

**NINETIETH GENERAL ASSEMBLY
2023 REGULAR SESSION
DAILY
HOUSE CLIP SHEET**

May 5, 2023

Clip Sheet Summary

Displays all amendments, fiscal notes, and conference committee reports for previous day.

Bill	Amendment	Action	Sponsor
HF 660	H-1367		RECEIVED FROM THE SENATE
SF 574	H-1368		THOMSON of Floyd

Fiscal Notes

[HF 710](#) — [Sports Wagering Receipt and County Endowment Funds \(LSB1521HZ.1\)](#)

SENATE AMENDMENT TO
HOUSE FILE 660

H-1367

1 Amend House File 660, as passed by the House, as follows:

2 1. Page 1, before line 1 by inserting:

3 <Section 1. Section 331.423, subsection 2, paragraph b,
4 subparagraph (3), subparagraph division (a) , subparagraph
5 subdivision (i), if enacted by 2023 Iowa Acts, House File 718,
6 section 2, is amended to read as follows:

7 (i) In addition to the limitation under subparagraph (2),
8 if the county's actual levy rate imposed under this paragraph
9 for the current fiscal year is three dollars and ninety-five
10 cents or less per thousand dollars of assessed value and the
11 total assessed value used to calculate taxes for rural county
12 services under this paragraph for the budget year exceeds
13 one hundred three percent, but is less than one hundred six
14 percent, of the total assessed value used to calculate taxes
15 for rural county services for the current fiscal year, the levy
16 rate imposed under this subsection 2 for the budget year shall
17 not exceed a rate per thousand dollars of assessed value that
18 is equal to one thousand multiplied by the quotient of the
19 current fiscal year's actual property tax dollars certified for
20 levy under this subsection 2 divided by one hundred two percent
21 of the total assessed value used to calculate taxes for rural
22 county services for the current fiscal year.

23 Sec. ____ . Section 331.423, subsection 2, paragraph b,
24 subparagraph (3), subparagraph division (b), subparagraph
25 subdivision (i), if enacted by 2023 Iowa Acts, House File 718,
26 section 2, is amended to read as follows:

27 (i) In addition to the limitation under subparagraph (2),
28 if the county's actual levy rate imposed under this subsection
29 2 for the current fiscal year is three dollars and ninety-five
30 cents or less per thousand dollars of assessed value and the
31 total assessed value used to calculate taxes for rural county
32 services under this paragraph for the budget year is equal
33 to or exceeds one hundred six percent of the total assessed
34 value used to calculate taxes for rural county services for
35 the current fiscal year, the levy rate imposed under this

H-1367 (Continued)

1 subsection 2 for the budget year shall not exceed a rate
2 per thousand dollars of assessed value that is equal to one
3 thousand multiplied by the quotient of the current fiscal
4 year's actual property tax dollars certified for levy under
5 this subsection 2 divided by one hundred three percent of the
6 total assessed value used to calculate taxes for rural county
7 services for the current fiscal year.>

8 2. By striking page 1, line 27, through page 2, line 7.

9 3. Title page, line 1, after <facility> by inserting <and
10 making tax provision corrections>

11 4. By renumbering as necessary.

H-1367 FILED MAY 4, 2023

SENATE FILE 574

H-1368

1 Amend Senate File 574, as passed by the Senate, as follows:

2 1. Page 1, before line 1 by inserting:

3 <DIVISION I
4 MEGA PROGRAM>

5 2. Page 1, line 29, by striking <15.289> and inserting
6 <15.291>

7 3. Page 15, after line 31 by inserting:

8 <Sec. _____. NEW SECTION. **15.290A Security requirements.**

9 An eligible business shall be required to post, as security
10 for any default by the eligible business under the program,
11 cash or negotiable securities having a fair market value
12 of an amount equal to not less than twenty-five percent of
13 the aggregate value of all tax incentives authorized by the
14 board for the eligible business under the program. The cash
15 or negotiable securities shall be deposited in a financial
16 institution that is chartered in Iowa, and shall be posted on
17 or before the date that the first tax credit certificate is
18 issued to the eligible business.

19 DIVISION ____

20 STATE INSTITUTIONS OF HIGHER EDUCATION — PROHIBITION ON
21 PRODUCTS, TRADEMARKS, AND LOGOS

22 Sec. _____. NEW SECTION. **261J.1 Businesses in support of**
23 **China — prohibitions.**

24 1. For the purposes of this chapter, “*institution*” means
25 an institution of higher education governed by the board of
26 regents.

27 2. A person who knowingly wears or displays a product made
28 by nike, inc., or a product that displays a trademark or logo
29 associated with nike, inc., while the person is acting in a
30 capacity that represents an institution is guilty of a simple
31 misdemeanor. Notwithstanding section 903.1, the penalty for a
32 person who violates this subsection prior to January 1, 2028,
33 shall not exceed five dollars and no jail sentence shall be
34 imposed.

35 3. On or before August 14, 2023, the state board of regents

1 shall remove all public displays of nike, inc., paraphernalia,
2 including uniforms and athletic wear made by nike, inc., or
3 bearing a nike, inc., logo or trademark, from each institution.
4 Beginning August 15, 2023, for each month an institution is
5 found to be in violation of this subsection, notwithstanding
6 the appropriation made to the institution for the fiscal year,
7 ten million dollars of the institution's appropriated moneys
8 shall revert to the general fund of the state per month the
9 violation continues.

10 Sec. _____. ENUMERATED HUMAN RIGHTS — PUBLIC INTEREST IN
11 STATE IMAGE — LEGISLATIVE FINDINGS.

12 1. The general assembly finds that the Constitution of the
13 State of Iowa expresses the importance of certain fundamental
14 human rights. Among these rights are the right to freely
15 choose religion, the right to due process of law, the right
16 to equal protection under the law, the right to be free of
17 arbitrary and capricious regulations and criminal laws, the
18 right to free speech, the right to personal property, the right
19 to free exchange of goods and ideas, and the right to be free of
20 government coercion in private affairs.

21 2. The general assembly further finds that the uniforms
22 worn by athletes of various universities under the purview of
23 the state board of regents are highly visible in a variety
24 of media and create a part of the public image of this state
25 and its citizens. Additionally, the state's public image has
26 tremendous value, as a positive image greatly enhances the
27 state's ability to trade and work with economic partners. As
28 such, this state and its citizens have an interest to ensure
29 that the brands and ideas these uniforms project are not
30 contrary to the fundamental principles embraced by this state
31 and its people.

32 3. The general assembly further finds that the de facto
33 government operating in mainland China is hostile to virtually
34 all fundamental principles expressed in these legislative
35 findings, and nike, inc., through its business operations

1 in mainland China, has associated its image publicly as a
2 supporter of the mainland Chinese government, the mainland
3 Chinese economy, and the mainland China de facto government's
4 principles.

5 4. The general assembly further finds that a display of
6 Nike's trademarks and logos might be construed as approval of
7 Nike's actions, including its support of the mainland China de
8 facto government and its abuses of human rights. Therefore,
9 any public or prominent association between Nike and this state
10 is highly inappropriate.

11 DIVISION _____

12 PEOPLE'S REPUBLIC OF CHINA — PRODUCTS AND SERVICES

13 Sec. _____. NEW SECTION. 423H.1 Purpose.

14 The purpose of this chapter is to mitigate the special injury
15 incurred by the public from the sale of products made by or
16 on services furnished from the People's Republic of China and
17 other repressive countries around the world.

18 Sec. _____. NEW SECTION. 423H.2 Definitions.

19 As used in this chapter:

20 1. "Department" means the department of revenue.

21 2. "Director" means the director of revenue.

22 3. "People's Republic of China" includes any province,
23 region, municipality, or autonomous region of the People's
24 Republic of China.

25 4. "Product or service" means any tangible personal
26 property, specified digital product, or service that is subject
27 to tax under chapter 423.

28 5. "Repressive country" means a country designated a prison
29 state by a joint resolution enacted by the general assembly and
30 signed by the governor.

31 Sec. _____. NEW SECTION. 423H.3 Special mitigation excise
32 tax.

33 An excise tax of thirty percent shall be imposed on the sales
34 price from the sale of any product or service made or sold by
35 the People's Republic of China or another repressive country.

1 Sec. ____ . NEW SECTION. **423H.4 Administration by director.**

2 1. The director of revenue shall administer the special
3 mitigation excise tax as nearly as possible in conjunction with
4 the administration of the state sales and use tax law, except
5 that portion of the law that implements the streamlined sales
6 and use tax agreement. The director shall provide appropriate
7 forms, or provide on the regular state tax forms, for reporting
8 tax liability, and for ease of administration may require
9 tax liability to be identified, reported, and remitted to
10 the department as sales and use tax liability, provided the
11 department has the ability to properly identify such amounts as
12 special mitigation excise tax revenues upon receipt.

13 2. The director may require all persons who are engaged
14 in the business of deriving any sales price or purchase
15 price subject to tax under this chapter to register with
16 the department. The director may also require a tax permit
17 applicable only to this chapter for any retailer not
18 collecting, or any user not paying, taxes under chapter 423.

19 3. Section 422.25, subsection 4, sections 422.30, 422.67,
20 and 422.68, section 422.69, subsection 1, sections 422.70,
21 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
22 1, and sections 423.23, 423.24, 423.25, 423.31 through
23 423.35, 423.37 through 423.42, and 423.47, consistent with
24 the provisions of this chapter, shall apply with respect to
25 the tax authorized under this chapter, in the same manner and
26 with the same effect as if the special mitigation excise taxes
27 were retail sales taxes within the meaning of those statutes.
28 Notwithstanding this subsection, the director shall provide for
29 monthly filing of returns and for other than monthly filing
30 of returns both as prescribed in section 423.31. All taxes
31 collected under this chapter by a retailer or any user are
32 deemed to be held in trust for the state of Iowa.

33 Sec. ____ . NEW SECTION. **423H.5 Deposit of revenues.**

34 All moneys received and all refunds shall be deposited in or
35 withdrawn from the general fund of the state.

1 the People's Republic of China shall not acquire by grant,
2 purchase, devise, or descent any real property located in
3 this state. Legal entities, including but not limited to
4 trusts, holding companies, multiple corporations, and other
5 business arrangements, shall not affect the determination of
6 ownership or control of the foreign business. If a corporation
7 incorporated under the laws of the government of the People's
8 Republic of China, or a business entity whether or not
9 incorporated, in which a majority interest is owned directly
10 or indirectly by nonresident aliens from the People's Republic
11 of China owns or holds real property in this state on July 1,
12 2023, the corporation or business entity shall divest itself
13 of all right, title, and interest in the real property before
14 December 31, 2023.

15 4. Notwithstanding subsection 1, effective July 1, 2023, a
16 company or a person under the control of the communist party
17 of China shall not acquire by grant, purchase, devise, or
18 descent any real property located in this state. If a company
19 or a person under the control of the communist party of China
20 owns or holds real property in this state on July 1, 2023, the
21 company or person shall divest itself of all right, title, and
22 interest in the real property before December 31, 2023.

23 Sec. ____. Section 9I.3, Code 2023, is amended by adding the
24 following new subsection:

25 NEW SUBSECTION. 5. *a.* Notwithstanding subsections 1, 2, 3,
26 and 4, the government of the People's Republic of China shall
27 not purchase or otherwise acquire agricultural land in this
28 state. If the government of the People's Republic of China
29 owns or holds agricultural land in this state on July 1, 2023,
30 the government of the People's Republic of China shall divest
31 itself of all right, title, and interest in the agricultural
32 land before December 31, 2023.

33 *b.* Notwithstanding subsections 1, 2, 3, and 4, a corporation
34 incorporated under the laws of the government of the People's
35 Republic of China, or a business entity whether or not

1 incorporated, in which a majority interest is owned directly or
2 indirectly by nonresident aliens from the People's Republic of
3 China shall not purchase or otherwise acquire agricultural land
4 in this state. If a corporation incorporated under the laws of
5 the government of the People's Republic of China, or a business
6 entity whether or not incorporated, in which a majority
7 interest is owned directly or indirectly by nonresident aliens
8 from the People's Republic of China owns or holds agricultural
9 land in this state on July 1, 2023, the corporation or business
10 entity shall divest itself of all right, title, and interest in
11 the agricultural land before December 31, 2023.

12 c. Notwithstanding subsections 1, 2, 3, and 4, a company
13 or a person under the control of the communist party of China
14 shall not purchase or otherwise acquire agricultural land in
15 this state. If a company or a person under the control of the
16 communist party of China owns or holds agricultural land in
17 this state on July 1, 2023, the company or person shall divest
18 itself of all right, title, and interest in the agricultural
19 land before December 31, 2023.

20 Sec. _____. Section 9I.5, Code 2023, is amended to read as
21 follows:

22 **9I.5 Land acquired by devise or descent.**

23 1. A nonresident alien, foreign business or foreign
24 government, or an agent, trustee or fiduciary thereof, which
25 acquires agricultural land or an interest in agricultural
26 land, by devise or descent after January 1, 1980, shall divest
27 itself of all right, title and interest in the land within two
28 years from the date of acquiring the land or interest. This
29 section shall not require divestment of agricultural land or an
30 interest in agricultural land, acquired by devise or descent
31 from a nonresident alien, if such land or an interest in such
32 land was acquired by any nonresident alien prior to July 1,
33 1979.

34 2. If the government of the People's Republic of China,
35 acquired real property or an interest in real property by

1 devise or descent on or before July 1, 2023, the government
2 of the People's Republic of China shall divest itself of all
3 right, title, and interest in the land before December 31,
4 2023.

5 3. If a corporation incorporated under the laws of the
6 government of the People's Republic of China, or a business
7 entity whether or not incorporated, in which a majority
8 interest is owned directly or indirectly by nonresident aliens
9 from the People's Republic of China, acquired real property or
10 an interest in real property by devise or descent on or before
11 July 1, 2023, the corporation or business entity shall divest
12 itself of all right, title, and interest in the land before
13 December 31, 2023.

14 4. If a company or a person under the control of the
15 communist party of China acquired real property or an interest
16 in real property by devise or descent on or before July 1,
17 2023, the company or person shall divest itself of all right,
18 title, and interest in the agricultural land before December
19 31, 2023.

20 Sec. ____ . Section 9I.6, Code 2023, is amended to read as
21 follows:

22 **9I.6 Change of status — divestment.**

23 1. A person or business which purchases or otherwise
24 acquires agricultural land in this state except by devise or
25 descent, after January 1, 1980, and whose status changes so
26 that it becomes a foreign business or nonresident alien subject
27 to this chapter, shall divest itself of all right, title and
28 interest in the land within two years from the date that its
29 status changed.

30 2. A person or business which purchased or otherwise
31 acquired real property in this state except by devise or
32 descent, and whose status changed so that the person or
33 business is affiliated in any way with the government of the
34 People's Republic of China or the communist party of China,
35 shall divest itself of all right, title, and interest in the

1 land before December 31, 2023.

2 3. A person or business which purchased or otherwise
3 acquired real property in this state except by devise
4 or descent, and whose status changed so that the person
5 or business is affiliated in any way with a corporation
6 incorporated under the laws of the government of the People's
7 Republic of China or the communist party of China, shall divest
8 itself of all right, title, and interest in the land before
9 December 31, 2023.

10 Sec. _____. Section 9I.10, Code 2023, is amended to read as
11 follows:

12 **9I.10 Enforcement.**

13 1. a. If the secretary of state finds that a nonresident
14 alien, foreign business, foreign government, or an agent,
15 trustee, or other fiduciary thereof, has acquired or holds
16 title to or interest in agricultural land in this state in
17 violation of this chapter or has failed to timely register as
18 required under section 9I.7 or has failed to timely report as
19 required under section 9I.8, the secretary shall report the
20 violation to the attorney general.

21 b. If a county recorder finds that the government of the
22 People's Republic of China has acquired or holds title to or
23 interest in real property located in this state in violation of
24 this chapter, the county recorder shall report the violation
25 to the attorney general.

26 c. If a county recorder finds that a corporation
27 incorporated under the laws of the government of the People's
28 Republic of China, or a business entity whether or not
29 incorporated, in which a majority interest is owned directly
30 or indirectly by nonresident aliens from the People's Republic
31 of China has acquired or holds title to or interest in real
32 property in this state in violation of this chapter, the county
33 recorder shall report the violation to the attorney general.

34 d. If a county recorder finds that a company or person under
35 the control of the communist party of China has acquired or

1 holds title to or interest in real property in this state in
2 violation of this chapter, the county recorder shall report the
3 violation to the attorney general.

4 2. a. Upon receipt of ~~the~~ a report from the secretary of
5 state or a county recorder under subsection 1, the attorney
6 general shall initiate an action in the district court of any
7 county in which the land is located.

8 ~~3.~~ b. The attorney general shall file a notice of the
9 pendency of the action with the recorder of deeds of each
10 county in which any of the land is located. If the court
11 finds that the land in question has been acquired or held in
12 violation of this chapter or the required registration has not
13 been timely filed, it shall enter an order so declaring and
14 shall file a copy of the order with the recorder of deeds of
15 each county in which any portion of the land is located.

16 Sec. _____. NEW SECTION. 9I.13 Ultimate beneficial owner —
17 presumption.

18 If the ultimate beneficial owner of any real property
19 located in this state cannot be one hundred percent determined,
20 the presumption shall be that the real property is owned by a
21 resident of the People's Republic of China.

22 Sec. _____. NEW SECTION. 9I.14 Foreign lands administration
23 tax.

24 Effective January 1, 2024, a monthly foreign lands
25 administrative tax of ten percent of the fair market value of
26 any real property in this state that is owned by a company or a
27 person under the control of the communist party of China, the
28 government of the People's Republic of China, a corporation
29 incorporated under the laws of the government of the People's
30 Republic of China, or a business entity whether or not
31 incorporated, in which a majority interest is owned directly
32 or indirectly by nonresident aliens from the People's Republic
33 of China, or an ultimate beneficial owner under section 9I.13
34 shall be charged to the owner and shall be a lien on the real
35 property.

1 Sec. ____ . NEW SECTION. **9I.15 Tax sale.**

2 Notwithstanding any law to the contrary, on December
3 1, 2024, the county treasurer of each county in which real
4 property is located on which the foreign lands administrative
5 tax under section 9I.14 is delinquent, shall offer such real
6 property at public sale pursuant to chapter 446.

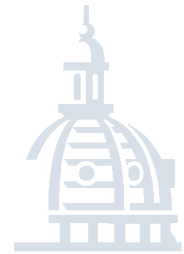
7 Sec. ____ . NEW SECTION. **9I.16 Treasurer of state —**
8 **administrator of trust.**

9 Notwithstanding any law to the contrary, on January 1, 2025,
10 any real property located in this state that is owned by a
11 company or a person under the control of the communist party
12 of China, the government of the People's Republic of China, a
13 corporation incorporated under the laws of the government of
14 the People's Republic of China, or a business entity whether
15 or not incorporated, in which a majority interest is owned
16 directly or indirectly by nonresident aliens from the People's
17 Republic of China, or an ultimate beneficial owner under
18 section 9I.13, shall be placed in a trust administered by the
19 treasurer of state. The Iowa public employees' retirement
20 system shall be the beneficiary of the trust.>

21 4. Title page, line 3, by striking <and providing penalties>
22 and inserting <establishing certain restrictions on specific
23 commercial activities, and providing penalties>

24 5. By renumbering as necessary.

By THOMSON of Floyd



HF 710 – Sports Wagering Receipt and County Endowment Funds (LSB1521HZ.1)
 Staff Contact: Maria Wagenhofer (515.281.5270) maria.wagenhofer@legis.iowa.gov
 Fiscal Note Version – As amended by Senate amendment [H-1364](#)

Description

[House File 710](#) as amended appropriates \$7.0 million in FY 2023 from the Sports Wagering Receipts Fund (SWRF) to the General Fund for purposes of the Endow Iowa Tax Credit Program. This provision is effective upon enactment.

The Bill as amended also increases the maximum amount of tax credits authorized for tax year (TY) 2023 from \$6.0 million to \$13.0 million for the Endow Iowa Tax Credit. This provision takes effect upon enactment and applies retroactively to January 1, 2023.

House File 710 as amended provides that the changes made in 2022 Iowa Acts, chapter [1002](#), to the maximum amount of tax credits authorized for the Endow Iowa Tax Credit do not apply to endowment gifts made to an Endow Iowa qualified foundation prior to January 1, 2023. This provision takes effect upon enactment and applies retroactively to January 1, 2023.

Background

The SWRF was established in FY 2020 by 2019 Iowa Acts, chapter [132](#) (Sports Wagering and Fantasy Sports Act), which authorized sports wagering and fantasy sports contests in the State. The Fund receives sports wagering taxes and Internet fantasy sports contest taxes. **Table 1** includes the FY 2020, FY 2021, FY 2022, and FY 2023 year-to-date revenue and appropriations from the SWRF.

Table 1 — Sports Wagering Receipts Fund				
	FY 2020	FY 2021	FY 2022	FY 2023*
Revenue				
Beginning Account Balance	\$ 0	\$ 1,499,735	\$ 5,846,701	\$ 12,228,656
Pari-Mutuel Receipts	1,788,241	6,091,872	9,603,539	10,450,866
Interest	11,494	5,094	28,416	271,769
Total Revenues	\$ 1,799,735	\$ 7,596,701	\$ 15,478,656	\$ 22,951,291
Appropriations				
Sports Tourism Program	\$ 0	\$ 0	\$ 1,500,000	\$ 1,500,000
Gambling Treatment Program	300,000	1,750,000	1,750,000	1,750,000
Other	0	0	0	0
Total Appropriations	\$ 300,000	\$ 1,750,000	\$ 3,250,000	\$ 3,250,000
Reversion	0	0	0	0
Ending Balance	\$ 1,499,735	\$ 5,846,701	\$ 12,228,656	\$ 19,701,291

Source: Integrated Information for Iowa (I/3)
 *Year-to-date as of May 3, 2023.

The Endow Iowa Tax Credit is equal to 25.0% of a taxpayer’s gift to a permanent endowment fund within a qualified community foundation or community affiliate organization for the benefit of Iowa charitable causes. The tax credit is allowed up to \$100,000 of the aggregate annual award limit for a single taxpayer. Ten percent of the aggregate annual award limit each year is reserved for gifts in amounts of \$30,000 or less, but after September 1, if the entire 10.0% amount is not awarded, the remaining tax credits are available to any gift size.

The Iowa Economic Development Authority (IEDA) awards credits up to a fiscal year cap that is currently at \$6.0 million. The tax credit can be claimed against corporate income tax, individual income tax, franchise tax, insurance premium tax, and moneys and credits taxes. Credits are awarded on a first-come, first-served basis.

Assumptions

- The full amount of the annual cap will be awarded for TY 2023.
- Tax credits will begin to be awarded in 2023 to be first claimed against corporate income, individual income, franchise, insurance premium, and moneys and credits taxes.
- Initial fiscal impact for claims under the Bill will occur in FY 2024.
- The tax credit is nonrefundable, and any credit in excess of the tax liability may be carried forward for up to five years.
- Based on Department of Revenue historical claim data, 84.3% of the tax credit awards will be claimed. The following timing of claims is assumed:
 - Year 0: 0.2% of awards claimed
 - Year 1: 40.5% of awards claimed
 - Year 2: 30.6% of awards claimed
 - Year 3: 6.0% of awards claimed
 - Year 4: 3.1% of awards claimed
 - Year 5: 1.4% of awards claimed
 - Year 6: 2.2% of awards claimed
 - Year 7: 0.3% of awards claimed
- According to the Department of Revenue, it is estimated that school district surtax collected will be reduced by 2.5% due to the change in individual income tax liability.

Fiscal Impact

Table 3 includes the fiscal impact to the Sports Wagering Receipts Fund and General Fund for FY 2023 through FY 2028 when including the increase to the General Fund from the sports wagering tax appropriation and the anticipated timing of the Endow Iowa Tax Credit award claims from the increased award limit.

Table 2 — Fiscal Impact by Fund
(in millions)

	Sports Wagering Receipts Fund	General Fund
FY 2023	\$ -7.0	\$ 7.0
FY 2024	0.0	-2.8
FY 2025	0.0	-2.1
FY 2026	0.0	-0.4
FY 2027	0.0	-0.2
FY 2028	0.0	-0.1

The following decreases in school district surtax collected are estimated:

- FY 2024: \$71,000
- FY 2025: \$54,000
- FY 2026: \$11,000
- FY 2027: \$5,000
- FY 2028: \$2,000

Sources

Department of Revenue

Integrated Information for Iowa (I/3)

Iowa Racing and Gaming Commission sports wagering revenue [reports](#)

LSA analysis and calculations

/s/ Jennifer Acton

May 4, 2023

Doc ID 1374002

The fiscal note for this Bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

www.legis.iowa.gov