

JAN 29 2002  
LOCAL GOVERNMENT

HOUSE FILE 2159  
BY SHEY

Passed House, Date \_\_\_\_\_ Passed Senate, Date \_\_\_\_\_  
Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_ Vote: Ayes \_\_\_\_\_ Nays \_\_\_\_\_  
Approved \_\_\_\_\_

**A BILL FOR**

1 An Act relating to the budget certification deadline for cities  
2 and providing an applicability date.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 2159

1 Section 1. Section 24.17, unnumbered paragraph 1, Code  
2 2001, is amended to read as follows:

3 The local budgets of the various political subdivisions  
4 shall be certified by the chairperson of the certifying board  
5 or levying board, as the case may be, in duplicate to the  
6 county auditor not later than March 15 of each year on forms,  
7 and pursuant to instructions, prescribed by the department of  
8 management. However, if the political subdivision is a school  
9 district, as defined in section 257.2, or a city, its budget  
10 shall be certified not later than April 15 of each year.

11 Sec. 2. Section 24.27, Code 2001, is amended to read as  
12 follows:

13 24.27 PROTEST TO BUDGET.

14 Not later than March 25 or April 25 if the municipality is  
15 a school district or a city, a number of persons in any  
16 municipality equal to one-fourth of one percent of those  
17 voting for the office of governor, at the last general  
18 election in the municipality, but the number shall not be less  
19 than ten, and the number need not be more than one hundred  
20 persons, who are affected by any proposed budget, expenditure  
21 or tax levy, or by any item thereof, may appeal from any  
22 decision of the certifying board or the levying board by  
23 filing with the county auditor of the county in which the  
24 municipal corporation is located, a written protest setting  
25 forth their objections to the budget, expenditure or tax levy,  
26 or to one or more items thereof, and the grounds for their  
27 objections. If a budget is certified after March 15 or April  
28 15 in the case of a school district or a city, all appeal time  
29 limits shall be extended to correspond to allowances for a  
30 timely filing. Upon the filing of a protest, the county  
31 auditor shall immediately prepare a true and complete copy of  
32 the written protest, together with the budget, proposed tax  
33 levy or expenditure to which objections are made, and shall  
34 transmit them forthwith to the state board, and shall also  
35 send a copy of the protest to the certifying board or to the

1 levying board, as the case may be.

2 Sec. 3. Section 24.32, Code 2001, is amended to read as  
3 follows:

4 24.32 DECISION CERTIFIED.

5 After a hearing upon the appeal, the state board shall  
6 certify its decision to the county auditor and to the parties  
7 to the appeal as provided by rule, and the decision shall be  
8 final. The county auditor shall make up the records in  
9 accordance with the decision and the levying board shall make  
10 its levy in accordance with the decision. Upon receipt of the  
11 decision, the certifying board shall correct its records  
12 accordingly, if necessary. Final disposition of all appeals  
13 shall be made by the state board on or before April 30 of each  
14 year or May 15 if the municipality is a city.

15 Sec. 4. Section 24.48, unnumbered paragraph 4, Code 2001,  
16 is amended to read as follows:

17 The city finance committee shall have officially notified  
18 any city of its approval, modification or rejection of the  
19 city's appeal of the decision of the director of the  
20 department of management regarding a city's request for a  
21 suspension of the statutory property tax levy limitation prior  
22 to thirty-five days before ~~March~~ April 15.

23 Sec. 5. Section 76.2, unnumbered paragraph 2, Code 2001,  
24 is amended to read as follows:

25 If the resolution is filed prior to April 1 or May 1, if  
26 the political subdivision is a school district or a city, the  
27 annual levy shall begin with the tax levy for collection  
28 commencing July 1 of that year. If the resolution is filed  
29 after April 1 or May 1, in the case of a school district or a  
30 city, the annual levy shall begin with the tax levy for  
31 collection in the next succeeding fiscal year. However, the  
32 governing authority of a political subdivision may adjust a  
33 levy of taxes made under this section for the purpose of  
34 adjusting the annual levies and collections for property  
35 severed from the political subdivision, subject to the

1 approval of the director of the department of management.

2 Sec. 6. Section 384.2, unnumbered paragraph 1, Code 2001,  
3 is amended to read as follows:

4 Except as otherwise provided for special charter cities, a  
5 city's fiscal year shall be as provided in section 24.2,  
6 subsection 3. All city property taxes must be certified by a  
7 city to the county auditor on or before ~~the-fifteenth-day-of~~  
8 ~~March~~ April 15 of each year, unless otherwise provided by  
9 state law. However, municipal utilities, if not supported by  
10 taxation or the proceeds of outstanding indebtedness payable  
11 from taxes may, with the council's consent, choose to operate  
12 on a fiscal year which is the calendar year. The receipt by  
13 the utility of payments from other governmental funds for  
14 public fire protection, street lighting, or other public use  
15 of the utility's services shall not be deemed support by  
16 taxation. After notice and hearing in the same manner as  
17 required for the city's regular budget under section 384.16,  
18 the utility budget must be approved by resolution of the  
19 council not later than twenty days prior to the beginning of  
20 the calendar year for which the budget applies.

21 Sec. 7. Section 384.16, subsection 6, Code 2001, is  
22 amended to read as follows:

23 6. Taxes levied by a city whose budget is certified after  
24 ~~March~~ April 15 shall be limited to the prior year's budget  
25 amount. However, this penalty may be waived by the director  
26 of the department of management if the city demonstrates that  
27 the ~~March~~ April 15 deadline was missed because of  
28 circumstances beyond the control of the city.

29 Sec. 8. APPLICABILITY DATE. This Act applies to city  
30 budgets certified for fiscal years beginning on or after July  
31 1, 2003.

32 EXPLANATION

33 This bill moves the budget certification deadline for  
34 cities from March 15 to April 15.

35 The bill applies to budgets certified for fiscal years

1 beginning on or after July 1, 2003.

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