

JAN 25 2002
WAYS AND MEANS

HOUSE FILE 2041
BY FALLON

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

A BILL FOR

1 An Act allowing a county to establish a transit system as a
2 county enterprise and to levy a property tax for the transit
3 system.

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

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HF 2041

1 Section 1. NEW SECTION. 331.424D COUNTY TRANSIT LEVY.

2 The board may levy annually a tax not to exceed ninety-five
3 cents per thousand dollars of the assessed value of all
4 taxable property in the county for the operation and
5 maintenance of a transit system when revenues from the
6 operation of the transit system are insufficient to operate
7 and maintain the transit system, but proceeds of the tax shall
8 not be used to pay interest and principal on bonds issued for
9 the purposes of the transit system.

10 Sec. 2. Section 331.461, subsection 2, Code Supplement
11 2001, is amended by adding the following new paragraph:

12 NEW PARAGRAPH. h. Transit systems.

13 EXPLANATION

14 This bill allows a county board of supervisors to levy a
15 property tax for operation and maintenance of a transit
16 system. The tax may not exceed 95 cents per \$1,000 of taxable
17 property and may only be levied if revenues from the transit
18 system are insufficient to pay for operation and maintenance
19 of the system. The tax levy cannot be used to pay interest
20 and principal on bonds issued for transit system purposes.

21 The bill also adds transit systems to the definition of
22 "county enterprise". This allows the county to issue revenue
23 bonds and to enter into loan agreements and lease-purchase
24 agreements to fund the transit system.

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