

CHAPTER 423F

STATEWIDE SCHOOL INFRASTRUCTURE FUNDING

Chapter to be repealed December 31, 2029; see §423F.6

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423F.1 Legislative intent.

It is the intent of the general assembly that the increase in the state sales, services, and use taxes under [chapter 423, subchapters II and III](#), from five percent to six percent on July 1, 2008, shall be used solely for purposes of providing revenues to local school districts under [this chapter](#) to be used solely for school infrastructure purposes or school district property tax relief.

2008 Acts, ch 1134, §27

423F.2 Repeal of local sales and services taxes — secure an advanced vision for education fund.

1. a. After July 1, 2008, all local sales and services taxes for school infrastructure purposes imposed under [chapter 423E](#) are repealed. After July 1, 2008, a county no longer has the authority under [chapter 423E](#) or any other provision of law to impose or to extend an existing local sales and services tax for school infrastructure purposes.

b. The increase in the state sales, services, and use taxes under [chapter 423, subchapters II and III](#), from five percent to six percent shall replace the repeal of the county's local sales and services tax for school infrastructure purposes. The distribution of moneys in the secure an advanced vision for education fund and the use of the moneys for infrastructure purposes or property tax relief shall be as provided in [this chapter](#).

c. To the extent that any school district has issued bonds anticipating the proceeds of a local sales and services tax for school infrastructure purposes prior to July 1, 2008, the pledge of such tax receipts for the payment of principal and interest on such bonds shall be replaced by a pledge of its share of the revenues the school district receives under [this section](#).

2. A secure an advanced vision for education fund is created as a separate and distinct fund in the state treasury under the control of the department of revenue. Moneys in the fund include revenues credited to the fund pursuant to [this chapter](#), appropriations made to the fund, and other moneys deposited into the fund. Subject to [subsection 3](#), any amounts disbursed from the fund shall be utilized for school infrastructure purposes or property tax relief.

3. The moneys available in a fiscal year in the secure an advanced vision for education fund shall be distributed by the department of revenue to each school district on a per pupil basis calculated using each school district's budget enrollment, as defined in [section 257.6](#), for that fiscal year. Prior to distribution of moneys in the secure an advanced vision for education fund to school districts, two and one-tenths percent of the moneys available in a fiscal year shall be distributed and credited to the property tax equity and relief fund created in [section 257.16A](#).

4. a. The director of revenue by August 15 of each fiscal year shall send to each school district an estimate of the amount of tax moneys each school district will receive for the year and for each month of the year. At the end of each month, the director may revise the estimates for the year and remaining months.

b. The director shall remit ninety-five percent of the estimated tax receipts for the school district to the school district on or before August 31 of the fiscal year and on or before the last day of each following month.

c. The director shall remit a final payment of the remainder of tax moneys due for the

fiscal year before November 10 of the next fiscal year. If an overpayment has resulted during the previous fiscal year, the November payment shall be adjusted to reflect any overpayment.

2008 Acts, ch 1134, §28; 2008 Acts, ch 1191, §72; 2013 Acts, ch 140, §134 – 136

Referred to in §8.57, §275.12, §275.29, §275.30, §292.1, §292.2, §423.2, §423.43, §423E.5, §423F.4

2013 amendments to subsection 1, paragraph b, and subsection 3 apply to fiscal years beginning on or after July 1, 2014; 2013 Acts, ch 140, §136

423F.3 Use of revenues.

1. A school district receiving revenues from the secure an advanced vision for education fund under [this chapter](#) without a valid revenue purpose statement shall expend the revenues subject to [subsections 2 and 3](#) for the following purposes:

- a. Reduction of bond levies under [sections 298.18](#) and [298.18A](#) and all other debt levies.
- b. Reduction of the regular and voter-approved physical plant and equipment levy under [section 298.2](#).
- c. Reduction of the public educational and recreational levy under [section 300.2](#).
- d. For any authorized infrastructure purpose of the school district as defined in [subsection 6](#).
- e. For the payment of principal and interest on bonds issued under [sections 423E.5](#) and [423F.4](#).

2. A revenue purpose statement in existence for the expenditure of local sales and services tax for school infrastructure purposes imposed by a county pursuant to [section 423E.2](#), Code Supplement 2007, prior to July 1, 2008, shall remain in effect until amended or extended. The board of directors of a school district may take action to adopt or amend a revenue purpose statement specifying the specific purposes for which the revenues received from the secure an advanced vision for education fund will be expended. If a school district is located in a county which has imposed a local sales and services tax for school infrastructure purposes prior to July 1, 2008, this action shall be taken before expending or anticipating revenues to be received after the unextended term of the tax unless the school district elects to adopt a revenue purpose statement as provided in [subsection 3](#).

3. a. If the board of directors adopts a resolution to use funds received under the operation of [this chapter](#) solely for providing property tax relief by reducing indebtedness from the levies specified under [section 298.2](#) or [298.18](#), the board of directors may approve a revenue purpose statement for that purpose without submitting the revenue purpose statement to a vote of the electors.

b. If the board of directors intends to use funds for purposes other than those listed in paragraph “a”, or change the use of funds to purposes other than those listed in paragraph “a”, the board shall adopt a revenue purpose statement, subject to approval of the electors, listing the proposed use of the funds. School districts shall submit the statement to the voters no later than sixty days prior to the expiration of any existing revenue purpose statement or change in use not included in the existing revenue purpose statement.

c. The board of directors may use funds received under the operation of [this chapter](#) for a joint infrastructure project with one or more school districts or one or more school districts and a community college established under [chapter 260C](#), for which buildings or facilities are constructed or leased for the purpose of offering classes under a district-to-community college sharing agreement or concurrent enrollment program that meets the requirements for funding under [section 257.11, subsection 3](#). If the board intends to use funds received under the operation of [this chapter](#) for such a joint infrastructure project, the board shall adopt a revenue purpose statement or amend an existing revenue purpose statement, subject to approval of the electors, stating the proposed use of the funds.

d. The board secretary shall notify the county commissioner of elections of the intent to take an issue to the voters pursuant to paragraph “b” or “c”. The county commissioner of elections shall publish the notices required by law for special or general elections, and the election shall be held on a date specified in [section 39.2, subsection 4](#), paragraph “c”. A majority of those voting on the question must favor approval of the revenue purpose statement. If the proposal is not approved, the school district shall not submit the same or new revenue purpose statement to the electors for a period of six months from the date of the previous election.

4. The revenues received pursuant to [this chapter](#) shall be expended for the purposes specified in the revenue purpose statement. If a board of directors has not approved a revenue purpose statement, the revenues shall be expended in the order listed in [subsection 1](#) except that the payment of bonds for which the revenues have been pledged shall be paid first. Once approved, a revenue purpose statement is effective until amended or repealed by the foregoing procedures. A revenue purpose statement shall not be amended or repealed to reduce the amount of revenue pledged to the payment of principal and interest on bonds as long as any bonds authorized by [sections 423E.5](#) and [423F.4](#) are outstanding unless funds sufficient to pay principal, interest, and premium, if any, on the outstanding obligations at or prior to maturity have been properly set aside and pledged for that purpose.

5. A school district with a certified enrollment of fewer than two hundred fifty pupils in the entire district or certified enrollment of fewer than one hundred pupils in high school shall not expend the amount received for new construction without prior application to the department of education and receipt of a certificate of need pursuant to [this subsection](#). A certificate of need is not required for repairing schoolhouses or buildings, equipment, technology, or transportation equipment for transporting students as provided in [section 298.3](#), or for construction necessary for compliance with the federal Americans With Disabilities Act pursuant to 42 U.S.C. §12101 – 12117. In determining whether a certificate of need shall be issued or denied, the department shall consider all of the following:

- a. Enrollment trends in the grades that will be served at the new construction site.
- b. The infeasibility of remodeling, reconstructing, or repairing existing buildings.
- c. The fire and health safety needs of the school district.
- d. The distance, convenience, cost of transportation, and accessibility of the new construction site to the students to be served at the new construction site.
- e. Availability of alternative, less costly, or more effective means of serving the needs of the students.
- f. The financial condition of the district, including the effect of the decline of the budget guarantee and unspent balance.
- g. Broad and long-term ability of the district to support the facility and the quality of the academic program.
- h. Cooperation with other educational entities including other school districts, area education agencies, postsecondary institutions, and local communities.

6. a. For purposes of [this chapter](#), “school infrastructure” means those activities authorized in [section 423E.1, subsection 3, Code 2007](#).

b. Additionally, “school infrastructure” includes the payment or retirement of outstanding bonds previously issued for school infrastructure purposes as defined in [this subsection](#), and the payment or retirement of bonds issued under [sections 423E.5](#) and [423F.4](#).

c. A school district that uses secure an advanced vision for education fund moneys for school infrastructure shall comply with the state building code in the absence of a local building code.

7. The general assembly shall not alter the purposes for which the revenues received under [this section](#) may be used from infrastructure and property tax relief purposes to any other purpose unless the bill is approved by a vote of at least two-thirds of the members of both chambers of the general assembly and is signed by the governor.

[2008 Acts, ch 1134, §29; 2008 Acts, ch 1191, §73; 2013 Acts, ch 88, §36; 2013 Acts, ch 141, §50, 51](#)

423F.4 Borrowing authority for school districts.

A school district may anticipate its share of the revenues under [section 423F.2](#) by issuing bonds in the manner provided in [section 423E.5](#). However, to the extent any school district has issued bonds anticipating the proceeds of an extended local sales and services tax for school infrastructure purposes imposed by a county pursuant to former chapter 423E, Code and Code Supplement 2007, prior to July 1, 2008, the pledge of such revenues for the payment of

principal and interest on such bonds shall be replaced by a pledge of its share of the revenues under [section 423F.2](#).

[2008 Acts, ch 1134, §30](#)

Referred to in [§275.12](#), [§275.29](#), [§275.30](#), [§275.53](#), [§275.54](#), [§275.55](#), [§423F.3](#)

423F.5 Contents of financial audit.

1. A school district shall include as part of its financial audit for the budget year beginning July 1, 2007, and for each subsequent budget year the amount received during the year pursuant to [chapter 423E](#) or [this chapter](#), as applicable. In addition, the financial audit shall include the amount of bond levies, physical plant and equipment levy, and public educational and recreational levy reduced as a result of the moneys received under [chapter 423E](#) or [this chapter](#), as applicable. The amount of the reductions shall be stated in terms of dollars and cents per one thousand dollars of valuation and in total amount of property tax dollars. Also included shall be an accounting of the amount of moneys received which were spent for infrastructure purposes pursuant to [chapter 423E](#) or [this chapter](#), as applicable.

2. The auditor of state may prescribe necessary forms and procedures for the consistent collection of the information required by [this section](#).

[2008 Acts, ch 1134, §31](#); [2011 Acts, ch 25, §43](#)

Referred to in [§291.10](#)

423F.6 Repeal.

[This chapter](#) is repealed December 31, 2029.

[2008 Acts, ch 1134, §32](#)