

MAR 5 2003  
APPROPRIATIONS

HOUSE FILE 432  
BY DRAKE, KLEMME, BAUDLER,  
HUSER, WISE, BUKTA, FOEGE,  
BOAL, MERTZ, PETERSEN, SMITH,  
JENKINS, LUKAN, JACOBS,  
J. K. VAN FOSSEN, JONES, HOFFMAN,  
MANTERNACH, ROBERTS, SANDS,  
KURTENBACH, STRUYK, CHAMBERS,  
GREINER, HUSEMAN, UPMAYER,  
TYMESON, WILDERDYKE, HAHN,  
ALONS, S. OLSON, DE BOEF, LALK,  
DENNIS, BELL, D. TAYLOR, and  
ARNOLD

(COMPANION TO LSB 1158SS  
BY JOHNSON)

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

HF 432

**A BILL FOR**

1 An Act relating to an annual appropriation of sales and use tax  
2 revenues for purposes of a tourism fund.

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

4  
5  
6  
7  
8  
9  
10  
11

1 Section 1. NEW SECTION. 15.115 PROMOTE IOWA FUND.  
2 A promote Iowa fund is created in the state treasury under  
3 the control of the department consisting of moneys  
4 appropriated to the department and deposited in the fund  
5 pursuant to section 422.105. Moneys in the fund are not  
6 subject to section 8.33. Notwithstanding section 12C.7,  
7 interest or earnings on moneys in the fund shall be credited  
8 to the fund. Moneys in the fund shall be used for marketing,  
9 salaries, support, maintenance, and miscellaneous purposes  
10 related to the Iowa tourism office of the department.

11 Sec. 2. NEW SECTION. 422.105 PROMOTE IOWA FUND  
12 APPROPRIATION.

13 1. The department of revenue and finance, in cooperation  
14 with the department of economic development, shall determine a  
15 tourism percentage that is the percentage of the total amount  
16 of sales and use tax revenues that can be attributed to the  
17 tourism industry in the state. The percentage may be  
18 periodically reviewed and revised.

19 2. On August 1 of each fiscal year, the department of  
20 revenue and finance shall calculate, based on the tourism  
21 percentage identified in subsection 1, the dollar amount of  
22 the total sales and use tax revenues collected during the  
23 previous fiscal year attributed to the tourism industry and  
24 determine whether there was an increase of more than two  
25 percent in tourism-related sales and use tax revenues from the  
26 fiscal year preceding the previous fiscal year. There is  
27 appropriated from the general fund of the state to the  
28 department of economic development on August 1 of each fiscal  
29 year two million dollars or an amount equal to any increase  
30 above two percent, whichever is greater. Moneys appropriated  
31 to the department pursuant to this subsection shall be  
32 deposited in the promote Iowa fund established in section  
33 15.115.

34

EXPLANATION

35 This bill annually appropriates a portion of increases in

1 tourism-related sales and use tax revenues for purposes of a  
2 promote Iowa fund.

3 The bill creates a promote Iowa fund in the state treasury  
4 and under the control of the department of economic  
5 development. The bill provides that moneys in the fund shall  
6 be used for marketing, salaries, support, maintenance, and  
7 miscellaneous purposes related to the Iowa tourism office of  
8 the department.

9 The bill provides that the department of revenue and  
10 finance, in cooperation with the department of economic  
11 development, shall determine a tourism percentage which is the  
12 percentage of the total amount of sales and use tax revenues  
13 that can be attributed to the tourism industry in the state.

14 The bill provides that on August 1 of each fiscal year, the  
15 department of revenue and finance shall calculate, based on  
16 the tourism percentage identified, the dollar amount of the  
17 total sales and use tax revenues collected during the previous  
18 fiscal year attributed to the tourism industry and determine  
19 whether there was an increase of more than 2 percent in  
20 tourism-related sales and use tax revenues from the fiscal  
21 year preceding the previous fiscal year. The bill provides  
22 that the greater of \$2 million or any increase above 2 percent  
23 shall be appropriated from the general fund of the state to  
24 the department of economic development for deposit in the  
25 promote Iowa fund.

26  
27  
28  
29  
30  
31  
32  
33  
34  
35