

**EIGHTY-SIXTH GENERAL ASSEMBLY  
2016 REGULAR SESSION  
DAILY  
HOUSE CLIP SHEET**

APRIL 22, 2016

**Senate Amendment to  
HOUSE FILE 2449**

**H-8267**

1 Amend House File 2449, as amended, passed, and  
2 reprinted by the House, as follows:  
3 1. Page 1, by striking lines 3 through 5 and  
4 inserting:  
5 <NEW SUBSECTION. 10. a. If a provision of an Act  
6 of the general assembly expressly requires rulemaking  
7 by an agency, or if another statute that governs or  
8 is directly related to a provision of an Act of the  
9 general assembly expressly requires rulemaking by an  
10 agency, the>  
11 2. Page 1, line 9, by striking <a.> and inserting  
12 <(1)>  
13 3. Page 1, line 12, by striking <b.> and inserting  
14 <(2)>  
15 4. Page 1, line 17, by striking <required or  
16 necessary,> and inserting <required,>  
17 5. Page 1, after line 21 by inserting:  
18 <b. This subsection shall not be construed to  
19 prohibit an agency from conducting rulemaking relating  
20 to a provision of an Act of the general assembly  
21 for which a submission was not made pursuant to  
22 paragraph "a". This subsection shall not be construed  
23 to prohibit an agency from conducting additional  
24 rulemaking subsequent to completion of any rulemaking  
25 for which a submission was made pursuant to paragraph  
26 "a".>  
27 6. Page 1, by striking lines 24 and 25 and  
28 inserting:  
29 <Sec. \_\_\_\_ . RETROACTIVE APPLICABILITY. This Act  
30 applies retroactively to any provisions of Acts enacted  
31 on or after January 11, 2016.>  
32 7. Title page, line 3, before <applicability> by  
33 inserting <retroactive>  
34 8. By renumbering as necessary.

RECEIVED FROM THE SENATE

**H-8267** FILED APRIL 21, 2016

**SENATE FILE 2320**

**H-8268**

1 Amend Senate File 2320, as passed by the Senate, as  
2 follows:  
3 1. By striking page 6, line 24, through page 7,  
4 line 21.  
5 2. Title page, lines 4 and 5, by striking <the  
6 state aviation fund,>  
7 3. By renumbering as necessary.

**By** BYRNES of Mitchell

**H-8268** FILED APRIL 21, 2016

SENATE FILE 2187

H-8266

1 Amend Senate File 2187, as passed by the Senate, as  
2 follows:

3 1. Page 1, after line 13 by inserting:

4 <Sec. \_\_\_\_\_. Section 321L.2, subsection 1, unnumbered  
5 paragraph 1, Code 2016, is amended to read as follows:

6 A resident of the state with a disability desiring  
7 a persons with disabilities parking permit shall  
8 apply to the department upon an application form  
9 furnished by the department providing the applicant's  
10 full legal name, address, date of birth, and social  
11 security number or Iowa driver's license number or  
12 Iowa nonoperator's identification card number, and  
13 shall also provide a statement from a physician  
14 licensed under chapter 148 or 149, a physician  
15 assistant licensed under chapter 148C, an advanced  
16 registered nurse practitioner licensed under chapter  
17 152, or a chiropractor licensed under chapter  
18 151, or a physician, physician assistant, nurse  
19 practitioner, or chiropractor licensed to practice  
20 in a contiguous state, written on the physician's,  
21 physician assistant's, nurse practitioner's, or  
22 chiropractor's stationery, stating the nature of the  
23 applicant's disability and such additional information  
24 as required by rules adopted by the department  
25 under section 321L.8. If the person is applying  
26 for a temporary persons with disabilities parking  
27 permit, the physician's, physician assistant's, nurse  
28 practitioner's, or chiropractor's statement shall  
29 state the period of time during which the person is  
30 expected to be disabled and the period of time for  
31 which the permit should be issued, not to exceed six  
32 months. The department may waive the requirement that  
33 the applicant furnish the applicant's social security  
34 number, Iowa driver's license number, or nonoperator's  
35 identification card number when the application for

H-8266

1 a temporary persons with disabilities parking permit  
2 is made on behalf of a person who is less than one  
3 year old. The department may accept a certification  
4 of disability from the United States department  
5 of veterans affairs in lieu of a statement from a  
6 physician, physician assistant, advanced registered  
7 nurse practitioner, or chiropractor. The department  
8 may adopt rules pursuant to chapter 17A detailing  
9 the requirements for an acceptable certification of  
10 disability.>

11 2. Title page, line 2, after <status> by inserting  
12 <and providing for the acceptance of a disability  
13 certification from the United States department of  
14 veterans affairs for a persons with disabilities  
15 parking permit>

16 3. By renumbering as necessary.

**By** RUNNING-MARQUARDT of Linn

SENATE FILE 2308

H-8275

1 Amend Senate File 2308, as passed by the Senate, as  
2 follows:

3 1. By striking everything after the enacting clause  
4 and inserting:

5 <DIVISION I

6 ENHANCE IOWA

7 Section 1. Section 12.71, Code 2016, is amended by  
8 adding the following new subsections:

9 NEW SUBSECTION. 11. The treasurer of state shall  
10 not issue bonds or refunding bonds under this section  
11 after June 30, 2016.

12 NEW SUBSECTION. 12. This section is repealed on  
13 the date that all bonds and refunding bonds issued  
14 pursuant to this section are redeemed in full. The  
15 treasurer of state shall notify the Iowa Code editor  
16 of this occurrence.

17 Sec. 2. Section 15F.101, subsection 2, Code 2016,  
18 is amended to read as follows:

19 2. "Board" means the ~~vision~~ enhance Iowa board as  
20 created in section 15F.102.

21 Sec. 3. Section 15F.102, Code 2016, is amended by  
22 striking the section and inserting in lieu thereof the  
23 following:

24 15F.102 Enhance Iowa board.

25 1. An enhance Iowa board is established consisting  
26 of the members described in subsection 2. The board  
27 is located within the authority for administrative  
28 purposes. The director of the authority shall provide  
29 office space, staff assistance, and necessary supplies  
30 and equipment for the board. The director shall budget  
31 moneys to cover the compensation and expenses of the  
32 board. In performing its functions, the board is  
33 performing a public function on behalf of the state and  
34 is a public instrumentality of the state.

35 2. The board shall consist of the following voting

H-8275

1 members appointed by the governor:

2 a. Two members from each United States  
3 congressional district in the state as established in  
4 section 40.1.

5 b. Three members from the state at large.

6 3. a. Of the voting members appointed pursuant to  
7 subsection 2, the governor shall appoint the following:

8 (1) One person selected by the board of the Iowa  
9 natural heritage foundation.

10 (2) One person with professional experience in  
11 finance or investment banking.

12 (3) One person with professional experience in the  
13 tourism industry.

14 (4) One person with professional experience in  
15 architecture, landscape architecture, or historic  
16 preservation.

17 (5) One person with professional experience in  
18 cultural attractions and programming.

19 (6) Six persons actively employed in the private,  
20 for-profit sector of the economy who have substantial  
21 expertise in economic development.

22 b. The governor shall appoint the voting members  
23 pursuant to subsection 2, subject to sections 69.16,  
24 69.16A, and 69.16C, and subject to confirmation by the  
25 senate.

26 c. The members appointed pursuant to subsection 2  
27 shall be appointed to two-year staggered terms and the  
28 terms shall commence and end as provided by section  
29 69.19. If a vacancy occurs, a successor shall be  
30 appointed to serve the unexpired term. A successor  
31 shall be appointed in the same manner and subject to  
32 the same qualifications as the original appointment to  
33 serve the unexpired term.

34 4. In addition to the voting members, the  
35 membership of the board shall include four members of

1 the general assembly with one member designated by each  
2 of the following: the majority leader of the senate,  
3 the minority leader of the senate, the speaker of the  
4 house of representatives, and the minority leader of  
5 the house of representatives. A legislative member  
6 serves for a term as provided in section 69.16B in an  
7 ex officio, nonvoting capacity.

8 5. The governor shall designate the chairperson  
9 and vice chairperson of the board from the members  
10 appointed pursuant to subsection 2. In the case of  
11 absence or disability of the chairperson and vice  
12 chairperson, the members of the board shall elect a  
13 temporary chairperson by a majority vote of those  
14 members who are present and voting.

15 6. Each voting member of the board shall serve on  
16 at least one of the three review committees referred to  
17 in sections 15F.203, 15F.304, and 15F.401A.

18 7. A majority of the total voting membership of the  
19 board constitutes a quorum.

20 Sec. 4. Section 15F.103, Code 2016, is amended by  
21 adding the following new subsections:

22 NEW SUBSECTION. 3A. Oversee the administration by  
23 the authority of the sports tourism program pursuant  
24 to this chapter.

25 NEW SUBSECTION. 3B. Oversee the administration of  
26 the river enhancement community attraction and tourism  
27 program pursuant to this chapter.

28 Sec. 5. Section 15F.104, Code 2016, is amended to  
29 read as follows:

30 15F.104 Authority duties.

31 The authority, subject to approval by the board,  
32 shall adopt administrative rules pursuant to chapter  
33 17A necessary to administer ~~the community attraction~~  
34 ~~and tourism program and the vision Iowa program the~~  
35 programs established pursuant to this chapter. The

1 authority shall provide the board with assistance  
2 in implementing administrative functions, marketing  
3 the programs, providing technical assistance and  
4 application assistance to applicants under the  
5 programs, negotiating contracts, and providing project  
6 follow-up. The authority, ~~in cooperation with the~~  
7 ~~treasurer of state,~~ may conduct negotiations on behalf  
8 of the board with applicants regarding terms and  
9 conditions applicable to awards under the programs.

10 Sec. 6. NEW SECTION. 15F.107 Enhance Iowa fund.

11 1. a. The authority shall establish a fund  
12 pursuant to section 15.106A, subsection 1, paragraph  
13 "o", for purposes of allocating moneys to programs  
14 specified in an appropriation made to the enhance Iowa  
15 fund. A fund established for purposes of this section  
16 may be administered as a revolving fund and may consist  
17 of any moneys appropriated by the general assembly for  
18 purposes of this section.

19 b. Notwithstanding section 8.33, at the end of each  
20 fiscal year moneys in a fund established for purposes  
21 of this section shall not revert to any other fund but  
22 shall remain in the fund for expenditure for subsequent  
23 fiscal years.

24 c. Notwithstanding section 12C.7, subsection 2,  
25 interest or earnings on moneys in the fund shall be  
26 credited to the fund. Repayments and recaptures of  
27 program moneys shall be credited to the fund.

28 2. The authority shall submit a report to the  
29 general assembly and the governor's office each year  
30 that moneys are appropriated to the fund established  
31 in this section describing the use of moneys and the  
32 results achieved under each of the programs receiving  
33 fund moneys.

34 Sec. 7. Section 15F.203, subsections 1 and 2, Code  
35 2016, are amended to read as follows:

1 1. Applications for assistance under the program  
2 shall be submitted to the authority. For those  
3 applications that meet the eligibility criteria, the  
4 authority shall forward the applications to the board  
5 and provide a staff review analysis and evaluation to  
6 the community attraction and tourism program review  
7 committee referred to in subsection 2 and to the board.

8 2. A review committee composed of five members of  
9 the board shall review community attraction and tourism  
10 program applications ~~submitted~~ forwarded to the board  
11 and make recommendations regarding the applications  
12 to the board. The review committee shall consist of  
13 members of the board ~~listed in~~, with one member from  
14 each congressional district under section 15F.102,  
15 subsection 2, ~~paragraphs~~ paragraph "a" through "e",  
16 and one member from the state at large under section  
17 15F.102, subsection 2, paragraph "b".

18 Sec. 8. Section 15F.204, subsection 8, Code 2016,  
19 is amended by striking the subsection.

20 Sec. 9. Section 15F.304, subsections 1 and 2, Code  
21 2016, are amended to read as follows:

22 1. Applications for assistance under the program  
23 shall be submitted to the authority. For those  
24 applications that meet the eligibility criteria, the  
25 authority shall forward the applications to the board  
26 and provide a staff review and evaluation to the vision  
27 Iowa program review committee referred to in subsection  
28 2 and to the board.

29 2. A review committee composed of ~~eight~~ six  
30 members of the board shall review vision Iowa program  
31 applications and river enhancement community attraction  
32 and tourism project applications ~~submitted~~ forwarded  
33 to the board and make recommendations regarding the  
34 applications to the board. The review committee  
35 shall consist of members of the board ~~listed in~~, with

1 one member from each congressional district under  
2 section 15F.102, subsection 2, paragraphs "d" through  
3 "h" paragraph "a", and two members from the state at  
4 large under section 15F.102, subsection 2, paragraph  
5 "b".

6 Sec. 10. NEW SECTION. 15F.401 Sports tourism  
7 program.

8 1. a. The authority shall establish, and, at  
9 the direction of the board, shall administer a sports  
10 tourism program to provide financial assistance for  
11 projects that promote sporting events for organizations  
12 of accredited colleges and universities and other  
13 sporting events in the state.

14 b. For purposes of this section:

15 (1) "District" means a regional sports authority  
16 district certified under section 15E.321.

17 (2) "Financial assistance" means assistance provided  
18 only from the funds available to the authority or the  
19 board and includes assistance in the form of grants,  
20 loans, and forgivable loans.

21 (3) "Organization" means a corporation, conference,  
22 association, or other organization which has as one of  
23 its primary purposes the sponsoring or administration  
24 of extracurricular intercollegiate athletic contests  
25 or competitions.

26 c. The authority, by rule, shall define "accredited  
27 colleges and universities", in consultation with the  
28 college student aid commission.

29 2. a. A city or county in the state or a public  
30 organization, including a convention and visitors  
31 bureau or a district, may apply to the authority  
32 for financial assistance for a project that actively  
33 and directly promotes sporting events for accredited  
34 colleges and universities and other sporting events  
35 in the area served by the city, county, or public

1 organization.

2 b. A city, county, or public organization may apply  
3 for and receive financial assistance for more than one  
4 project.

5 c. A city, county, or public organization may  
6 apply for financial assistance for a project that  
7 spans multiple fiscal years or may apply for renewal  
8 of financial assistance awarded in a prior year if  
9 all applicable contractual requirements are met. The  
10 decision as to whether to renew an award shall be at  
11 the discretion of the board. The board may adopt by  
12 rule certain metrics and return on investment estimates  
13 for purposes of this paragraph. The authority may  
14 include such metrics and estimates in a program  
15 agreement executed pursuant to this section.

16 d. A convention and visitors bureau may apply to  
17 the authority for financial assistance pursuant to  
18 this section and a district may apply to the authority  
19 for district financial assistance, but a convention  
20 and visitors bureau shall not in the same year receive  
21 financial assistance under the program created in this  
22 section and financial assistance as part of a district.

23 3. The authority shall process applications under  
24 this section in accordance with this section and  
25 section 15F.401A.

26 4. An applicant shall demonstrate matching funds  
27 in order to receive financial assistance pursuant to  
28 this section. The amount of matching funds that may be  
29 required shall be at the board's discretion.

30 5. The board shall make final funding decisions  
31 on each application and may approve, deny, defer, or  
32 modify applications for financial assistance under the  
33 program, in its discretion, in order to fund as many  
34 projects with the moneys available as possible. The  
35 board and the authority may negotiate with applicants

1 regarding the details of projects and the amount  
2 and terms of any award. In making final funding  
3 decisions pursuant to this subsection, the board and  
4 the authority are exempt from chapter 17A.

5 6. a. A city, county, or public organization may  
6 use financial assistance received under the program for  
7 marketing, promotions, and infrastructure. Whether an  
8 activity or individual cost item is directly related to  
9 the promotion of the sporting event shall be within the  
10 discretion of the authority.

11 b. All applications to the authority for financial  
12 assistance shall be made at least ninety days prior  
13 to an event's scheduled date. A city, county, or  
14 public organization shall not use financial assistance  
15 received under the program as reimbursement for  
16 completed projects.

17 7. An applicant receiving financial assistance  
18 shall provide an annual report to the authority for  
19 years in which it receives financial assistance under  
20 this section. The report shall include the information  
21 the authority deems relevant.

22 8. Each applicant receiving an award of financial  
23 assistance from the board shall enter into an agreement  
24 with the authority. The agreement shall contain such  
25 terms and conditions as the board may place on the  
26 award or the authority may deem necessary for the  
27 efficient administration of the program established in  
28 this subchapter.

29 9. The authority, with the approval of the board,  
30 shall adopt rules for the administration of this  
31 subchapter.

32 Sec. 11. NEW SECTION. 15F.401A Sports tourism  
33 program application review.

34 1. Applications for assistance under the sports  
35 tourism program shall be submitted to the authority.

1 For those applications that meet the eligibility  
2 criteria, the authority shall forward the applications  
3 to the board and provide a staff review analysis  
4 and evaluation to the sports tourism program review  
5 committee referred to in subsection 2 and to the board.

6 2. A review committee composed of five members  
7 of the board shall review sports tourism program  
8 applications forwarded to the board and make  
9 recommendations regarding the applications to the  
10 authority. The review committee shall consist of  
11 members of the board, with one member from each  
12 congressional district under section 15F.102,  
13 subsection 2, paragraph "a", and one member from the  
14 state at large under section 15F.102, subsection 2,  
15 paragraph "b".

16 3. When reviewing the applications, the review  
17 committee and the authority shall consider, at a  
18 minimum, all of the following:

19 a. Impact of the project on the local, regional,  
20 and state economies.

21 b. Potential to attract Iowans and out-of-state  
22 visitors.

23 c. Amount of positive advertising or media coverage  
24 the project generates.

25 d. Quality, size, and scope of the project.

26 e. Ratio of public-to-private investment.

27 4. Upon review of the recommendations of the review  
28 committee, the board shall approve, defer, or deny the  
29 applications in accordance with section 15F.401.

30 Sec. 12. NEW SECTION. 15F.402 Sports tourism  
31 program fund.

32 1. a. The authority shall establish a fund  
33 pursuant to section 15.106A, subsection 1, paragraph  
34 "o", for purposes of financing sports tourism projects  
35 as described in this subchapter. The fund established

1 for purposes of this section may be administered  
2 as a revolving fund and may consist of any moneys  
3 appropriated by the general assembly for purposes of  
4 this section.

5 b. Notwithstanding section 8.33, moneys in a fund  
6 established for purposes of this section at the end of  
7 each fiscal year shall not revert to any other fund but  
8 shall remain in the fund for expenditure for subsequent  
9 fiscal years.

10 c. Notwithstanding section 12C.7, subsection 2,  
11 interest or earnings on moneys in the fund shall be  
12 credited to the fund.

13 2. a. Moneys in the fund are appropriated to  
14 the authority for purposes of providing financial  
15 assistance to cities, counties, and public  
16 organizations under the sports tourism program  
17 established and administered pursuant to this  
18 subchapter.

19 b. The board in its discretion shall allocate  
20 the available moneys in the fund among the programs  
21 described in paragraph "a" in the amounts determined  
22 by the board.

23 DIVISION II

24 CONFORMING PROVISIONS

25 Sec. 13. Section 12.72, subsection 1, Code 2016, is  
26 amended to read as follows:

27 1. A vision Iowa fund is created and established  
28 as a separate and distinct fund in the state treasury.  
29 The moneys in the fund are appropriated to the ~~vision~~  
30 enhance Iowa board for purposes of the vision Iowa  
31 program established in section 15F.302. Moneys in the  
32 fund shall not be subject to appropriation for any  
33 other purpose by the general assembly, but shall be  
34 used only for the purposes of the vision Iowa fund.  
35 The treasurer of state shall act as custodian of the

1 fund and disburse moneys contained in the fund as  
2 directed by the ~~vision~~ enhance Iowa board, including  
3 automatic disbursements of funds received pursuant  
4 to the terms of bond indentures and documents and  
5 security provisions to trustees. The fund shall be  
6 administered by the ~~vision~~ enhance Iowa board which  
7 shall make expenditures from the fund consistent  
8 with the purposes of the vision Iowa program without  
9 further appropriation. An applicant under the vision  
10 Iowa program shall not receive more than seventy-five  
11 million dollars in financial assistance from the fund.

12 Sec. 14. Section 12.75, subsection 1, Code 2016, is  
13 amended to read as follows:

14 1. The ~~vision~~ enhance Iowa board may undertake  
15 a project for two or more applicants jointly or for  
16 any combination of applicants, and may combine for  
17 financing purposes, with the consent of all of the  
18 applicants which are involved, the project and some  
19 or all future projects of any applicant, and sections  
20 12.71, 12.72, and 12.74, this section, and sections  
21 12.76 and 12.77 apply to and for the benefit of the  
22 ~~vision~~ enhance Iowa board and the joint applicants.  
23 However, the money set aside in a fund or funds pledged  
24 for any series or issue of bonds or notes shall be  
25 held for the sole benefit of the series or issue  
26 separate and apart from money pledged for another  
27 series or issue of bonds or notes of the treasurer  
28 of state. To facilitate the combining of projects,  
29 bonds or notes may be issued in series under one or  
30 more resolutions or trust agreements and may be fully  
31 open-ended, thus providing for the unlimited issuance  
32 of additional series, or partially open-ended, limited  
33 as to additional series.

34 Sec. 15. Section 15.108, subsection 5, paragraph c,  
35 Code 2016, is amended to read as follows:

1 c. Coordinate and develop with the department  
 2 of transportation, the department of natural  
 3 resources, the department of cultural affairs, the  
 4 ~~vision~~ enhance Iowa board, other state agencies, and  
 5 local and regional entities public interpretation,  
 6 marketing, and education programs that encourage  
 7 Iowans and out-of-state visitors to participate in the  
 8 recreational and leisure opportunities available in  
 9 Iowa. The authority shall establish and administer  
 10 a program that helps connect both Iowa residents and  
 11 residents of other states to new and existing Iowa  
 12 experiences as a means to enhance the economic, social,  
 13 and cultural well-being of the state. The program  
 14 shall include a broad range of new opportunities, both  
 15 rural and urban, including main street destinations,  
 16 green space initiatives, and artistic and cultural  
 17 attractions.

18 Sec. 16. Section 15E.321, Code 2016, is amended by  
 19 adding the following new subsection:

20 NEW SUBSECTION. 3A. Each district may apply for  
 21 and receive financial assistance under the sports  
 22 tourism program established by the authority pursuant  
 23 to section 15F.401.

24 DIVISION III  
 25 TRANSITION PROVISIONS

26 Sec. 17. BOARD COOPERATION ---- TRANSITION  
 27 PROVISIONS. The economic development authority shall  
 28 ensure the effective transition of powers and duties  
 29 from the vision Iowa board to the enhance Iowa board in  
 30 implementing this Act. In the interest of maintaining  
 31 the institutional knowledge possessed by members of  
 32 the vision Iowa board, it is the intent of the general  
 33 assembly that the governor should appoint at least  
 34 three but not more than seven members of the vision  
 35 Iowa board in existence on June 30, 2016, to the

1 enhance Iowa board. The initial members of the enhance  
 2 Iowa board shall be appointed by November 1, 2016.>

COMMITTEE ON APPROPRIATIONS  
 GRASSLEY of Butler, Chairperson

SENATE FILE 2323

H-8269

1 Amend the amendment, H-8262, to Senate File 2323,  
2 as amended, passed, and reprinted by the Senate, as  
3 follows:

4 1. By striking page 1, line 4, through page 5, line  
5 28, and inserting:

6 <SECURE AN ADVANCED VISION FOR EDUCATION SALES TAX  
7 EXTENSION

8 Sec. \_\_\_\_\_. Section 423.2, subsection 11, paragraph  
9 b, subparagraph (3), Code 2016, is amended to read as  
10 follows:

11 (3) Transfer one-sixth of the remaining revenues  
12 to the secure an advanced vision for education fund  
13 created in section 423F.2. This subparagraph (3) is  
14 repealed ~~December 31, 2029~~ January 1, 2050.

15 Sec. \_\_\_\_\_. Section 423.2, subsection 14, Code 2016,  
16 is amended to read as follows:

17 14. The sales tax rate of six percent is reduced to  
18 five percent beginning on January 1, ~~2030~~ 2050.

19 Sec. \_\_\_\_\_. Section 423.5, subsection 5, Code 2016,  
20 is amended to read as follows:

21 5. The use tax rate of six percent is reduced to  
22 five percent beginning on January 1, ~~2030~~ 2050.

23 Sec. \_\_\_\_\_. Section 423.43, subsection 1, paragraph  
24 b, Code 2016, is amended to read as follows:

25 b. Subsequent to the deposit into the general fund  
26 of the state and after the transfer of such revenues  
27 collected under chapter 423B, the department shall  
28 transfer one-sixth of such remaining revenues to the  
29 secure an advanced vision for education fund created in  
30 section 423F.2. This paragraph is repealed ~~December~~  
31 ~~31, 2029~~ January 1, 2050.

32 Sec. \_\_\_\_\_. Section 423F.6, Code 2016, is amended to  
33 read as follows:

34 423F.6 Repeal.

35 This chapter is repealed ~~December 31, 2029~~ January

H-8269

1 1, 2050.>

2 2. By renumbering as necessary.

<b>By</b> DAWSON of Woodbury	LENSING of Johnson
ABDUL-SAMAD of Polk	LYKAM of Scott
ANDERSON of Polk	MASCHER of Johnson
BEARINGER of Fayette	McCONKEY of Pottawattamie
BENNETT of Linn	MEYER of Polk
BROWN-POWERS of Black Hawk	H. MILLER of Webster
COHOON of Des Moines	OLDSON of Polk
FORBES of Polk	OLSON of Polk
GAINES of Polk	OURTH of Warren
GASKILL of Wapello	PRICHARD of Floyd
HALL of Woodbury	SMITH of Marshall
HANSON of Jefferson	STAED of Linn
HEDDENS of Story	STECKMAN of Cerro Gordo
HUNTER of Polk	STUTSMAN of Johnson
JACOBY of Johnson	T. TAYLOR of Linn
KEARNS of Lee	THEDE of Scott
KELLEY of Jasper	WINCKLER of Scott
KRESSIG of Black Hawk	

SENATE FILE 2323

H-8270

1 Amend Senate File 2323, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. By striking page 15, line 3, through page 16,  
4 line 4, and inserting:

5 <..... \$100,637,324  
6 206,290,605

7 ~~The funds appropriated in this subsection shall~~  
8 ~~be allocated pursuant to the formula established in~~  
9 ~~section 260C.18C.~~

10 Notwithstanding the allocation formula in section  
11 260C.18C, the moneys appropriated in this subsection  
12 shall be allocated as follows:

13	<u>(1) Merged Area I</u>	
14	.....	\$ 10,177,544
15	<u>(2) Merged Area II</u>	
16	.....	\$ 10,308,056
17	<u>(3) Merged Area III</u>	
18	.....	\$ 9,540,864
19	<u>(4) Merged Area IV</u>	
20	.....	\$ 4,696,377
21	<u>(5) Merged Area V</u>	
22	.....	\$ 11,682,217
23	<u>(6) Merged Area VI</u>	
24	.....	\$ 9,150,335
25	<u>(7) Merged Area VII</u>	
26	.....	\$ 13,905,688
27	<u>(8) Merged Area IX</u>	
28	.....	\$ 17,619,104
29	<u>(9) Merged Area X</u>	
30	.....	\$ 32,259,912
31	<u>(10) Merged Area XI</u>	
32	.....	\$ 34,579,313
33	<u>(11) Merged Area XII</u>	
34	.....	\$ 11,445,479
35	<u>(12) Merged Area XIII</u>	

H-8270

**H-8270**

Page 2

1	.....	\$ 12,436,640
2	<u>(13) Merged Area XIV</u>	
3	.....	\$ 4,787,158
4	<u>(14) Merged Area XV</u>	
5	.....	\$ 15,018,886
6	<u>(15) Merged Area XVI</u>	
7	.....	\$ 8,683,032>

<b>By</b> WINCKLER of Scott	KRESSIG of Black Hawk
ABDUL-SAMAD of Polk	LENSING of Johnson
ANDERSON of Polk	LYKAM of Scott
BEARINGER of Fayette	MEYER of Polk
BENNETT of Linn	H. MILLER of Webster
BROWN-POWERS of Black Hawk	OLSON of Polk
COHOON of Des Moines	OURTH of Warren
DAWSON of Woodbury	PRICHARD of Floyd
FORBES of Polk	RUNNING-MARQUARDT of Linn
GAINES of Polk	SMITH of Marshall
GASKILL of Wapello	STAED of Linn
HALL of Woodbury	STECKMAN of Cerro Gordo
HANSON of Jefferson	STUTSMAN of Johnson
HUNTER of Polk	T. TAYLOR of Linn
JACOBY of Johnson	THEDE of Scott
KEARNS of Lee	WESSEL-KROESCHELL of Story
KELLEY of Jasper	WOLFE of Clinton

**H-8270** FILED APRIL 21, 2016

**SENATE FILE 2323**

**H-8271**

1 Amend Senate File 2323, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 17, after line 10 by inserting:  
4 <f. For moneys to be allocated for general  
5 education purposes among the institutions governed by  
6 the state board of regents as determined by the state  
7 board:  
8 ..... \$ 2,000,000>  
9 2. By renumbering as necessary.

<b>By</b> KRESSIG of Black Hawk	MASCHER of Johnson
JACOBY of Johnson	McCONKEY of Pottawattamie
ABDUL-SAMAD of Polk	H. MILLER of Webster
BENNETT of Linn	OURTH of Warren
BROWN-POWERS of Black Hawk	RUNNING-MARQUARDT of Linn
COHOON of Des Moines	STAED of Linn
FORBES of Polk	STECKMAN of Cerro Gordo
GAINES of Polk	STUTSMAN of Johnson
HEDDENS of Story	T. TAYLOR of Linn
HUNTER of Polk	THEDE of Scott
KEARNS of Lee	WESSEL-KROESCHELL of Story
KELLEY of Jasper	WINCKLER of Scott
LENSING of Johnson	WOLFE of Clinton
LYKAM of Scott	

**H-8271** FILED APRIL 21, 2016

SENATE FILE 2323

H-8272

1 Amend the amendment, H-8257, to Senate File 2323,  
2 as amended, passed, and reprinted by the Senate, as  
3 follows:

4 1. Page 1, by striking lines 4 through 6 and  
5 inserting:

6 <<Sec. \_\_\_\_ . STATE BOARD OF EDUCATION -- SUSPENSION  
7 OF RULE APPLICABILITY -- REVIEW BY ADMINISTRATIVE  
8 RULES REVIEW COMMITTEE. The applicability of 281  
9 Iowa administrative code, rule 12.8, subrule 1,  
10 paragraph "h", is suspended until July 1, 2017. The  
11 administrative rules review committee shall review  
12 281 Iowa administrative code, rule 12.8, subrule 1,  
13 paragraph "h", at its regular meeting in December  
14 2016.>>

15 2. Page 1, by striking lines 8 through 10 and  
16 inserting: <<

17 5. The section of this Act suspending the  
18 applicability of an administrative rule adopted by the  
19 state board of education and requiring review of such  
20 rule by the administrative rules review committee.>>

**By** VANDER LINDEN of Mahaska

H-8272 FILED APRIL 21, 2016

SENATE FILE 2323

H-8273

1 Amend Senate File 2323, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. Page 34, after line 6 by inserting:

4 <DIVISION \_\_\_\_  
5 REQUIREMENTS FOR ESTABLISHING  
6 STATE PERCENTS OF GROWTH

7 Sec. \_\_\_\_\_. Section 257.2, subsection 11, Code 2016,  
8 is amended to read as follows:

9 11. "State percent of growth" means the percent  
10 of growth which is established ~~by statute~~ pursuant to  
11 section 257.8, and which is used in determining the  
12 supplemental state aid.

13 Sec. \_\_\_\_\_. Section 257.8, subsections 1 and 2, Code  
14 2016, are amended to read as follows:

15 1. State percent of growth.

16 a. The state percent of growth for the budget year  
17 beginning July 1, 2013, is two percent. The state  
18 percent of growth for the budget year beginning July  
19 1, 2014, is four percent. The state percent of growth  
20 for the budget year beginning July 1, 2015, is one and  
21 twenty-five hundredths percent. The state percent of  
22 growth for each subsequent budget year beginning before  
23 July 1, 2017, shall be established by statute which  
24 shall be enacted within thirty days of the submission  
25 in the year preceding the base year of the governor's  
26 budget under section 8.21. The state percent of growth  
27 for the budget year beginning July 1, 2017, and each  
28 subsequent budget year, shall be established by statute  
29 which shall be enacted within fourteen days following  
30 the first meeting of the revenue estimating conference  
31 held in March pursuant to section 8.22A, subsection 2,  
32 during the year preceding the base year or shall be  
33 established as otherwise provided in paragraph "b".

34 The establishment of the state percent of growth for  
35 a budget year shall be the only subject matter of the

H-8273

1 bill which enacts the state percent of growth for a  
2 budget year.

3 b. For each budget year beginning on or after July  
4 1, 2017, for which the state percent of growth has not  
5 been established by statute within the applicable time  
6 period specified in paragraph "a", the state percent  
7 of growth for that budget year shall be a percentage  
8 equal to the school finance factor as determined under  
9 subsection 6.

10 2. Categorical state percent of growth.

11 a. The categorical state percent of growth for the  
12 budget year beginning July 1, 2013, is two percent.  
13 The categorical state percent of growth for the budget  
14 year beginning July 1, 2014, is four percent. The  
15 categorical state percent of growth for the budget  
16 year beginning July 1, 2015, is one and twenty-five  
17 hundredths percent. The categorical state percent of  
18 growth for each budget year beginning before July 1,  
19 2017, shall be established by statute which shall be  
20 enacted within thirty days of the submission in the  
21 year preceding the base year of the governor's budget  
22 under section 8.21. The categorical state percent of  
23 growth for the budget year beginning July 1, 2017, and  
24 each subsequent budget year, shall be established by  
25 statute which shall be enacted within fourteen days  
26 following the first meeting of the revenue estimating  
27 conference held in March pursuant to section 8.22A,  
28 subsection 2, during the year preceding the base  
29 year or shall be established as otherwise provided in  
30 paragraph "b". The establishment of the categorical  
31 state percent of growth for a budget year shall be  
32 the only subject matter of the bill which enacts  
33 the categorical state percent of growth for a budget  
34 year. The categorical state percent of growth may  
35 include state percents of growth for the teacher salary

1 supplement, the professional development supplement,  
2 the early intervention supplement, and the teacher  
3 leadership supplement.

4 b. For each budget year beginning on or after July  
5 1, 2017, for which the categorical state percent of  
6 growth has not been established by statute within the  
7 applicable time period specified in paragraph "a", the  
8 categorical state percent of growth for that budget  
9 year shall be a percentage equal to the school finance  
10 factor as determined under subsection 6.

11 Sec. \_\_\_\_\_. Section 257.8, Code 2016, is amended by  
12 adding the following new subsection:

13 NEW SUBSECTION. 6. a. "School finance factor"  
14 is an index, expressed as a percentage rounded to the  
15 nearest one-hundredth of one percent, calculated by the  
16 department of management, that is the percentage change  
17 between the following:

18 (1) The general fund revenue estimate made during  
19 the first revenue estimating conference meeting held in  
20 March pursuant to section 8.22A, subsection 2, during  
21 the year preceding the base year for the fiscal year  
22 beginning July 1 of the calendar year in which the  
23 meeting is held.

24 (2) The general fund revenue estimate made by the  
25 revenue estimating conference during the first meeting  
26 held in March pursuant to section 8.22A, subsection 2,  
27 during the year preceding the base year for the fiscal  
28 year beginning July 1 of the calendar year following  
29 the calendar year in which the meeting is held.

30 b. If the school finance factor for a budget year,  
31 as calculated under paragraph "a", is less than zero  
32 percent, the school finance factor for that budget year  
33 shall be zero percent.>

34 2. Title page, line 5, after <atters,> by  
35 inserting <modifying requirements for establishment of

1 state percents of growth,>

2 3. By renumbering, redesignating, and correcting  
3 internal references as necessary.

<b>By</b> WINCKLER of Scott	KEARNS of Lee
ABDUL-SAMAD of Polk	KELLEY of Jasper
ANDERSON of Polk	KRESSIG of Black Hawk
BERRY of Black Hawk	LENSING of Johnson
COHOON of Des Moines	MASCHER of Johnson
DAWSON of Woodbury	H. MILLER of Webster
GASKILL of Wapello	OLSON of Polk
HANSON of Jefferson	STECKMAN of Cerro Gordo
HUNTER of Polk	STUTSMAN of Johnson
ISENHART of Dubuque	T. TAYLOR of Linn
JACOBY of Johnson	THEDE of Scott

SENATE FILE 2324

H-8274

1 Amend Senate File 2324, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. Page 1, by striking line 16 and inserting:  
4 ..... \$ 5,496,818>  
5 2. Page 1, by striking lines 23 through 25 and  
6 inserting:  
7 <In addition, of the moneys appropriated in this  
8 subsection, the department should give priority to  
9 projects that address health and safety issues of Iowa  
10 law enforcement academy facilities.>  
11 3. Page 2, by striking line 4 and inserting:  
12 ..... \$ 5,200,000>  
13 4. Page 2, by striking lines 16 through 19 and  
14 inserting:  
15 (c) Of the>  
16 5. Page 2, line 20, by striking <allocated in this  
17 subparagraph division> and inserting <appropriated in  
18 this lettered paragraph>  
19 6. Page 2, line 21, by striking <used> and  
20 inserting <allocated>  
21 7. Page 5, by striking lines 6 through 12.  
22 8. Page 5, line 18, by striking <35,000> and  
23 inserting <28,000>  
24 9. Page 6, line 3, by striking <a. For> and  
25 inserting <For>  
26 10. Page 6, by striking lines 7 through 13.  
27 11. Page 6, by striking lines 18 through 33.  
28 12. Page 7, by striking lines 7 through 12.  
29 13. Page 7, by striking lines 16 through 20.  
30 14. Page 8, by striking line 24 and inserting:  
31 ..... \$ 2,500,000>  
32 15. Page 8, by striking line 30 and inserting:  
33 ..... \$ 1,250,000>  
34 16. Page 8, by striking line 35 and inserting:  
35 ..... \$ 1,500,000>

H-8274

- 1 17. Page 9, by striking lines 26 through 35.
- 2 18. Page 11, line 23, by striking <a. For> and
- 3 inserting <For>
- 4 19. By striking page 11, line 31, through page 12,
- 5 line 8.
- 6 20. Page 12, by striking lines 14 through 18.
- 7 21. Page 12, by striking line 30 and inserting:
- 8 ..... \$ 300,000>
- 9 22. Page 13, line 33, by striking <1.>
- 10 23. Page 14, after line 1 by inserting:
- 11 <Of the moneys appropriated in this subsection, the
- 12 department shall be authorized to expend such amount
- 13 as is necessary for the costs of installing outdoor
- 14 lighting at the Iowa state capitol.>
- 15 24. Page 14, by striking lines 2 through 19.
- 16 25. Page 14, after line 31 by inserting:
- 17 <Sec. \_\_\_\_ . 2011 Iowa Acts, chapter 133, section 4,
- 18 as amended by 2015 Iowa Acts, chapter 139, section 8,
- 19 is amended to read as follows:
- 20 SEC. 4. REVERSION.
- 21 1. Except as provided in ~~subsection~~ subsections
- 22 2 and 3, for purposes of section 8.33, unless
- 23 specifically provided otherwise, unencumbered or
- 24 unobligated moneys made from an appropriation in this
- 25 division of this Act shall not revert but shall remain
- 26 available for expenditure for the purposes designated
- 27 until the close of the fiscal year that ends three
- 28 years after the end of the fiscal year for which the
- 29 appropriation is made. However, if the project or
- 30 projects for which such appropriation was made are
- 31 completed in an earlier fiscal year, unencumbered or
- 32 unobligated moneys shall revert at the close of that
- 33 same fiscal year.
- 34 2. For purposes of section 8.33, unless
- 35 specifically provided otherwise, moneys appropriated

1 in section 3, subsection 8, paragraph "b", of this  
2 division of this Act as amended by 2012 Iowa Acts,  
3 chapter 1140, section 18, that remain unencumbered or  
4 unobligated at the close of the fiscal year beginning  
5 July 1, 2014, shall not revert but shall remain  
6 available for the purpose designated until the close  
7 of the fiscal year that begins July 1, 2016, or until  
8 the project for which the appropriation was made is  
9 completed, whichever is earlier.

10 3. For purposes of section 8.33, unless  
11 specifically provided otherwise, unencumbered or  
12 unobligated moneys appropriated in section 3,  
13 subsection 5, paragraph "a", of this division of this  
14 2011 Act as amended by 2012 Iowa Acts, chapter 1140,  
15 section 17, and 2013 Iowa Acts, chapter 142, section  
16 47, shall not revert but shall remain available for  
17 the purpose designated until the close of the fiscal  
18 year that begins July 1, 2019, or until the projects  
19 for which the appropriations were made are completed,  
20 whichever is earlier.>

21 26. Page 15, after line 31 by inserting:  
22 <Sec. \_\_\_\_\_. 2014 Iowa Acts, chapter 1136, section 1,  
23 subsection 7, is amended to read as follows:

24 c. For the construction of a new facility and an  
25 addition, renovation, and modernization of current  
26 facilities and related improvements for biosciences at  
27 Iowa state university of science and technology:

28	FY 2015-2016:	
29	.....	\$ 11,000,000
30	FY 2016-2017:	
31	.....	\$ <del>19,500,000</del>
32		<u>15,500,000</u>
33	FY 2017-2018:	
34	.....	\$ <del>19,500,000</del>
35		<u>23,500,000</u> >

- 1 27. By striking page 15, line 32, through page 17,
- 2 line 5.
- 3 28. By striking page 17, line 9, through page 20,
- 4 line 4.
- 5 29. By striking page 20, line 30, through page 21,
- 6 line 6.
- 7 30. Page 21, by striking lines 21 through 26.
- 8 31. Title page, line 6, by striking <and
- 9 retroactive applicability>
- 10 32. By renumbering, redesignating, and correcting
- 11 internal references as necessary.

COMMITTEE ON APPROPRIATIONS  
GRASSLEY of Butler, Chairperson



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**HF 2464** – Petroleum Tanks Fund and Financing Program (LSB5257HZ)  
Analyst: Jeff Robinson (Phone: 515-281-4614) ([jeff.robinson@legis.iowa.gov](mailto:jeff.robinson@legis.iowa.gov))  
Fiscal Note Version – New

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### **Description**

**House File 2464** relates to the Iowa Comprehensive Petroleum Underground Storage Tank Fund and Board (UST Fund and UST Board) and to related programs and program financing. The bill:

- Strikes an annual \$14.0 million transfer from the **Statutory Allocations Fund** to the **UST Fund**. The change is effective beginning with the third quarter of FY 2017.
- Strikes an annual \$3.0 million transfer from the Statutory Allocations Fund to the Department of Agriculture and Land Stewardship (DALS) **Renewable Fuel Infrastructure Fund**. The change is effective beginning FY 2018.
- Extends the existing **Environmental Protection Charge** (EPC) for six months, to December 31, 2016.
- Makes conforming changes.

### **Background**

Iowa's EPC is set to expire at the end of FY 2016. The EPC is equal to \$0.01 per petroleum gallon. The EPC generates revenue of approximately \$21.6 million per year. Although originally designed as a financing mechanism for the cleanup of petroleum contamination, for many years the EPC has been a revenue source for the Road Use Tax Fund (RUTF). Underground petroleum storage tank cleanup has instead been financed at first through an annual allocation of motor vehicle use tax, and later (and currently) through an annual allocation from the Statutory Allocation Fund.

While the EPC is set to expire at the end of FY 2016, under current law the annual \$14.0 million allocation to UST cleanup does not expire. In addition, the Renewable Fuel Infrastructure Fund receives an annual \$3.0 million allocation from the Statutory Allocations Fund and this allocation does not expire.

The Statutory Allocations Fund receives funding from trailer registration fees, driver's license fees, and other fees. Any revenue in the Fund that is not specifically allocated to another purpose is transferred to the RUTF. The scheduled expiration of the EPC will reduce RUTF revenue by \$21.5 million per year. This bill delays the repeal of the EPC by six months and the delay will result in additional FY 2017 RUTF revenue when compared to current law. The bill eliminates two ongoing annual allocations totaling \$17.0 million. Eliminating the two allocations will also increase RUTF revenue and offset much of the revenue decrease associated with the EPC expiration. A 2014 **Issue Review** describing the **EPC** is available from the Legislative Services Agency (LSA).

The UST Program, UST Fund, and UST Board were created in HF 447 (Petroleum Underground Storage Tank Act of 1989). The main purpose of the Program is to provide environmental remediation assistance, site insurance, and loan financing for underground petroleum storage tank locations. A 2014 **Issue Review** describing the **UST Program** is available from the LSA.

Updating the 2014 **Issue Review** analysis, the UST Program had a balance at the end of FY 2015 of \$33.7 million and outstanding cleanup obligations of \$29.3 million. During the course of FY 2016 the UST Fund will receive \$14.0 million from the Statutory Allocations Fund and will make payments for remedial claims and for administration. The projected UST Fund balance at the conclusion of FY 2016 is \$36.3 million and outstanding claim obligations are expected to total \$22.8 million.

While an increase in the expected total cleanup cost for known claims has reduced the future financial condition of the UST Program somewhat, the projected balances for FY 2016 through FY 2019 are expected to be sufficient to pay all existing and future Fund obligations without the continued revenue transfer from the Statutory Allocations Fund after December 2016.

The Renewable Fuels Infrastructure Fund is administered by the DALs and the [Renewable Fuel Infrastructure Board](#). The sources of revenue for the Fund include the annual \$3.0 million transfer from the Statutory Allocations Fund and interest. The Fund is used for the following purposes:

- Up to \$50,000 annually for administration.
- Up to 1.5% (about \$45,000 per year) for program marketing.
- Renewable fuel infrastructure incentives for petroleum retailers and terminals. The purpose of the Program is to improve motor fuel distribution sites by installing, replacing, or converting infrastructure to be used to store, blend, or dispense renewable (ethanol and biodiesel) fuel.
- Since FY 2012, the annual Agriculture and Natural Resources Appropriation Act has appropriated \$500,000 each year from the Renewable Fuel Infrastructure Fund to the DALs for motor fuel inspection.

Over four fiscal years (FY 2012 through FY 2015), the Renewable Fuel Infrastructure Fund:

- Received \$12.0 million from the Statutory Allocations Fund.
- Received \$87,000 in interest and other revenue.
- Transferred \$2.0 million to the DALs for motor fuel inspection.
- Expended \$200,000 on administration.
- Expended \$8.5 million on retail and terminal motor fuel infrastructure incentives.
- Increased the ending balance by \$1.4 million.

### **Fiscal Impact**

The bill strikes quarterly allocations from the Statutory Allocations Fund to the UST Fund and the Renewable Fuel Infrastructure Fund. The UST Fund will cease to receive quarterly allocations after the second quarter of FY 2017 and the Renewable Infrastructure Fund will cease to receive quarterly allocations at the end of FY 2017. The changes will have the following fiscal impacts:

- UST Fund, negative \$7.0 million for FY 2017, negative \$14.0 million annually thereafter.
- Renewable Fuel Infrastructure Fund, negative \$3.0 million annually after FY 2017.
- RUTF, positive \$17.8 million for FY 2017, positive \$17.0 million thereafter.

Current projections indicate that the existing UST Fund has a sufficient balance to pay all remaining Fund obligations and to provide a funding source for future petroleum cleanup identified as program-eligible under current law. The Renewable Fuel Infrastructure Fund had a balance of \$3.4 million at the end of FY 2015 and a similar cash balance at the end of February 2016.

The \$17.8 million in FY 2017 and \$17.0 million annually thereafter in increased RUTF revenue will become part of the RUTF distribution formula and will be used for city, county, and state road construction and maintenance activities. The increase will offset much of an annual \$21.6 million current law RUTF revenue decrease scheduled to begin in FY 2017.

**Sources**

Legislative Services Agency analysis  
Department of Transportation  
Department of Natural Resources  
Iowa UST Board  
State of Iowa accounting system

/s/ Holly M. Lyons

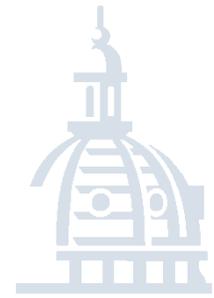
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April 21, 2016

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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.

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**SF 2312** – Sales Tax Rebates, Baseball and Softball Tournament Facilities (LSB6009SZ.1)  
Analyst: Kent Ohms (Phone: 515-725-2200) ([kenneth.ohms@legis.iowa.gov](mailto:kenneth.ohms@legis.iowa.gov))  
Fiscal Note Version – As amended and passed by the Senate

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### **Description**

**Senate File 2312**, as amended and passed by the Senate, modifies the rebate of state sales tax to the owner or operator of a baseball and softball tournament facility and movie site. Any facility seeking the rebate must make an application to the Iowa Economic Development Authority (IEDA) Board through the Community Attraction and Tourism (CAT) Program, and the bill specifies the evaluation provision of the projects. The bill changes the qualifying entity to any baseball and softball complex with construction costs of at least \$10.0 million completed after July 1, 2016. The requirement that the legal owner or operator be a for-profit is modified. A cap of \$2.5 million or 10 years of rebates is applied to individual complexes, whichever comes first.

Under the bill, a complex remains eligible until one of the following conditions is met:

- More than 10 years have passed from the project completion date, or the award date, whichever is later.
- A complex reaches the \$2.5 million individual rebate cap.
- The aggregate \$5.0 million cap is reached on the Program.
- There is a change in control in the ownership of a complex making it ineligible.

With a \$5.0 million Program cap, and a \$2.5 million individual rebate cap, there could be as many as two projects financed under this Program if they meet the \$10.0 million investment requirement. The Program sunset in 2024 is repealed, but the Program will continue until \$5.0 million in funds have been rebated.

### **Background**

In 2012 Iowa Acts, chapter **1098** (Sales Tax Rebate – Baseball and Softball Tournament Facility and Movie Site), a sales tax rebate was enacted that applies to the owner or operator of a baseball and softball tournament facility and movie site. The provision provides a rebate of sales tax between January 1, 2014, and January 1, 2024, from the sales tax imposed and collected by retailers at the All-Star Ballpark Heaven facility in Dyersville, Iowa. The aggregate amount is not to exceed \$16.5 million. The provision is repealed June 30, 2024 (or 30 days after the \$16.5 million cap is achieved).

### **Assumptions**

- No entity qualified for the rebate established currently in Iowa Code section **423.4(10)**.
- Two facilities in the planning stages will likely qualify for the rebate: one in Dyersville and one in Cedar Rapids. Neither facility is anticipated to be in operation until the summer of 2017.
- Based on figures from the Strategic Economics Group and other similar complexes in other areas of the country, sales at the two facilities are estimated to range between \$3.0 million and \$6.0 million annually in sales.
- Based on the individual cap and overall rebate cap, additional entities could qualify at a later date, but are not factored into the estimate at this time.
- The IEDA will be able to evaluate applications within existing staffing capacity.

## **Fiscal Impact**

The total maximum fiscal impact will be a sales tax rebate amount of \$5.0 million, with individual project caps of \$2.5 million or 10 years. The actual timing and specific rebate amounts by fiscal year are currently unknown. Based on the assumptions noted above, the following table provides an estimate of the annual diversion and rebate of State General Fund revenues that will be deposited into the rebate fund.

	<b>Dyersville</b>	<b>Cedar Rapids</b>	<b>Total Impact</b>	<b>Cumulative Impact</b>
FY 2017	\$ 0	\$ 0	\$ 0	\$ 0
FY 2018	-292,000	-75,000	-367,000	-367,000
FY 2019	-305,000	-157,000	-462,000	-829,000
FY 2020	-316,000	-163,000	-479,000	-1,308,000
FY 2021	-328,000	-169,000	-497,000	-1,805,000
FY 2022	-340,000	-175,000	-515,000	-2,320,000
FY 2023	-352,000	-181,000	-533,000	-2,853,000
FY 2024	-365,000	-188,000	-553,000	-3,406,000
FY 2025	-202,000	-195,000	-397,000	-3,803,000
FY 2026	0	-202,000	-202,000	-4,005,000
FY 2027	0	-210,000	-210,000	-4,215,000
FY 2028	0	-109,000	-109,000	-4,324,000
<b>Total Rebate</b>	<b><u>\$-2,500,000</u></b>	<b><u>\$-1,824,000</u></b>		

The sales tax rebate will only impact the General Fund. State sales/use tax for school infrastructure (Secure an Advanced Vision for Education – SAVE) funds are not rebated and Local Option Sales Tax revenue is not rebated.

In addition to the sales tax rebate amounts, the Department of Revenue will incur \$25,000 in administrative costs in FY 2017 and future fiscal years until the expiration of this provision.

## **Sources**

Iowa Department of Revenue  
Iowa Economic Development Authority  
All-Star Ballpark Heaven (Dyersville, IA)  
Prospect Meadows (Cedar Rapids, IA)  
Strategic Economics Group  
LSA Analysis and Calculations

/s/ Holly M. Lyons

April 21, 2016

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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.

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