



KIM REYNOLDS
GOVERNOR

OFFICE OF THE GOVERNOR

ADAM GREGG
LT GOVERNOR

June 30, 2020

The Honorable Paul Pate
Secretary of State of Iowa
State Capitol
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit House File 2556, an Act concerning governmental real property and official publications.

House File 2556 contains a number of provisions with which I have no objection. But Division II of the bill imposes new requirements on local governmental bodies and the State of Iowa prohibiting the sale of real property unless it is sold “to the highest responsive, responsible bidder” or the governmental body, by a two-thirds vote, approves a different bidder for “good cause” or a different process.

I understand the concern that a governmental body may occasionally make a decision to sell property with which many of its constituents disagree. But I am not convinced that this bill is the appropriate solution.

Governmental bodies may reasonably conclude that factors other than price — such as a potential developer’s jobs and economic impact, environmental cleanup, or improvements to the property and infrastructure — should determine to whom a property should be sold. And imposing a two-thirds vote requirement to make this choice would unnecessarily complicate a local government’s decision making and could unintentionally hurt redevelopment and economic growth efforts in our state. I am also concerned that the new language lacks clarity and could lead to litigation, confusion, and unintended consequences surrounding governmental real estate transactions even where a unanimous vote approves of the transaction.

For these reasons, I respectfully disapprove of House File 2556 in its entirety.

Sincerely,

A handwritten signature in black ink, appearing to read "Kim Reynolds". The signature is fluid and cursive, with the first name "Kim" written in a smaller, more compact script than the last name "Reynolds".

Kim Reynolds
Governor of Iowa

cc: Secretary of the Senate
Clerk of the House