

8.57 Surplus transferred to cash reserve fund and Iowa economic emergency fund — rebuild Iowa infrastructure fund created.

1. *a.* The “cash reserve goal percentage” for fiscal years beginning on or after July 1, 2004, is seven and one-half percent of the adjusted revenue estimate. For each fiscal year in which the transfer of the surplus existing in the general fund of the state at the conclusion of the prior fiscal year pursuant to paragraph “b” was not sufficient for the cash reserve fund to reach the cash reserve goal percentage for the current fiscal year, there is transferred from the general fund of the state an amount to be determined as follows:

(1) If the balance of the cash reserve fund in the current fiscal year is not more than six and one-half percent of the adjusted revenue estimate for the current fiscal year, the amount of the transfer under this paragraph is one percent of the adjusted revenue estimate for the current fiscal year.

(2) If the balance of the cash reserve fund in the current fiscal year is more than six and one-half percent but less than seven and one-half percent of the adjusted revenue estimate for that fiscal year, the amount of the transfer under this paragraph is the amount necessary for the cash reserve fund to reach seven and one-half percent of the adjusted revenue estimate for the current fiscal year.

(3) The moneys transferred under this paragraph shall be credited in equal and proportionate amounts in each quarter of the current fiscal year.

b. The surplus existing in the general fund of the state at the conclusion of the fiscal year is transferred to the cash reserve fund, not to exceed the amount necessary for the cash reserve fund to reach the cash reserve goal percentage for the succeeding fiscal year. As used in this paragraph, “surplus” means the excess of revenues and other financing sources over expenditures and other financing uses for the general fund of the state in a fiscal year.

2. To the extent that moneys transferred under [subsection 1](#) exceed the amounts necessary for the cash reserve fund to reach its maximum balance, the moneys shall be transferred to the Iowa economic emergency fund.

3. *a.* A rebuild Iowa infrastructure fund is created under the authority of the department of management. The fund shall consist of appropriations made to the fund and transfers of interest, earnings, and moneys from other funds as provided by law. The rebuild Iowa infrastructure fund shall be separate from the general fund of the state and the balance in the rebuild Iowa infrastructure fund shall not be considered part of the balance of the general fund of the state.

b. Moneys in the rebuild Iowa infrastructure fund are not subject to [section 8.33](#). Notwithstanding [section 12C.7, subsection 2](#), interest or earnings on moneys in the rebuild Iowa infrastructure fund shall be credited to the fund. Moneys in the rebuild Iowa infrastructure fund may be used for cash flow purposes during a fiscal year provided that any moneys so allocated are returned to the fund by the end of that fiscal year.

c. Moneys in the rebuild Iowa infrastructure fund in a fiscal year shall be used as directed by the general assembly for public vertical infrastructure projects. For the purposes of [this subsection](#), “vertical infrastructure” includes only land acquisition and construction; major renovation and major repair of buildings; routine, recurring maintenance; all appurtenant structures; utilities; site development; recreational trails; renewable fuel infrastructure programs; and debt service payments on academic revenue bonds issued in accordance with [chapter 262A](#) for capital projects at board of regents institutions. “Vertical infrastructure” does not include operational expenses or leasing of a building, appurtenant structure, or utility without a lease-purchase agreement.

d. (1) (a) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter until the principal and interest on all bonds issued by the treasurer of state pursuant to [section 12.87](#) are paid, as determined by the treasurer of state, of the wagering tax receipts received pursuant to sections [99D.17](#) and [99F.11](#), the first fifty-five million dollars shall be deposited in the revenue bonds debt service fund created in [section 12.89](#), and the next three million seven hundred fifty thousand dollars shall be deposited in the revenue bonds federal subsidy holdback fund created in [section 12.89A](#).

(b) (i) For each fiscal year of the period beginning July 1, 2020, and ending June 30, 2039,

of the wagering tax receipts received pursuant to [sections 99D.17](#) and [99F.11](#), the next fifteen million dollars shall be deposited in the water quality infrastructure fund created in [section 8.57B](#).

(ii) Notwithstanding subparagraph subdivision (i), this subparagraph division (b) is repealed on one of the following dates, whichever is earlier:

(A) On July 1 following the enactment date that the tax rate for the sales tax imposed upon the retail sales price of tangible personal property and the furnishing of enumerated services sold in this state in effect on July 1, 2016, is increased.

(B) On July 1, 2039.

(c) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to [sections 99D.17](#) and [99F.11](#), the next sixty-three million seven hundred fifty thousand dollars shall be deposited in the Iowa skilled worker and job creation fund created in [section 8.57J](#).

(d) (i) For the fiscal year beginning July 1, 2023, and for each fiscal year thereafter through the fiscal year beginning July 1, 2027, of the wagering tax receipts received pursuant to [sections 99D.17](#) and [99F.11](#), the next five million dollars shall be deposited in the levee improvement fund created in [section 8.57D](#).

(ii) This subparagraph division is repealed July 1, 2028.

(e) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, of the wagering tax receipts received pursuant to [sections 99D.17](#) and [99F.11](#), the next two million two hundred fifty thousand dollars shall be deposited in the general fund of the state.

(f) For the fiscal year beginning July 1, 2018, and for each fiscal year thereafter, the total moneys in excess of the moneys deposited under this paragraph “d” in the revenue bonds debt service fund, the revenue bonds federal subsidy holdback fund, the vision Iowa fund, the water quality infrastructure fund, the Iowa skilled worker and job creation fund, and the general fund of the state shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided in [this section](#).

(2) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, if the total amount of the wagering tax receipts received pursuant to [sections 99D.17](#) and [99F.11](#), and to be deposited pursuant to subparagraph (1), subparagraph division (a), is less than the total amount of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund in the fiscal year pursuant to subparagraph (1), subparagraph division (a), the difference shall be paid from moneys deposited in the beer and liquor control fund created in [section 123.17](#) in the manner provided in [section 123.17, subsection 3](#).

(3) For the fiscal year beginning July 1, 2013, and for each fiscal year thereafter, after the deposit of moneys directed to be deposited in the revenue bonds debt service fund and the revenue bonds federal subsidy holdback fund, as provided in subparagraph (1), subparagraph division (a), if the total amount of the wagering tax receipts received pursuant to [sections 99D.17](#) and [99F.11](#), and to be deposited pursuant to subparagraph (1), subparagraph division (b),* is less than the total amount of moneys directed to be deposited in the vision Iowa fund in the fiscal year pursuant to subparagraph (1), subparagraph division (b),* the difference shall be paid from lottery revenues in the manner provided in [section 99G.39, subsection 6](#).

e. Annually, on or before January 15 of each year, a state agency that received an appropriation from the rebuild Iowa infrastructure fund shall report to the legislative services agency and the department of management the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

f. Annually, on or before December 31 of each year, a recipient of moneys from the rebuild Iowa infrastructure fund for any purpose shall report to the state agency to which the moneys are appropriated the status of all projects completed or in progress. The report shall include a description of the project, the progress of work completed, the total estimated cost of the project, a list of all revenue sources being used to fund the project, the amount of funds

expended, the amount of funds obligated, and the date the project was completed or an estimated completion date of the project, where applicable.

92 Acts, ch 1227, §7; 92 Acts, 2nd Ex, ch 1001, §229, 230; 94 Acts, ch 1181, §10,11; 95 Acts, ch 209, §11, 12; 95 Acts, ch 214, §15, 16; 96 Acts, ch 1218, §25, 26, 71; 2000 Acts, ch 1225, §30, 38, 39; 2001 Acts, ch 185, §33, 49; 2002 Acts, 2nd Ex, ch 1001, §28, 29, 33, 52; 2003 Acts, ch 178, §99, 121; 2003 Acts, ch 179, §31, 40, 90, 142, 159; 2003 Acts, 1st Ex, ch 2, §91, 209; 2004 Acts, ch 1101, §100, 102; 2004 Acts, ch 1170, §3; 2004 Acts, ch 1175, §321; 2006 Acts, ch 1173, §2, 3; 2006 Acts, ch 1179, §33; 2007 Acts, ch 22, §114, 116; 2007 Acts, ch 219, §27; 2008 Acts, ch 1134, §37; 2008 Acts, ch 1179, §37; 2009 Acts, ch 173, §26, 36; 2009 Acts, ch 179, §29; 2009 Acts, ch 182, §100; 2009 Acts, ch 184, §29; 2010 Acts, ch 1184, §75, 76; 2011 Acts, ch 25, §1; 2011 Acts, ch 133, §18, 19, 50; 2012 Acts, ch 1021, §2; 2012 Acts, ch 1140, §21; 2013 Acts, ch 142, §29, 30; 2014 Acts, ch 1026, §143; 2014 Acts, ch 1136, §15, 16; 2015 Acts, ch 141, §31, 67, 68; 2017 Acts, ch 173, §16; 2018 Acts, ch 1001, §1, 2; 2018 Acts, ch 1169, §18 – 20; 2019 Acts, ch 132, §47, 52; 2021 Acts, ch 143, §33, 34; 2023 Acts, ch 163, §1, 10; 2024 Acts, ch 1185, §23 – 30

Referred to in §7E.5A, 8.22A, 8.54, 8.56, 8.57A, 8.57B, 8.57C, 8.57D, 8.58, 12.82, 12.87, 12.89, 12.89A, 12E.12, 16.193, 99D.17, 99F.4A, 99F.10, 99F.11, 99G.39, 123.17, 260G.6, 324A.6A

For temporary exceptions to appropriations contained in this section, see appropriations and other noncodified enactments in annual Acts of the general assembly

*Former subparagraph (1), subparagraph division (b) stricken by 2024 Acts, ch 1185; corrective legislation is pending

Section amended and editorially internally renumbered