

May 30, 2014

The Honorable Matt Schultz
Secretary of State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Mr. Secretary:

House File 2456, an Act relating to the approval and imposition of the facilities property tax levy and the equipment replacement and program sharing property tax levy for a merged area and including effective date and applicability provisions is hereby disapproved and transmitted to you in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa.

House File 2456 is hereby disapproved on this date.

HF 2456 gives community college boards authority to continue the Property Tax Facility Levy and the Property Tax Equipment Sharing Levy for up to ten years without voter approval, provided voters have passed the levies in the two previous 10-year cycles. The two levies combined cost a maximum of approximately 27 cents per \$1,000 of valuation.

I am unable to approve House File 2456 for the following reasons:

House File 2456 takes away decision-making power from the voters for property tax increases. Estimates reveal that the amount of property tax dollars at issue are \$9,200,000 in FY 2015, \$11,600,000 in FY 2016, \$12,900,000 in FY 2017, \$15,100,000 in FY 2018 and \$17,800,000 in FY 2019. If this bill was allowed to become law, the voters would not be allowed to vote on these property taxes; instead they would be taxed by resolution of a community college board.

Voters should have the power to approve or disapprove property tax increases or continuing additional levies. When voters get to decide, it helps to hold everyone accountable. Typically, when these measures are on the ballot, they receive voter approval. Voters should have the opportunity to decide this important property tax issue. Decision-making power in the hands of the voters helps for voters, communities and community colleges to work together to best serve the needs of the community.

For the above reasons, I respectfully disapprove of House File 2456, in its entirety, in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa.

Sincerely,

TERRY E. BRANSTAD

Governor