NINETIETH GENERAL ASSEMBLY 2024 REGULAR SESSION DAILY HOUSE CLIP SHEET February 22, 2024

Clip Sheet Summary

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

Bill	Amendment	Action	Sponsor
HF 2257	<u>H-8035</u>	Filed	SEXTON of Calhoun
<u>HF 2402</u>	<u>H-8033</u>	Filed	WILZ of Wapello
HF 2551	<u>H-8036</u>	Filed	MOMMSEN of Clinton
HF 2584	<u>H-8037</u>	Filed	DIEKEN of O'Brien
HF 2584	<u>H-8038</u>	Filed	DIEKEN of O'Brien
HF 2584	<u>H-8039</u>	Filed	DIEKEN of O'Brien
HF 2585	<u>H-8034</u>	Filed	MOORE of Cass
HF 2613	<u>H-8040</u>	Filed	STECKMAN of Cerro Gordo

Fiscal Notes

<u>HF 2489</u> — <u>Insurance, Diagnostic Imaging</u> (LSB1437HV)

<u>HF 2613</u> — <u>Supplemental State Aid</u> (LSB6305HV)

H-8035

- 1 Amend House File 2257 as follows:
- 2 l. Page 1, line 16, after <2.> by inserting <a.>
- 3 2. Page 1, after line 29 by inserting:
- 4 <b. (1) Paragraph "a" shall be implemented, including
- 5 administered and enforced by the department of agriculture
- 6 and land stewardship, on and after the publication date of
- 7 the issue of the Iowa administrative bulletin that includes
- 8 a notice by the secretary of agriculture stating any of the
- 9 following:
- 10 (a) Federal law, including a statute or regulation, allows
- 11 for the implementation.
- 12 (b) The United States department of agriculture has
- 13 delivered to the department of agriculture and land stewardship
- 14 an official approval of the implementation in writing.
- 15 (2) The department of agriculture and land stewardship
- 16 shall send a copy of the notice to the Iowa Code editor at
- 17 least two weeks prior to the publication date of the Iowa
- 18 administrative bulletin as described in subparagraph (1).
- 19 (3) This paragraph is repealed on the date that paragraph
- 20 "a" is implemented.>
- 21 3. Title page, line 4, after <basis> by inserting <, and
- 22 including implementation provisions>

By SEXTON of Calhoun

H-8035 FILED FEBRUARY 21, 2024

н-8035 -1-

H-8033

- Amend the amendment, H-8029, to House File 2402, as follows:
- 2 1. Page 1, line 13, by striking <certificate> and inserting
- 3 <certification>

By WILZ of Wapello

H-8033 FILED FEBRUARY 21, 2024

н-8033 -1-

H-8036

- 1 Amend the amendment, H-8030, to House File 2551, as follows:
- 2 l. Page 3, line 6, by striking <utilities board> and
- 3 inserting <midwest independent system operator or southwest
- 4 power pool>
- 5 2. Page 3, line 8, after <to the> by inserting <utilities>

By MOMMSEN of Clinton

H-8036 FILED FEBRUARY 21, 2024

н-8036 -1-

H-8037

- 1 Amend House File 2584 as follows:
- 2 l. Page 2, after line 22 by inserting:
- 3 <(c) Directions to the hospital nearest the pharmacy</pre>
- 4 location in case of a medical emergency resulting from the use
- 5 of the self-administered hormonal contraceptive.>

By DIEKEN of O'Brien

H-8037 FILED FEBRUARY 21, 2024

н-8037 -1-

H-8038

- 1 Amend House File 2584 as follows:
- 2 l. Page 3, after line 1 by inserting:
- 3 < d. Show the meet baby Olivia video created by live action
- 4 to the patient, obtain written certification from the patient
- 5 that the patient has viewed the video, and retain the written
- 6 certification in the pharmacist's records.>

By DIEKEN of O'Brien

H-8038 FILED FEBRUARY 21, 2024

н-8038 -1-

H-8039

- 1 Amend House File 2584 as follows:
- 2 1. Page 3, after line 34 by inserting:
- 3 <7. A pharmacist who refuses to dispense a</p>
- 4 self-administered hormonal contraceptive against the
- 5 pharmacist's religious or moral convictions is immune from
- 6 civil liability arising from any damages caused by the
- 7 refusal.>
- 8 2. Page 3, line 35, by striking <7.> and inserting <8.>
- 9 3. Page 4, line 5, by striking <8.> and inserting <9.>

By DIEKEN of O'Brien

H-8039 FILED FEBRUARY 21, 2024

н-8039 -1-

H-8034

- 1 Amend House File 2585 as follows:
- 2 l. Page 1, by striking lines 24 and 25 and inserting <or of
- 3 a complaint for which the self-reported incident or complaint
- 4 investigation concluded within the immediately preceding ninety
- 5 calendar days, or is a complaint that may>

By MOORE of Cass

H-8034 FILED FEBRUARY 21, 2024

H-8034 -1-

H-8040

- 1 Amend House File 2613 as follows:
- 2 l. Page 1, line 9, by striking $\langle \underline{th} \text{ree} \rangle$ and inserting $\langle \sin x \rangle$
- 3 2. Page 1, line 22, by striking <three> and inserting <six>

By STECKMAN of Cerro Gordo

H-8040 FILED FEBRUARY 21, 2024

H-8040 -1-



Fiscal Note



Fiscal Services Division

HF 2489 – Insurance, Diagnostic Imaging (LSB1437HV)

Staff Contact: Xavier Leonard (515.725.0509) xavier.leonard@legis.iowa.gov

Fiscal Note Version - New

Description

<u>House File 2489</u> relates to insurance coverage for supplemental and diagnostic breast examinations and does the following:

- Requires a policy, contract, or plan providing for third-party payment or prepayment of health or medical expenses to provide coverage for diagnostic and supplemental breast examinations.
- Prohibits the coverage required by the Bill from being less favorable than coverage a health carrier offers for screening mammograms.
- Permits the Iowa Insurance Division (IID) of the Department of Insurance and Financial Services (DIFS) to adopt rules.

Background

Under the current State of Iowa Plan designs, cost-sharing for preventative and screening mammograms, ultrasounds, and magnetic resonance imaging (MRIs) is cost free to the policy holder in nearly all cases, with mammograms making up the majority of the preventative imaging services covered by the Bill. The same services for diagnostic purposes apply planspecific cost-sharing, and the shifting of these cost-shares from plan members to the plan may result in an increase in claim spend.

House File 2489 is estimated to impact approximately 25.2% of the population of Iowa (807,000). This includes individual coverage, fully insured small and large employer groups, self-insured public employees, and the State of Iowa Plan.

Of the individuals not covered by the mandate, approximately 47.9% are covered by government-sponsored health insurance, 23.0% are covered by employer coverage that is governed by the federal Employee Retirement Income Security Act of 1974 (ERISA), and the remaining 3.9% are uninsured. Additional details are presented in **Figure 1**.

Figure 1 — Population Covered by Insurance Plans Regulated by Iowa Law

	lowa	Percent of
Type of Coverage	Population	Population
Total Population 2022	3,200,517	100.0%
Included in Mandate		
Individual Coverage	102,399	3.2%
Fully Insured Small Employer Group	140,349	4.4%
Fully Insured Large Employer Group	294,013	9.2%
Self-Insured Public Employees	215,000	6.7%
State of Iowa Plan	55,000	1.7%
Total	806,761	25.2%
Not Included in Mandate		
Employer (self-insured + other types not listed)	736,868	23.0%
Uninsured	126,000	3.9%
Other Public (Military, Tricare, Veterans Affairs)	21,600	0.7%
Medicare	658,382	20.6%
Medicaid + Children's Health Insurance Plan	850,906	26.6%
Total	2,393,756	74.8%
Source: low a Insurance Division, Department of Insurance and Fi	nancial Services, an	d Wellmark

Assumptions

- The utilization of imaging may increase due to the removal of the requirement of an abnormality for further imaging.
- State of Iowa Plan costs may increase between 0.03% and 0.15%. The lower end of this range is more likely to occur.
- The costs to the Board of Regents Insurance Plans may increase minimally.

Fiscal Impact

House File 2489 is estimated to increase annual costs to the State of Iowa Insurance Plan by an amount ranging between approximately \$100,000 and \$500,000 beginning in FY 2025. It is anticipated that the lower end of this range is more likely to occur; however, the estimated cost cannot be determined. House File 2489 is also estimated to minimally increase annual costs to the Board of Regents Insurance Plans.

Sources

lowa Insurance Division, Department of Insurance and Financial Services

Board of Regents

Wellmark

/s/ Jennifer Acton

February 20, 2024

Doc ID 1447062

The fiscal note for this Bill was prepared pursuant to <u>Joint Rule 17</u> 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.



Fiscal Note



Fiscal Services Division

HF 2613 – Supplemental State Aid (LSB6305HV)

Staff Contact: Ron Robinson (515.281.6256) ron.robinson@legis.iowa.gov

Fiscal Note Version - New

Description

House File 2613 modifies and establishes provisions related to the funding of school districts, including establishing a State supplemental aid (SSA) amount based on a State percent of growth rate and the categorical State percent of growth rate for the budget year beginning July 1, 2024 (FY 2025), and provides for other changes to the school aid formula.

The Bill has three provisions with a fiscal impact. Those provisions do the following:

- Establish a 3.00% State percent of growth rate to be applied to the State cost per pupil (SCPP) for FY 2025, for an SSA of \$229 per pupil.
- Establish a 3.00% State percent of growth rate to be applied to each of the State categorical cost per pupil amounts for FY 2025.
- Provide additional property tax replacement funding based on the per pupil increase that
 results from the establishment of the State percent of growth in FY 2025. The Bill requires
 the additional levy portion of the FY 2025 SCPP amount to be frozen at \$685 per pupil,
 regardless of the per pupil increase for FY 2025.

This Bill specifies that the current requirements that allowable growth rates must be enacted within 30 days of the transmission of the Governor's budget submission, which is required by February 1 during the regular legislative session, do not apply to this Bill.

The Bill takes effect upon enactment.

Background

State Cost Per Pupil. The school aid formula provides funding to school districts and Area Education Agencies (AEAs) through a mix of State aid and property taxes. In general, funding is generated on a per pupil basis, with the per pupil amounts providing an overall budget limitation (or spending authority). Five SCPP funding levels would be increased by a 3.00% State percent of growth for FY 2025 with the enactment of the Bill.

Figure 1 provides the SSA amounts (also referred to as per pupil growth amounts) and SCPP amounts for FY 2025 based on a 3.00% growth rate. The SSA amounts will be applied to all corresponding district and AEA cost per pupil amounts.

Figure 1 — HF 2613

FY 2025 State Cost Per Pupil Calculations

	FY 2024 State Cost Per Pupil		FY 2025 State Percent of Growth	FY 2025 Supplemental State Aid		FY 2025 State Cost Per Pupil	
Regular Program	\$	7,635	3.00%	\$	229	\$	7,864
Special Education Program		7,635	3.00%		229		7,864
AEA Special Education Services		333.59	3.00%		10.01		343.60
AEA Media Services		62.19	3.00%		1.87		64.06
AEA Education Services		68.63	3.00%		2.06		70.69

In addition to the State percent of growth and SSA amounts for FY 2025, enrollments, weightings, and taxable valuations within each school district have an impact on total school aid funding, including the amount of State aid and local property tax required to generate the total funding.

State Categorical Supplements. The State categorical supplements are funded entirely through State aid and generate funds for each school district and AEA through the school aid formula on a per pupil basis. The FY 2025 SCPP funding levels for the teacher salary supplement (district and AEA), professional development supplement (district and AEA), early intervention supplement (district only), and teacher leadership and compensation (TLC) supplement (district only) will be increased by a 3.00% State percent of growth for FY 2025. **Figure 2** provides the per pupil growth amounts and SCPP amounts for FY 2025 based on the Bill.

Figure 2 — HF 2613

FY 2025 State Categorical Cost Per Pupil Calculations

	FY 2024 State Cost Per Pupil		FY 2025 State Percent of Growth	FY 2025 Supplemental State Aid		FY 2025 State Cost Per Pupil	
Teacher Salary – Districts		654.68	3.00%	\$	19.64	\$	674.32
Professional Development – Districts		74.15	3.00%		2.22		76.37
Early Intervention – Districts		80.76	3.00%		2.42		83.18
Teacher Leadership and Compensation – Districts		368.53	3.00%		11.06		379.59
Teacher Salary – AEAs		34.26	3.00%		1.03		35.29
Professional Development – AEAs		4.00	3.00%		0.12		4.12

Additionally, there is a budget guarantee provision for each of the State categorical supplements, which provides each district and AEA with a minimum of the previous fiscal year's level of funding (net of the previous year's budget guarantee amount). This provision for the State categorical supplements is funded entirely through State aid.

Property Tax Replacement Payment (PTRP). 2013 lowa Acts, chapter 121 (Education Reform), included the creation of the PTRP provision to replace local property tax amounts with State aid. The provision froze the additional levy portion of the SCPP at \$750; based on the State percent of growth impact during the intervening fiscal years, this provision created \$15 per pupil in property tax relief in FY 2014 and up to \$153 per pupil in FY 2022. The continual growth is a result of the requirement that the per pupil property tax relief of previous fiscal years be carried forward into future fiscal years.

2022 Iowa Acts, chapter 1001 (Supplemental State Aid — FY 2023), froze the additional levy portion of the SCPP at \$685 due to the Foundation Level increasing to 88.40% from 87.50%. House File 2613 will cause the additional levy portion of the SCPP to be \$685 in FY 2025.

The per pupil property tax relief amount will be based on the State percent of growth impact for FY 2025. **Figure 3** provides details regarding the SCPP funding levels as provided by a 3.00% growth rate for FY 2025 in the Bill.

Figure 3 — HF 2613

FY 2025 Property Tax Replacement Payment Calculation

	F	Y 2024	Supp	se Due to lemental Aid Rate	F۱	7 2025
Regular Program	\$	7,635	\$	229	\$	7,864
Unadjusted Additional Levy		886		26		912
PTRP Portion		201		26		227
Fixed Additional Levy Portion		685		0		685

Transportation Equity Program. Iowa Code section <u>257.16C</u> establishes the Transportation Equity Program. The Program was created to provide additional funding to school districts for public school transportation costs that exceed a statewide adjusted average cost per pupil. Unless otherwise provided, the appropriation increases by the categorical State percent of growth. Transportation equity payments may buy down transportation costs to the statewide average cost per pupil for providing transportation to public schools. If funding permits, school districts with transportation costs per pupil below the statewide average will receive transportation base funding payments on a per capita basis.

Assumptions

- Estimates are based on October 2023 certified enrollments and supplementary weightings for FY 2024, which were approved by the School Budget Review Committee (SBRC) in December 2023.
- A statewide taxable valuation growth rate of 4.73% for FY 2025 was agreed upon by the Legislative Services Agency (LSA) and the Department of Management. Based on this assumed rate, the statewide total for the uniform levy is estimated to account for an increase of \$49.3 million (4.52%) toward the school foundation property tax change in FY 2025. The estimated increase in the uniform levy amount is not affected by the establishment of the State percent of growth rate. Property tax adjustment aid amounts are based on the statewide taxable valuation growth factor applied to each school district's FY 2025 taxable valuation amount.
- Total State aid includes funding from the State General Fund and other funds appropriated
 or deposited in the Property Tax Equity and Relief (PTER) Fund, which is used to provide
 additional property tax relief through the school aid formula.
- Establishing an FY 2025 State percent of growth rate will also affect the amount of funding generated for the Statewide Voluntary Preschool Program. Funding for the Program is provided by State General Fund dollars and is included in the overall State aid total.
- Districts eligible for the 101.00% budget adjustment will approve the use of that provision.
- Other legislation may have an impact on the amount of State aid and property tax generated through the school aid formula.
- The General Fund appropriation to the Transportation Equity Fund will increase by approximately \$0.9 million. The appropriation may grow at the same rate as the categorical SCPP rate in subsequent years.

Fiscal Impact

Figure 4 provides the estimated fiscal impact of the Bill. These provisions include:

- A \$7.5 million reduction¹ in State aid to the AEAs as specified in Iowa Code section <u>257.35(2)</u>.
- \$129.1 million in PTRP funding, an increase of \$14.3 million (12.47%) compared to FY 2024.
- \$627.1 million for the State categorical supplements for school districts and AEAs, an increase of \$34.4 million (5.80%) compared to FY 2024. This includes:
 - \$355.2 million for the teacher salary supplement at the district and AEA levels.
 - \$40.3 million for the professional development supplement at the district and AEA levels.
 - \$41.5 million for the early intervention supplement.
 - \$190.1 million for the TLC supplement.
- \$91.9 million for preschool formula funding, an increase of \$1.6 million (1.81%) compared to FY 2024. The preschool formula funding is included in the State aid amount but is not included in the combined district cost total.
- \$10.9 million in budget adjustment funding for 116 qualifying districts, an increase of \$5.4 million (99.67%) compared to FY 2024. The budget guarantee adjustment is calculated at the school district level so that school districts receive 101.00% of their previous year's funding. The budget guarantee adjustment is funded entirely through property taxes.
- The total property tax funds generated through the school aid formula are estimated to be \$1,730.4 million, an increase of \$46.5 million (2.76%) compared to FY 2024.
- The total State aid from the General Fund (reflecting the total school aid funding level for school districts and AEAs generated through the school aid formula) is estimated to be \$3,814.2 million, an increase of \$146.7 million (4.00%) compared to FY 2024. Any legislative action affecting FY 2025 school aid provisions may have an impact on school aid amounts. Additionally, any variations in the assumptions noted may result in changes in the FY 2025 estimates provided in Figure 4.

The total General Fund appropriation in **Figure 4** provides the additional fiscal impact of HF 2613. This also includes the FY 2025 General Fund appropriation of \$31.3 million to the Transportation Equity Fund, which is not included in the total State aid estimate.

¹ Since FY 2018, the General Assembly has further reduced funding to AEAs by an additional amount per year. Historically, the additional reductions have been included in the annual Standing Appropriations Act.

Figure 4 — HF 2613

Legislative Services Agency:	FY 2025 School	Aid Estimates (Sta	tewide Dollars in Millions)

State Percent of Growth		3.00%		utory AEA R	-	n \$	7,500,000
State Supplemental Aid	\$	229		tional AEA R			0
State Cost Per Pupil	\$	7,864		I AEA Reduc		\$	7,500,000
·	Φ						
Program Funding: Regular Program District Cost	\$	FY 2024 3,719.3	\$ \$	3,808.9	\$	Change 89.5	% Change 2.41%
Regular Program Budget Adjustment	Φ	5.4	Φ		Φ		
				10.9 129.0		5.4 8.2	99.67%
Supplementary Weighting (District)		120.7					6.81%
Special Education Instruction (District)		524.9		539.4		14.5	2.76%
Teacher Salary Supplement (District)		317.9		336.5		18.6	5.85%
Professional Development Supplement (District)		36.0		38.1		2.2	5.99%
Early Intervention Supplement (District)		39.1		41.5		2.4	6.04%
Teacher Leadership Supplement (District)		179.4		190.1		10.7	5.96%
AEA Special Ed Support District Cost		185.3		189.8		4.5	2.45%
AEA Special Ed Support Adjustment		0.6		0.7		0.1	18.02%
AEA Media Services		32.3		33.1		0.8	2.46%
AEA Ed Services		35.7		36.6		0.9	2.45%
AEA Sharing		0.2		0.0		-0.2	-100.00%
AEA Teacher Salary Supplement		18.2		18.6		0.5	2.69%
AEA Professional Development Supplement		2.1		2.2		0.1	2.68%
AEA Statewide State Aid Reduction		-29.6		-7.5		22.1	-74.63%
Dropout and Dropout Prevention		144.2		144.2		0.0	0.00%
Combined District Cost	\$	5,331.5	\$	5,512.1	\$	180.6	3.39%
Statewide Voluntary Preschool Program	\$	90.2	\$	91.9	\$	1.6	1.81%
State Aid:		FY 2024	Es	st. FY 2025	Est	Change	% Change
Regular Program	\$	2,078.3	\$	2,105.4	\$	27.1	1.30%
Supplementary Weighting		103.4		110.5		7.1	6.82%
Special Education Weighting		463.3		476.2		12.8	2.77%
Property Tax Adjustment Aid (1992)		6.8		6.5		-0.3	-4.39%
Property Tax Replacement Payment (PTRP)		114.8		129.1		14.3	12.47%
Adjusted Additional Property Tax - General Fund		24.0		24.0		0.0	0.00%
Statewide Voluntary Preschool Program		90.2		91.9		1.6	1.81%
State Aid from General Fund	\$	3,667.4	\$	3,814.2	\$	146.7	4.00%
Transfer from Economic Emergency Fund	\$	21.9	\$	0.0	\$	-21.9	-100.00%
*Excess from SAVE Fund		25.3		29.0		3.7	14.45%
Foundation Base Supplement (FBS)		5.7		9.7		4.0	69.30%
Total State Aid (Includes Non-General Fund)	\$	3,720.1	\$	3,852.8	\$	132.8	3.57%
Local Property Tax:		FY 2024	Es	st. FY 2025	Est	Change	% Change
Uniform Levy Amount	\$	1,091.5	\$	1,140.9	\$	49.3	4.52%
Additional Levy		592.4		589.5		-2.9	-0.49%
Total Levy to Fund Combined District Cost	\$	1,683.9	\$	1,730.4	\$	46.5	2.76%
Comm/Ind - Uniform Levy Adjustments		18.0		18.3		0.3	1.59%
Miscellaneous Information:		FY 2024	Es	st. FY 2025	Est	Change	% Change
Budget Enrollment		486,476		483,699		-2,777	-0.57%
State Cost Per Pupil	\$	7,635	\$	7,864	\$	229	3.00%
Number of Districts with Budget Adjustment	Ψ	71	Ψ	116	Ψ	45	63.38%
Percentage of Districts with Budget Adjustment		21.85%		35.69%		40	00.0070
Statewide Categoricals Total	\$	592.7	\$	627.1	\$	34.4	5.80%
Property Tax Relief Payment Per Pupil	Ψ	201	Ψ	227	Ψ	26	12.94%
Foundation Base Supplement Per Pupil		201		10		8	400.00%
Statewide AEA Funding		244.9		273.6		28.7	11.73%
Transportation Equity Fund		30.3		31.3		0.9	3.00%
Transportation Equity 1 unu		50.0		01.0		0.3	3.00 /0

Notes:

Totals may not sum due to data duplication and exclusion. For example, other funds are provided by State Aid but not included in the State Aid section because they are represented in the Program Funding section listed above. The Transportation Equity Program is not included in State Aid totals. The provision for minimum State aid requires that the State provide at least \$300 per student.

Area Education Agencies (AEA)

*Secure an Advanced Vision for Education (SAVE) Fund Sources: Department of Management (School Aid File), LSA analysis and calculations

Sources

Department of Education, Certified Enrollment and Enrollment Projections File Department of Management, School Aid File Department of Revenue LSA analysis and calculations

	/s/ Jennifer Acton
	February 21, 2024
Doc ID 1447060	
· · · · · · · · · · · · · · · · · · ·	ant to Joint Rule 17 and the Iowa Code. Data used in developing this Division of the Legislative Services Agency upon request.

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