaluation on property newly constructed,  
21 7 additions or improvements to existing property, net boundary  
21 8 adjustment, or expiration of tax abatements, all occurring  
21 9 after the division of revenue begins.

21 10 (6) That portion of taxable property located in an urban  
21 11 revitalization area on which an exemption was allowed and such  
21 12 exemption has expired.

21 13 3. a. For the fiscal year beginning July 1, 2012, and  
21 14 subsequent fiscal years, the maximum amount of property  
21 15 tax dollars which may be certified for levy by a city for  
21 16 the general fund shall be the maximum property tax dollars  
21 17 calculated under paragraph "b".

21 18 b. The maximum property tax dollars that may be levied for  
21 19 deposit in the general fund is an amount equal to the sum of the  
21 20 following:

21 21 (1) The annual growth factor times the current fiscal year's  
21 22 maximum property tax dollars for the general fund.

21 23 (2) The amount of net new valuation taxes in the city.

21 24 4. For purposes of calculating maximum property tax dollars  
21 25 for the city general fund for the fiscal year beginning July  
21 26 1, 2012, only, the term "current fiscal year's maximum property  
21 27 tax dollars" shall mean the total amount of property tax dollars  
21 28 certified by the city for the city's general fund for the  
21 29 fiscal year beginning July 1, 2011.

21 30 5. Property taxes certified for deposit in the debt service  
21 31 fund in section 384.4, trust and agency funds in section  
21 32 384.6, capital improvements reserve fund in section 384.7,  
21 33 the emergency fund in section 384.8, any capital projects  
21 34 fund established by the city for deposit of bond, loan, or  
21 35 note proceeds, any temporary increase approved pursuant to



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22 1 section 384.12A, property taxes collected from a voted levy in  
22 2 section 384.12, and property taxes levied under section 384.12,  
22 3 subsection 18, are not counted against the maximum amount of  
22 4 property tax dollars that may be certified for a fiscal year  
22 5 under subsection 3.  
22 6 6. Notwithstanding the maximum amount of taxes a city  
22 7 may certify for levy, the tax levied by a city on tracts of  
22 8 land and improvements on the tracts of land used and assessed  
22 9 for agricultural or horticultural purposes shall not exceed  
22 10 three dollars and three=eighths cents per thousand dollars  
22 11 of assessed value in any year. Improvements located on such  
22 12 tracts of land and not used for agricultural or horticultural  
22 13 purposes and all residential dwellings are subject to the same  
22 14 rate of tax levied by the city on all other taxable property  
22 15 within the city.  
22 16 7. The department of management, in consultation with the  
22 17 city finance committee, shall adopt rules to administer this  
22 18 section. The department shall prescribe forms to be used by  
22 19 cities when making calculations required by this section.  
22 20 Sec. 23. NEW SECTION. 384.1B Ending fund balance.  
22 21 1. a. Budgeted ending fund balances on a cash basis for  
22 22 a budget year in excess of twenty=five percent of budgeted  
22 23 expenditures for that budget year shall be explicitly reserved  
22 24 or designated for a specific purpose and specifically described  
22 25 in the certified budget. The description shall include the  
22 26 projected date that the expenditures will be appropriated for  
22 27 the specific purpose.  
22 28 b. A city is encouraged, but not required, to reduce  
22 29 budgeted, unreserved, or undesignated ending fund balances for  
22 30 the budget year to an amount equal to approximately twenty=five  
22 31 percent of budgeted expenditures in the general fund for that  
22 32 budget year unless a decision is certified by the state appeal  
22 33 board ordering a reduction in the ending fund balance of the  
22 34 fund.  
22 35 c. In a protest to the city budget under section 384.19,



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23 1 the city shall have the burden of proving that the budgeted  
23 2 balances in excess of twenty=five percent are reasonably likely  
23 3 to be appropriated for the explicitly reserved or designated  
23 4 specific purpose by the date identified in the certified  
23 5 budget. The excess budgeted balance for the specific purpose  
23 6 shall be considered an increase in an item in the budget for  
23 7 purposes of section 24.28.

23 8 2. a. For a city that has, as of June 30, 2011, reduced  
23 9 its ending fund balance to less than twenty=five percent of  
23 10 actual expenditures on a cash basis, additional property taxes  
23 11 may be computed and levied as provided in this subsection.  
23 12 The additional property tax levy amount is an amount not to  
23 13 exceed the difference between twenty=five percent of actual  
23 14 expenditures for city government purposes for the fiscal year  
23 15 beginning July 1, 2010, minus the ending fund balance for that  
23 16 year.

23 17 b. All or a portion of additional property tax dollars  
23 18 may be levied for the purpose of increasing cash reserves for  
23 19 city government purposes in the budget year. The additional  
23 20 property tax dollars authorized under this subsection but not  
23 21 levied may be carried forward as unused ending fund balance  
23 22 taxing authority until and for the fiscal year beginning  
23 23 July 1, 2017. The amount carried forward shall not exceed  
23 24 twenty=five percent of the maximum amount of property tax  
23 25 dollars available in the current fiscal year. Additionally,  
23 26 property taxes that are levied as unused ending fund balance  
23 27 taxing authority under this subsection may be the subject of a  
23 28 protest under section 384.19, and the amount will be considered  
23 29 an increase in an item in the budget for purposes of section  
23 30 24.28. The amount of additional property tax dollars levied  
23 31 under this subsection shall not be included in the computation  
23 32 of the maximum amount of property tax dollars which may be  
23 33 certified and levied under section 384.1.

23 34 Sec. 24. Section 384.12, subsection 20, Code 2011, is  
23 35 amended by striking the subsection.



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24 1       Sec. 25. NEW SECTION. 384.12A Authority to levy beyond  
24 2 maximum property tax dollars.  
24 3       1. The city council may certify additions to the maximum  
24 4 amount of property tax dollars to be levied for a period of  
24 5 time not to exceed two years if the proposition has been  
24 6 submitted at a special election and received a favorable  
24 7 majority of the votes cast on the proposition.  
24 8       2. The special election is subject to the following:  
24 9       a. The city council must give at least thirty-two days'  
24 10 notice to the county commissioner of elections that the special  
24 11 election is to be held.  
24 12       b. The special election shall be conducted by the county  
24 13 commissioner of elections in accordance with law.  
24 14       c. The proposition to be submitted shall be substantially  
24 15 in the following form:  
24 16       Vote "yes" or "no" on the following: Shall the city of  
24 17 \_\_\_\_\_ levy for an additional \$\_\_\_\_\_ each year for \_\_\_\_ years  
24 18 beginning next July 1, \_\_\_\_, in excess of the statutory limits  
24 19 otherwise applicable for the city general fund?  
24 20       d. The canvass shall be held beginning at 1:00 p.m. on  
24 21 the second day which is not a holiday following the special  
24 22 election.  
24 23       e. Notice of the special election shall be published at  
24 24 least once in a newspaper as specified in section 362.3 prior  
24 25 to the date of the special election. The notice shall appear  
24 26 as early as practicable after the city council has voted to  
24 27 submit a proposition to the voters to levy additional property  
24 28 tax dollars.  
24 29       3. The amount of additional property tax dollars certified  
24 30 under this section shall not be included in the computation  
24 31 of the maximum amount of property tax dollars which may be  
24 32 certified and levied under section 384.1.  
24 33       Sec. 26. Section 384.19, Code 2011, is amended by adding the  
24 34 following new unnumbered paragraph:  
24 35 NEW UNNUMBERED PARAGRAPH For purposes of a tax protest



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25 1 filed under this section, "item" means a budgeted expenditure,  
25 2 appropriation, or cash reserve from a fund for a service area,  
25 3 program, program element, or purpose.

25 4 Sec. 27. Section 386.8, Code 2011, is amended to read as  
25 5 follows:

25 6 386.8 Operation tax.

25 7 A city may establish a self=supported improvement district  
25 8 operation fund, and may certify taxes not to exceed the  
25 9 rate limitation as established in the ordinance creating the  
25 10 district, or any amendment thereto, each year to be levied  
25 11 for the fund against all of the property in the district,  
25 12 for the purpose of paying the administrative expenses of  
25 13 the district, which may include but are not limited to  
25 14 administrative personnel salaries, a separate administrative  
25 15 office, planning costs including consultation fees, engineering  
25 16 fees, architectural fees, and legal fees and all other expenses  
25 17 reasonably associated with the administration of the district  
25 18 and the fulfilling of the purposes of the district. The taxes  
25 19 levied for this fund may also be used for the purpose of paying  
25 20 maintenance expenses of improvements or self=liquidating  
25 21 improvements for a specified length of time with one or more  
25 22 options to renew if such is clearly stated in the petition  
25 23 which requests the council to authorize construction of the  
25 24 improvement or self=liquidating improvement, whether or not  
25 25 such petition is combined with the petition requesting creation  
25 26 of a district. Parcels of property which are assessed as  
25 27 residential property for property tax purposes are exempt from  
25 28 the tax levied under this section except residential properties  
25 29 within a duly designated historic district. A tax levied under  
25 30 this section is not subject to the ~~levy~~ limitation in section  
25 31 384.1.

25 32 Sec. 28. Section 386.9, Code 2011, is amended to read as  
25 33 follows:

25 34 386.9 Capital improvement tax.

25 35 A city may establish a capital improvement fund for a



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26 1 district and may certify taxes, not to exceed the rate  
26 2 established by the ordinance creating the district, or any  
26 3 subsequent amendment thereto, each year to be levied for  
26 4 the fund against all of the property in the district, for  
26 5 the purpose of accumulating moneys for the financing or  
26 6 payment of a part or all of the costs of any improvement or  
26 7 self-liquidating improvement. However, parcels of property  
26 8 which are assessed as residential property for property tax  
26 9 purposes are exempt from the tax levied under this section  
26 10 except residential properties within a duly designated historic  
26 11 district. A tax levied under this section is not subject to  
26 12 the ~~levy~~ limitations in section 384.1 or 384.7.

26 13 Sec. 29. REPEAL. Sections 331.425 and 331.426, Code 2011,  
26 14 are repealed.

26 15 Sec. 30. APPLICABILITY. This division of this Act applies  
26 16 to fiscal years beginning on or after July 1, 2012.

26 17 EXPLANATION

26 18 This bill makes changes to state and local government  
26 19 finances by making changes to property taxation, school  
26 20 financing, and county and city budgets.

26 21 Division I of the bill provides for an increase in the  
26 22 regular program foundation base under the state school  
26 23 foundation program. The foundation base is the specified  
26 24 percentage of the state cost per pupil calculation which is  
26 25 paid as state aid to school districts, above and beyond the  
26 26 uniform property tax levy imposed in Code section 257.3.  
26 27 Beginning with the budget year commencing July 1, 2012, the  
26 28 increase is phased in over a seven-year period in equal annual  
26 29 increments, from the current foundation base level of 87.5  
26 30 percent to the level of 100 percent in the eighth year.

26 31 Division II of the bill changes the property tax assessment  
26 32 limitation percentage for residential property and agricultural  
26 33 property from 4 percent to 2 percent for assessment years  
26 34 beginning on or after January 1, 2012.

26 35 Division II of the bill strikes the methodology in Code



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27 1 section 441.21(5) currently used to determine the percentage  
27 2 of actual value at which commercial property and industrial  
27 3 property are assessed for property tax purposes. The bill  
27 4 provides that for valuations established for the assessment  
27 5 year beginning January 1, 2012, the percentage of actual value  
27 6 at which commercial property and industrial property shall  
27 7 be assessed shall be 92 percent. The bill provides that  
27 8 for each assessment year thereafter the percentage at which  
27 9 commercial property and industrial property are assessed is  
27 10 reduced by 8 percentage points each year until the percentage  
27 11 is 60 percent. The bill provides that for the assessment year  
27 12 beginning January 1, 2016, and each assessment year thereafter,  
27 13 commercial property and industrial property are assessed at 60  
27 14 percent. Under the bill, commercial property and industrial  
27 15 property remain separate classifications of property.

27 16 Division II of the bill specifies that it is the intent of  
27 17 the general assembly that appropriations be made annually in  
27 18 fiscal years beginning on or after July 1, 2013, to reimburse  
27 19 local taxing authorities for reductions in property tax  
27 20 collections on commercial and industrial property as a result  
27 21 of the assessment limitations on such property established  
27 22 in the bill. The bill specifies the amounts of the intended  
27 23 appropriations. The bill also requires the committees on ways  
27 24 and means for the senate and the house of representatives to  
27 25 conduct an annual review of the implementation and fiscal  
27 26 impact of the commercial and industrial property assessment  
27 27 limitation established under the bill on local taxing  
27 28 authorities in the state.

27 29 Division II of the bill also makes corresponding changes to  
27 30 other provisions of Code section 441.21, including removing  
27 31 the commercial property and industrial property valuation  
27 32 limitations from the methodology used to determine the  
27 33 percentage at which property valued by the department of  
27 34 revenue pursuant to Code chapter 434 (railway companies) is  
27 35 assessed.



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28 1 Division II of the bill applies to property tax assessment  
28 2 years beginning on or after January 1, 2012. The bill,  
28 3 pursuant to Code section 4.13, does not affect the application  
28 4 of prior provisions of Code section 441.21 to assessment years  
28 5 beginning before January 1, 2012.  
28 6 Division III of the bill removes the property tax levy rate  
28 7 limitations on the general and rural funds for counties and on  
28 8 the general fund for cities and substitutes a limitation on the  
28 9 maximum amount of property tax dollars that may be certified  
28 10 for expenditure by a county or city for budget years beginning  
28 11 on or after July 1, 2012. For the budget year beginning July  
28 12 1, 2012, and subsequent budget years, the maximum amount of  
28 13 property tax dollars which may be certified for levy shall be  
28 14 an amount equal to the sum of the current fiscal year's total  
28 15 property tax dollars certified by the county multiplied by the  
28 16 annual growth factor, as defined in the bill, and the amount of  
28 17 net new valuation taxes, as defined in the bill.  
28 18 Division III also allows counties and cities to certify  
28 19 additions to the maximum amount of property tax dollars to be  
28 20 levied for a period of time not to exceed two years if the  
28 21 proposition has been approved at a special election. The bill  
28 22 specifies the notice and election requirements for such a  
28 23 proposition. The bill specifies that such amounts approved at  
28 24 special election are not to be included in the computation of  
28 25 the maximum amount of property tax dollars for future budget  
28 26 years.  
28 27 Division III of the bill specifies certain requirements  
28 28 for ending fund balances for counties and cities. The bill  
28 29 provides that budgeted ending fund balances for a budget  
28 30 year in excess of 25 percent of budgeted expenditures  
28 31 shall be explicitly reserved or designated for a specific  
28 32 purpose and specifically described in the certified budget.  
28 33 The description must include the projected date that the  
28 34 expenditures will be appropriated for the specific purpose.  
28 35 Under the bill, counties and cities are encouraged, but



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29 1 not required, to reduce budgeted, unreserved, or undesignated  
29 2 ending fund balances for the budget year to an amount equal  
29 3 to approximately 25 percent of budgeted expenditures for that  
29 4 budget year unless a decision is certified by the state appeal  
29 5 board ordering a reduction in the ending fund balance of any of  
29 6 those funds. The county or city, as applicable, has the burden  
29 7 of proving that the budgeted balances in excess of 25 percent  
29 8 are reasonably likely to be appropriated for the explicitly  
29 9 reserved or designated specific purpose by the date identified  
29 10 in the certified budget.

29 11 Division III of the bill also allows for additional property  
29 12 taxes to be levied in certain fiscal years for those counties  
29 13 or cities that have, as of June 30, 2011, reduced their  
29 14 actual ending fund balance to less than 25 percent of actual  
29 15 expenditures. Such additional property tax dollars authorized  
29 16 but not levied may be carried forward as unused ending  
29 17 fund balance taxing authority until and for the fiscal year  
29 18 beginning July 1, 2017. However, the amount carried forward  
29 19 shall not exceed 25 percent of the maximum amount of property  
29 20 tax dollars available in the current fiscal year. The amount  
29 21 of such additional property taxes levied shall not, however, be  
29 22 included in the computation of the maximum amount of property  
29 23 tax dollars which may be certified and levied in future budget  
29 24 years.

29 25 Division III also makes conforming amendments to other  
29 26 provisions of the Code.

29 27 Division III applies to fiscal years beginning on or after  
29 28 July 1, 2012.

LSB 2786HV (2) 84

md/sc



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House Resolution 53 - Introduced

PAG LIN

HOUSE RESOLUTION NO.

BY HALL, WOLFE, HUNTER, T. TAYLOR, MASCHER, KEARNS,  
COHOON, ISENHART, M. SMITH, LENSING, KELLEY, T. OLSON,  
STECKMAN, BERRY, LUKAN, HANSON, KRESSIG, HEDDENS,  
H. MILLER, THEDE, MCCARTHY, ABDUL-SAMAD, LYKAM,  
WINCKLER, GAINES, GASKILL, MURPHY, WENTHE, OLDSO,  
MUHLBAUER, PETERSEN, JACOBY, WITTNEBEN, SWAIM, QUIRK,  
R. OLSON, WILLEMS, THOMAS, HEATON, FORRISTALL, DRAKE,  
L. MILLER, RAYHONS, WATTS, TJEPKES, DEYOE, DEBOEF,  
ANDERSON, HELLAND, UPMEYER, WAGNER, and KOESTER

1 1 A Resolution recognizing the University of Iowa  
1 2 Writers' Workshop and its 75th anniversary.  
1 3 WHEREAS, the Program in Creative Writing at the  
1 4 University of Iowa, better known as the Iowa Writers'  
1 5 Workshop, was founded in 1936 and now celebrates its  
1 6 75th anniversary; and  
1 7 WHEREAS, the program was formally founded under the  
1 8 leadership of Wilbur Schramm and came into prominence  
1 9 during the 24-year tenure of Paul Engle; and  
1 10 WHEREAS, the University of Iowa Writers' Workshop  
1 11 was the first creative writing degree program in the  
1 12 United States and is still the model for contemporary  
1 13 writing programs; and  
1 14 WHEREAS, workshop alumni have collectively  
1 15 published more than 3,500 books of fiction, poetry,  
1 16 and nonfiction and alumni have won 17 Pulitzer Prizes,  
1 17 numerous National Book Awards, and other major literary  
1 18 honors; and  
1 19 WHEREAS, the workshop inspired the creation of



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House Resolution 53 - Introduced continued

2 1 a variety of important University of Iowa writing  
2 2 programs, including the International Writing  
2 3 Program, the Iowa Playwrights Workshop, the top-ranked  
2 4 Nonfiction Writing Program, the Iowa Summer Writing  
2 5 Festival, and the Iowa Young Writers' Studio; and  
2 6 WHEREAS, today the Iowa Writers' Workshop admits  
2 7 up to 50 graduate students each year for a two-year  
2 8 residency program awarding a Master of Fine Arts  
2 9 degree; NOW THEREFORE,  
2 10 BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES, That  
2 11 the members of the House of Representatives, with great  
2 12 pride, congratulate the Iowa Writers' Workshop for 75  
2 13 years of literary excellence and send their best wishes  
2 14 for the workshop's 75th Anniversary Reunion scheduled  
2 15 for June 9-12, 2011, in Iowa City.

LSB 2773HH (6) 84

jr/rj



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## Senate Amendment 3295

PAG LIN

1 1 Amend the amendment, S=3287, to House File 645,  
1 2 as amended, passed, and reprinted by the House, as  
1 3 follows:  
1 4 #1. Page 22, by striking lines 24 through 30.  
1 5 #2. Page 25, line 2, by striking <sections> and  
1 6 inserting <section>  
1 7 #3. Page 25, line 3, by striking <amend section  
1 8 298.3 apply> and inserting <amends section 298.3  
1 9 applies>  
1 10 #4. By renumbering as necessary.

MATT McCOY  
S3287.2852 (1) 84  
kh/tm



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## Senate Amendment 3296

PAG LIN

1 1 Amend the amendment, S=3292, to Senate File 313, as  
1 2 passed by the Senate, as follows:

1 3 #1. Page 1, after line 5 by inserting:

1 4 <\_\_\_\_. Page 3, after line 5 by inserting:

1 5 <Sec. \_\_\_\_\_. Section 249J.6, subsection 2, paragraph  
1 6 b, Code 2011, is amended to read as follows:

1 7 b. Refusal of an expansion population member to  
1 8 participate in a comprehensive medical examination  
1 9 or any health risk assessment implemented by the  
1 10 department shall not be a basis for ineligibility  
1 11 for or disenrollment from the expansion population.

1 12 Refusal of an expansion population member to  
1 13 participate in a comprehensive medical examination or  
1 14 other preventative health service shall not negatively  
1 15 affect the calculation of performance payments for an  
1 16 expansion population network provider medical home.

1 17 Sec. \_\_\_\_\_. Section 249J.6, subsection 3, Code 2011,  
1 18 is amended to read as follows:

1 19 3. Expansion population members, including members  
1 20 assigned to an expansion population network provider

1 21 medical home, shall be provided access to an IowaCare  
1 22 nurse helpline, accessible twenty-four hours per day,  
1 23 seven days per week, to assist expansion population  
1 24 members in making appropriate choices about the use of  
1 25 emergency room and other health care services.

1 26 Sec. \_\_\_\_\_. Section 249J.7, subsection 1, paragraph  
1 27 c, Code 2011, is amended to read as follows:

1 28 c. (1) Tertiary care shall only be provided to  
1 29 eligible expansion population members residing in any  
1 30 county in the state at the university of Iowa hospitals  
1 31 and clinics.

1 32 (2) Secondary care shall be provided by the  
1 33 publicly owned acute care teaching hospital located  
1 34 in a county with a population over three hundred  
1 35 fifty thousand and the university of Iowa hospitals  
1 36 and clinics, based on county of residence, only to  
1 37 the extent specified in the phase-in of the regional  
1 38 provider network designated by the department. >>

1 39 #2. Page 2, after line 32 by inserting:

1 40 <Sec. \_\_\_\_\_. REGIONAL PROVIDER NETWORK == ALTERNATIVE  
1 41 PROVIDER == PILOT. The department of human services  
1 42 shall consult with providers of primary care services  
1 43 in regional provider network areas established  
1 44 pursuant to section 249J.7 to determine if the option  
1 45 of establishing an alternative provider location is  
1 46 feasible. The department may implement a pilot program  
1 47 establishing an alternative provider location in an  
1 48 established regional provider network area experiencing  
1 49 capacity issues during the fiscal year beginning  
1 50 July 1, 2011, if the department determines that this



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2 1 option would most appropriately address such capacity  
2 2 issues and provide better access to care for expansion  
2 3 population members in the area. Any such pilot program  
2 4 shall be implemented within funds available under  
2 5 the existing appropriation for the regional provider  
2 6 network and any alternative provider location shall be  
2 7 subject to the requirements applicable to an expansion  
2 8 population provider pursuant to chapter 249J. >>  
2 9 #3. By striking page 2, line 33, through page 3,  
2 10 line 41.

AMANDA RAGAN  
S3292.2859 (4) 84  
pf/nh



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Senate Amendment 3297

PAG LIN

1 1 Amend House File 589, as amended, passed, and  
1 2 reprinted by the House, as follows:  
1 3 #1. By striking everything after the enacting clause  
1 4 and inserting:  
1 5 <Section 1. Section 716.7, Code 2011, is amended by  
1 6 adding the following new subsection:  
1 7 NEW SUBSECTION 2A. a. As used in this  
1 8 subsection, unless the context otherwise requires:  
1 9 (1) "Agricultural employee" means a person who  
1 10 works on agricultural premises by performing labor or  
1 11 furnishing services on a full-time or part-time basis.  
1 12 (2) "Agricultural operation" means a person,  
1 13 including but not limited to an individual or business  
1 14 association as defined in section 202B.102, who holds a  
1 15 legal interest in an agricultural premises.  
1 16 (3) "Agricultural premises" means real property  
1 17 where agricultural production occurs.  
1 18 (4) "Agricultural production" means to do any of the  
1 19 following:  
1 20 (a) Keep and provide for the care and feeding of  
1 21 any agricultural animal as defined in section 717A.1,  
1 22 including but not limited to any activity relating  
1 23 to confining, handling, breeding, transporting, or  
1 24 exhibiting the agricultural animal.  
1 25 (b) Keep and preserve any crop as defined in  
1 26 section 717A.1, by planting, nurturing, harvesting, and  
1 27 storing the crop, or by storing, planting, or nurturing  
1 28 the crop's seed.  
1 29 (5) "Agricultural property" means an agricultural  
1 30 premises, or personal property located on an  
1 31 agricultural premises.  
1 32 (6) "Constructive notice" includes but is not  
1 33 limited to a sign posted on the boundary of an  
1 34 agricultural premises which is reasonably likely to  
1 35 come to the attention of a person entering onto the  
1 36 agricultural premises.  
1 37 (7) "Recording device" means an instrument capable  
1 38 of placing or storing a visual or audio reproduction in  
1 39 a tangible medium that can be accessed in a perceivable  
1 40 form.  
1 41 b. The term "trespass" shall mean doing any of the  
1 42 following:  
1 43 (1) Entering onto an agricultural premises, if the  
1 44 person so entering has actual or constructive notice  
1 45 that the agricultural operation prohibits the person  
1 46 from entering onto the agricultural premises without  
1 47 the agricultural operation's express, oral or written  
1 48 permission.  
1 49 (2) Remaining on an agricultural premises, if the  
1 50 person so remaining has actual or constructive notice



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2 1 that the agricultural operation prohibits the person  
2 2 from remaining on the agricultural premises without  
2 3 the agricultural operation's express, oral or written  
2 4 permission.  
2 5 (3) Entering onto an agricultural premises with  
2 6 a recording device if the person so entering has  
2 7 actual or constructive notice that the agricultural  
2 8 operation prohibits such entry without the agricultural  
2 9 operation's express, oral or written permission.  
2 10 c. Trespass occurs under paragraph "b" regardless  
2 11 of whether the person entering onto or remaining on  
2 12 the agricultural premises is or is not an agricultural  
2 13 employee.  
2 14 Sec. 2. Section 716.8, Code 2011, is amended by  
2 15 adding the following new subsection:  
2 16 NEW SUBSECTION. 6. a. A person who commits  
2 17 trespass by entering onto an agricultural premises  
2 18 of another, remaining on an agricultural premises of  
2 19 another, or entering onto an agricultural premises of  
2 20 another with a recording device, as provided in section  
2 21 716.7, subsection 2A, commits the following:  
2 22 (1) For the first conviction, an aggravated  
2 23 misdemeanor.  
2 24 (2) For a second or subsequent conviction, a class  
2 25 "D" felony.  
2 26 b. (1) A person who conspires to commit trespass  
2 27 under paragraph "a" is subject to the provisions of  
2 28 chapter 706. A person who aids and abets in the  
2 29 commission of trespass under paragraph "a" is subject  
2 30 to the provisions of chapter 703. When two or more  
2 31 persons, acting in concert, knowingly participate in  
2 32 committing trespass under paragraph "a", each person  
2 33 is responsible for the acts of the other person as  
2 34 provided in section 703.2. A person who has knowledge  
2 35 that a trespass has been committed under paragraph "a"  
2 36 and that a certain person committed it, and who does  
2 37 not stand in the relation of husband or wife to the  
2 38 person committing the trespass, and who harbors, aids,  
2 39 or conceals the person committing the trespass, with  
2 40 the intent to prevent the apprehension of the person  
2 41 committing the trespass, is subject to section 703.3.  
2 42 (2) A trial information or an indictment need not  
2 43 contain allegations of vicarious liability as provided  
2 44 in chapter 703.  
2 45 c. It shall be an affirmative defense to a  
2 46 prosecution under this subsection that a defendant  
2 47 acted as a whistle=blower. In order to assert the  
2 48 affirmative defense of acting as a whistle=blower, all  
2 49 of the following must apply:  
2 50 (1) Prior to committing the trespass, the defendant



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3 1 had reasonable cause to believe that a criminal offense  
3 2 affecting livestock production was being committed on  
3 3 the agricultural premises, regardless of whether a  
3 4 criminal offense was actually committed.

3 5 (2) The defendant could not have witnessed the  
3 6 criminal offense described in subparagraph (1) without  
3 7 committing the trespass.

3 8 (3) The defendant was not involved in the  
3 9 commission of any criminal offense described in  
3 10 subparagraph (1) other than the trespass after entering  
3 11 onto the agricultural premises.

3 12 (4) The defendant reported the commission of  
3 13 the criminal offense described in subparagraph (1),  
3 14 other than the defendant's own trespass, occurring  
3 15 on the agricultural premises to a state agency or  
3 16 local governmental entity which had jurisdiction to  
3 17 investigate or enforce state law affecting agricultural  
3 18 production, including but not limited to the attorney  
3 19 general, the department of agriculture and land  
3 20 stewardship, an appropriate county attorney, or  
3 21 an appropriate county sheriff. The defendant must  
3 22 have reported the commission of the criminal offense  
3 23 described in subparagraph (1) within seventy-two hours  
3 24 from the time that the defendant first committed the  
3 25 trespass.

3 26 (5) The defendant provided the state agency or  
3 27 local governmental entity described in subparagraph  
3 28 (4) with any original, visual or audio recordings  
3 29 made by the defendant which may be used as evidence  
3 30 in a prosecution of the criminal offense described in  
3 31 subparagraph (1). The defendant must have provided the  
3 32 original, visual or audio recordings when reporting  
3 33 the commission of the criminal offense described in  
3 34 subparagraph (1).

3 35 d. This subsection does not prohibit a person from  
3 36 entering onto or remaining on an agricultural premises  
3 37 if the person is any of the following:

3 38 (1) A person who holds a legal interest in the  
3 39 agricultural premises or personal property kept on the  
3 40 agricultural premises, which is superior to the legal  
3 41 interest of the agricultural operation.

3 42 (2) A governmental agency or officer who is taking  
3 43 lawful action involving an agricultural operation or  
3 44 agricultural property.

3 45 (3) A licensed veterinarian practicing veterinary  
3 46 medicine as provided in chapter 169 according to  
3 47 customary standards of care.

3 48 (4) An insurance company representative or  
3 49 qualified expert retained by an insurance company  
3 50 for the purpose of investigating a claim, who is



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4 1 taking lawful action in inspecting or examining the  
4 2 agricultural property.>  
4 3 #2. Title page, by striking lines 1 and 2 and  
4 4 inserting <An Act relating to conduct occurring on  
4 5 agricultural premises, and providing penalties.>

THOMAS RIELLY

DAVID JOHNSON

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