

SENATE FILE 2147
BY HULTMAN, LIND, CORNING,
GOODWIN, TINSMAN, PATE,
HAGERLA, and TIEDEN

(COMPANION TO LSB 7752H
BY HARBOR)

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

A BILL FOR

1 An Act relating to the deposit of lottery revenues into the
2 general fund of the state and exempting lottery sales from the
3 state sales, services, and use tax.

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

SF 2147

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1 Section 1. Section 15.251, subsection 2, Code Supplement
2 1989, is amended to read as follows:

3 2. The department may charge, within thirty days following
4 the sale of certificates under chapter 280B, the board of
5 directors of the merged area a fee of up to one percent of the
6 gross sale amount of the certificates issued. The amount of
7 this fee shall be deposited into ~~the jobs-new-account-within~~
8 ~~the-Iowa-plan-fund-for-economic-development-created-in-section~~
9 ~~99E.10~~ a job training fund created in the office of the
10 treasurer of state and may be used by the department to cover
11 the costs of management of chapter 280B and to support other
12 efforts by the merged area schools related to providing
13 productivity and quality enhancement training. Funds
14 deposited under this subsection into the ~~jobs-new-account~~ job
15 training fund during a fiscal year which are not expended by
16 the department in that fiscal year are available for use by
17 the department under this subsection for subsequent fiscal
18 years.

19 Sec. 2. Section 28.120, subsection 5, Code 1989, is
20 amended to read as follows:

21 5. Loan repayments received by the Iowa department of
22 economic development shall be deposited into a special account
23 to be used at its discretion as matching funds to attract
24 financial assistance from and to participate in programs with
25 national rural development and finance corporations or as
26 provided in subsection 6. Funds in this special account shall
27 not revert to the state general fund at the end of any fiscal
28 year. If the programs for which the funds in the special
29 account are to be used are terminated or expire, the funds in
30 the special account and funds that would be repaid, if any, to
31 the special account shall be transferred or repaid to the
32 ~~community-economic-betterment-account-of-the-Iowa-plan-fund~~
33 ~~for-economic-development-as-established-in-section-99E.31~~ Iowa
34 community development loan program fund.

35 Sec. 3. Section 99E.10, subsection 1, paragraph b, Code

1 1989, is amended by striking the paragraph.

2 Sec. 4. Section 99E.10, subsection 1, unnumbered paragraph
3 3, Code 1989, is amended by striking the paragraph and
4 inserting in lieu thereof the following:

5 Beginning July 1, 1990, all lottery revenue remaining after
6 expenses are determined shall be deposited in the general fund
7 of the state. The director shall consult with the director of
8 the department of management and agree to an appropriate
9 schedule for timely deposits of lottery revenue to the state
10 general fund, taking into account operating and cash balances
11 necessary to sustain the operations of the lottery.

12 Sec. 5. Section 99E.10, subsections 2 and 3, Code 1989,
13 are amended by striking the subsections.

14 Sec. 6. Section 99E.20, subsection 2, Code 1989, is
15 amended to read as follows:

16 2. A lottery fund is created in the office of the
17 treasurer of state. The fund consists of all revenues
18 received from the sale of lottery tickets or shares and all
19 other moneys lawfully credited or transferred to the fund.
20 The commissioner shall certify monthly that portion of the
21 fund that is transferred to the ~~Iowa-plan~~ state general fund
22 under section 99E.10 and shall cause that portion to be
23 transferred to the ~~Iowa-plan~~ general fund of the state. The
24 ~~commissioner shall certify before the twentieth of each month~~
25 ~~that portion of the fund resulting from the previous month's~~
26 ~~sales to be transferred to the Iowa-plan fund.~~

27 Sec. 7. Section 280C.6, subsection 1, Code 1989, is
28 amended to read as follows:

29 1. There is established for the area schools an area
30 school job training fund under the supervision of the
31 treasurer of state. The area school job training fund
32 consists of two separate accounts containing moneys as
33 follows:

34 a. A permanent school fund repayment account to which
35 shall be credited the interest and principal from repayment of

1 loans originating from the permanent school fund appropriation
2 in section 280C.8, made to employers for program costs, and
3 interest earned from moneys in the account. Moneys in this
4 account shall be used to repay the appropriation from the
5 permanent school fund. At the end of each calendar quarter,
6 the treasurer of state shall transfer the moneys in the
7 ~~account and any moneys in the surplus account of the Iowa plan~~
8 ~~fund for economic development created in section 99E.31~~ to the
9 permanent school fund as repayment of the loan from the
10 permanent school fund. If there are moneys in the permanent
11 school fund repayment account after the permanent school fund
12 loan has been fully repaid, those moneys shall be transferred
13 to the revolving loan account provided in paragraph "b" of
14 ~~this section.~~

15 b. A revolving loan account to which shall be credited
16 moneys appropriated for the fiscal year beginning July 1,
17 1987, and for succeeding fiscal years for the purposes of this
18 chapter plus the interest and principal from repayment of
19 advances made to employers for program costs and interest
20 earned from moneys in the revolving loan account. Moneys in
21 this account shall be used to provide advances to employers
22 for program costs upon request of boards of directors of the
23 area schools. Beginning July 1, 1995, the Iowa department of
24 economic development shall reserve a portion of the moneys in
25 the revolving loan account to pay a portion of the original
26 one million dollar appropriation in section 280C.8 which,
27 based upon projections of the state treasurer, may still be
28 owed to the permanent school fund on June 30, 1996. The
29 department shall reserve a portion of the moneys in the
30 revolving loan account only if the moneys in the permanent
31 school fund repayment account created in paragraph "a" and
32 ~~moneys in the "surplus" account of the Iowa plan fund for~~
33 ~~economic development created in section 99E.31, subsection 17~~
34 ~~paragraph "e"~~ are insufficient to repay the loan from the
35 permanent school fund.

1 Sec. 8. Section 280C.8, Code 1989, is amended to read as
2 follows:

3 280C.8 APPROPRIATIONS.

4 Notwithstanding sections 8.6, 302.1, and 302.1A, there is
5 appropriated from the permanent school fund, for the fiscal
6 period beginning July 1, 1985, and ending June 30, 1996, the
7 sum of one million dollars to provide funds for the purposes
8 of and deposits in the area school job training fund created
9 in section 280C.6. The money appropriated under this section
10 is a loan from the permanent school fund to the area school
11 job training fund. The interest on the loan shall be prepaid
12 for a three-year period from funds appropriated by this
13 section. The rate of interest shall be determined by the
14 treasurer of state.

15 At the end of each calendar quarter the treasurer of state
16 shall transfer moneys to repay the amount of the loan from the
17 permanent school fund from the following sources:

18 1.--Moneys moneys in the permanent school fund repayment
19 account created in section 280C.6, subsection 1, paragraph
20 "a".

21 2.--~~Moneys to be credited to the "surplus" account of the~~
22 ~~Iowa plan fund for economic development created in section~~
23 ~~99B:31.~~

24 On and after June 30, 1996, the moneys reserved by the Iowa
25 department of economic development from the revolving loan
26 account created in section 280C.6, subsection 1, paragraph
27 "b", shall be used to repay a portion of the loan from the
28 permanent school fund provided the conditions stated in
29 section 280C.6, subsection 1, paragraph "b", are met.

30 Sec. 9. Section 422.43, subsection 2, Code 1989, is
31 amended to read as follows:

32 2. There is imposed a tax of four percent upon the gross
33 receipts derived from the operation of all forms of amusement
34 devices and games of skill, games of chance, raffles and bingo
35 games as defined in chapter 99B, operated or conducted within

1 the state of Iowa, the tax to be collected from the operator
2 in the same manner as is provided for the collection of taxes
3 upon the gross receipts of tickets or admission as provided in
4 this section. ~~The tax shall also be imposed upon the gross~~
5 ~~receipts derived from the sale of lottery tickets or shares~~
6 ~~pursuant to chapter 99E. The tax on the lottery tickets or~~
7 ~~shares shall be included in the sales price and distributed to~~
8 ~~the general fund as provided in section 99E:10.~~

9 Sec. 10. Section 422.45, Code Supplement 1989, is amended
10 by adding the following new subsection:

11 NEW SUBSECTION. 43. The gross receipts from the sale of
12 lottery tickets or shares pursuant to chapter 99E.

13 EXPLANATION

14 The bill provides that beginning July 1, 1990, lottery
15 revenues remaining after prizes and expenses have been paid
16 will be deposited in the state general fund. The sales of
17 lottery tickets and shares are made exempt from the state
18 sales tax. The bill eliminates references to the Iowa plan
19 fund and makes other coordinating amendments.

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