Senate Amendment to
House File 2757

H-8428

1 Amend House File 2757, as amended, passed, and reprinted by
2 the House, as follows:
3 1. By striking everything after the enacting clause and
4 inserting:
5 <Section 1. NEW SECTION. **262.101 Nuclear energy workforce**
6 **fund — appropriation — report.**
7 1. A nuclear energy workforce fund is established in the
8 office of the treasurer of state under the control of the state
9 board of regents. The fund consists of the contributions
10 made to the fund pursuant to section 423.3, subsection 111,
11 and any other appropriations made to the fund. Moneys in the
12 fund shall be separate from the general fund of the state
13 and shall not be considered part of the general fund of the
14 state. Moneys in the fund shall be used only as specified
15 in this section and shall be appropriated only for the uses
16 specified. Moneys in the fund are not subject to section 8.33
17 and shall not be transferred, used, obligated, appropriated,
18 or otherwise encumbered, except as provided in this section.
19 Notwithstanding section 12C.7, subsection 2, interest or
20 earnings on moneys deposited in the fund shall be credited to
21 the fund.
22 2. Moneys in the fund are appropriated to the board for the
23 purpose of establishing and maintaining programs and equipment
24 at one or more institutions of higher education governed by the
25 board that support nuclear energy workforce programs.
26 3. Beginning January 15, 2028, and each January 15
27 thereafter, the board shall submit a report to the general
28 assembly regarding the progress and implementation of
29 the nuclear energy workforce programs established at the
30 institutions governed by the board. The reports shall include
31 but are not limited to the numbers of students and educators
32 participating in the programs and the allocation of funds
33 appropriated for the programs.
34 Sec. 2. Section 423.3, subsection 80, paragraph c, Code
35 2026, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (3) (a) With regard to a written contract with a designated exempt entity described in paragraph *"a"*, subparagraph (1), that is a nuclear electric generation facility, the sales price of building materials, supplies, equipment, or services is exempt from tax by this subsection only to the extent the building materials, supplies, equipment, or services in the performance of the construction contract are completely consumed in the activities prior to the ending of the sales tax exemption associated with the applicable unit of the facility pursuant to subsection 111.

(b) This subparagraph is repealed July 1, 2051.

Sec. 3. Section 423.3, Code 2026, is amended by adding the following new subsection:

NEW SUBSECTION. 111. *a.* (1) The sales price of tangible personal property or specified digital products sold to or of services furnished to a nuclear electric generation facility directly and primarily used in any of the following activities:

(a) Site preparation.

(b) Construction.

(c) Reconstruction.

(d) Expansion.

(e) Replacement.

(f) Alteration.

(g) Repair.

(h) Safe storage.

(i) Restarting after a period of decommissioning of the nuclear electric generation facility.

(2) For a nuclear electric generation facility that is undertaking an activity described in subparagraph (1), subparagraph division (i), the exemption applies to the sales price of tangible personal property or specified digital products sold to or of services furnished to such a facility occurring on or after January 1, 2026, and ends when the nuclear electric generation facility begins or restarts commercial operation.

(3) For all other activities that do not apply under subparagraph (2), the exemption applies to the sales price of tangible personal property or specified digital products sold to or of services furnished to a nuclear electric generation facility when permissible in the agreement under paragraph *"c"*, and ends when the nuclear electric generation facility begins or restarts commercial operation.

(4) This exemption applies to the sales price of tangible personal property or specified digital products sold to or of services furnished to a nuclear electric generation facility that are directly and primarily used in the activities described in this paragraph *"a"* such that the activity results in a new nuclear electric generation facility, an increased nameplate capacity for an existing nuclear electric generation facility, or the restart of a decommissioned nuclear electric generation facility.

b. (1) During the period the nuclear electric generation facility is receiving the exemption under this subsection not to exceed four years of the exemption period, and as a condition of receiving the exemption under this subsection, the nuclear electric generation facility shall make an annual contribution to the nuclear energy workforce fund created in section 262.101, in the amount of two thousand two hundred dollars for each megawatt of nameplate capacity the nuclear electric generation facility is approved to produce by the Iowa utilities commission. The contribution shall be made to the department for deposit into the nuclear energy workforce fund created in section 262.101 during the exemption period the annual contribution is required.

(2) The nuclear electric generation facility shall repay the aggregate amount of the sales and use tax exemptions and refunds claimed in the calendar year for which the nuclear electric generation facility did not make the required contribution. Any repayment shall be considered a tax payment due and payable to the department by the nuclear electric

generation facility, and the failure to make the repayment may be treated by the department in the same manner as a failure to pay the tax shown due, or required to be shown due, with the filing of a return or deposit form.

c. The nuclear electric generation facility shall enter into an agreement with the economic development authority. The agreement must include all of the following information:

(1) The person entering into the agreement with the authority.

(2) (a) The date when a nuclear electric generation facility is eligible for the exemption under this subsection.

(b) For a nuclear electric generation facility that is undertaking an activity described in paragraph *"a"*, subparagraph (1), subparagraph division (i), eligibility for the exemption as described in this subsection begins January 1, 2026.

(3) The date on which commercial operation of the facility is expected to commence.

(4) The date on which the repayment provision in paragraph *"f"* is triggered.

(5) Approval of the nameplate capacity for the nuclear electric generation facility by the Iowa utilities commission.

(6) The due date for the contributions required by paragraph *"b"*.

(7) Proof of the initial contribution required by paragraph *"b"*.

d. The nuclear electric generation facility shall file an annual report with the department due on the next January 31 after entering the agreement under paragraph *"c"*, and by each January 31 thereafter, until such time that the nuclear electric generation facility no longer qualifies for the exemption. The report shall contain all of the following information:

(1) The aggregate sales price amount of exempt tangible personal property or digital products sold and services

1 furnished from the previous calendar year under this
2 subsection, including for information purposes only, tangible
3 personal property, specified digital products, and services
4 that are also exempt under another subsection of this section.
5 (2) Evidence the nuclear electric generation facility made
6 the contribution required by paragraph *"b"*.
7 (3) Any other information required by the department.
8 *e.* A nuclear electric generation facility shall notify
9 the department within thirty days of the date of delivering
10 notification to the applicable regional transmission operators
11 that commercial operation has been achieved.
12 *f.* A nuclear electric generation facility that does not
13 commence or restart commercial operation within twelve and
14 one-half years of the later of the issuance of the certificate
15 of public convenience, use, and necessity under chapter 476A
16 for the applicable unit of the facility or the placement
17 of the first safety-related concrete for such unit shall
18 repay the entire amount of the sales and use tax exemptions
19 the nuclear electric generation facility claimed under this
20 subsection and refunds claimed under section 423.4, subsection
21 1, and the entire amount of sales and use tax exemptions
22 that contractors, subcontractors, and builders claimed for
23 building materials, supplies, equipment, and services in the
24 performance of a written construction contract with the nuclear
25 electric generation facility under subsection 80, reduced by
26 any contribution made under paragraph *"b"* of this subsection.
27 Any repayment shall be considered a tax payment due and payable
28 to the department by the nuclear electric generation facility,
29 and the failure to make the repayment may be treated by the
30 department in the same manner as a failure to pay the tax shown
31 due, or required to be shown due, with the filing of a return or
32 deposit form.
33 *g.* The department shall issue guidance within thirty
34 days of the effective date of this Act regarding acceptable
35 documentation for exemption qualification and exemption

1 certificate procedures.
2 *h.* The department may adopt rules pursuant to chapter 17A
3 to administer this subsection.
4 *i.* As used in this subsection:
5 (1) *"Commercial operation"* means the date on which a nuclear
6 electric generation facility delivers notification to the
7 applicable regional transmission operator that the nuclear
8 electric generation facility has begun operating.
9 (2) *"Nuclear electric generation facility"* means a facility
10 commencing or restarting commercial operations of at least
11 one unit of the facility on or after January 1, 2028, that is
12 located in this state, uses nuclear fission, fusion, or other
13 nuclear processes to generate electricity for sale or for use
14 in the transmission or distribution grid and is licensed by
15 the federal nuclear regulatory commission. A *"nuclear electric*
16 *generation facility"* includes facilities undergoing restart
17 after a decommissioning period and facilities in advanced
18 stages of development or obtaining federal licensing from
19 the United States nuclear regulatory commission. A *"nuclear*
20 *electric generation facility"* includes all of the following:
21 (a) Nuclear reactors, reactor fuel cores, reactor vessels,
22 steam generators, heat exchangers, turbine systems, control
23 rods, instrumentation, cooling systems, fuel handling and
24 storage systems, radiation shielding, radiation sources and
25 other primary nuclear generation components, and spent fuel
26 storage.
27 (b) Structures and buildings housing nuclear generation
28 systems, including containment buildings, auxiliary buildings,
29 cooling towers, water intake or discharge structures, and
30 on-site storage facilities directly related to nuclear
31 operations.
32 (c) Electrical generation and transformation equipment,
33 including turbines, generators, switchgear, transformers,
34 inverters, transmission structures, conductors, substations,
35 and associated power conditioning and control equipment.

(d) Equipment and systems used for safety, security, radiation monitoring, emergency power, operator training, maintenance training, safety-related equipment storage, and warehousing.

(e) Environmental protection required for operation of the facility.

(f) System materials, components, equipment, storage, structures, and buildings associated with integrated systems that enhance the flexibility of the system in delivering energy to the electrical grid, including but not limited to the following:

(i) Systems that store and utilize thermal energy or electrical energy from the nuclear electric generating facility prior to delivering energy to the grid.

(ii) Energy storage systems that utilize a transmission system interconnection to the same physical substation as the nuclear electric generating facility.

(g) Materials, supplies, and components permanently incorporated into or consumed in the construction, repair, or maintenance of a nuclear electric generation facility.

(h) Digital control systems, software, cybersecurity, infrastructure, and physical security systems and equipment used in the safe and compliant operation of the nuclear electric generation facility.

(i) Equipment, materials, systems, and services required to restart operations at a previously operational nuclear electric generation facility that has ceased commercial operation, including but not limited to refurbishment, modernization, regulatory compliance upgrades, and relicensing activities.

(3) *"Site preparation"* means the same as *"site preparation activities"* defined in subsection 95, paragraph *"f"*.

j. This subsection is repealed on July 1, 2051.

Sec. 4. Section 423.4, subsection 1, paragraph a, Code 2026, is amended by adding the following new subparagraph:

NEW SUBPARAGRAPH. (11) (a) A nuclear electric generation

1 facility as defined in section 423.3, subsection lll.
2 (b) This subparagraph is repealed July 1, 2051.
3 Sec. 5. APPLICABILITY. Except as otherwise provided, this
4 Act applies to tangible personal property or specified digital
5 projects sold to or of services furnished to a nuclear electric
6 generation facility when permissible under section 423.3,
7 subsection lll, paragraph "c", if enacted by this Act.
8 Sec. 6. RETROACTIVE APPLICABILITY. This Act applies
9 retroactively to January 1, 2026, for tangible personal
10 property or specified digital projects sold to or of services
11 furnished to a nuclear electric generation facility that is
12 undertaking an activity described in section 423.3, subsection
13 lll, paragraph "a", subparagraph (1), subparagraph subdivision
14 (i), if enacted by this Act.>
15 2. Title page, by striking lines 1 through 4 and inserting
16 <An Act relating to nuclear electric generation facilities
17 by creating sales and use tax exemptions and refunds, making
18 appropriations to the state board of regents for establishing
19 and maintaining a nuclear energy workforce, making penalties
20 applicable, and including applicability and retroactive
21 applicability provisions.>