

JAN 19 2000

WAYS AND MEANS

HOUSE FILE 2058

BY KETTERING and BRUNKHORST

Passed House, Date _____ Passed Senate, Date _____

Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____

Approved _____

A BILL FOR

1 An Act relating to the distribution of revenues collected from
2 the imposition of the local option school infrastructure sales
3 and services tax by counties and including effective and
4 applicability dates.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 422E.3, subsection 1, Code Supplement
2 1999, is amended to read as follows:

3 1. If a majority of those voting on the question of
4 imposition of a local sales and services tax for school
5 infrastructure purposes favors imposition of the tax, the tax
6 shall be imposed by the county board of supervisors within the
7 county pursuant to section 422E.2, at the rate specified for a
8 ten-year-duration period not to exceed ten years on the gross
9 receipts taxed by the state under chapter 422, division IV.

10 Sec. 2. Section 422E.3, subsection 4, Code Supplement
11 1999, is amended to read as follows:

12 4. The director of revenue and finance shall credit tax
13 receipts and interest and penalties from the local sales and
14 services tax for school infrastructure purposes to an account
15 within the county's local sales and services tax fund, as
16 created in section 422B.10, subsection 1, maintained in the
17 name of the school district or school districts located within
18 the county except as provided in subsection 4A. If the
19 director is unable to determine from which county any of the
20 receipts were collected, those receipts shall be allocated
21 among the possible counties based on allocation rules adopted
22 by the director.

23 Sec. 3. Section 422E.3, Code Supplement 1999, is amended
24 by adding the following new subsection:

25 NEW SUBSECTION. 4A. Counties which have imposed local
26 sales and services taxes for school infrastructure purposes as
27 a result of a favorable election which occurred after January
28 1, 2000, are subject to this subsection as follows:

29 a. The tax receipts and interest and penalties from all
30 such local sales and services taxes shall be deposited into a
31 local school infrastructure sales and services tax fund,
32 established in the office of the treasurer of state.

33 b. Moneys collected from the tax imposed during the fiscal
34 year which are deposited as provided in paragraph "a" shall be
35 distributed to school districts located in those counties

1 subject to this subsection on a per student basis determined
2 by the director of revenue and finance as follows:

3 (1) Calculate a preliminary per student amount by dividing
4 the moneys collected during the fiscal year by the sum of the
5 combined actual enrollment for all counties subject to this
6 subsection as described in subsection 5, paragraph "d",
7 subparagraph (2).

8 (2) For school districts located in a county where the
9 rate of tax imposed is less than one percent or the tax is
10 imposed for less than the entire fiscal year, reduce the per
11 student amount calculated in subparagraph (1) by multiplying
12 that amount by the quotient of the tax rate percent divided by
13 one percent and multiplied by the quotient of the number of
14 quarters the tax is imposed during the fiscal year divided by
15 four quarters. This is the per student amount in that county
16 that the school districts shall receive.

17 (3) If an adjustment to the per student amount calculated
18 under subparagraph (2) by any school district was made
19 pursuant to subparagraph (2), the resulting leftover moneys
20 shall be used to increase the per student amount calculated in
21 subparagraph (1) in counties that have imposed the tax at the
22 rate of one percent for the entire fiscal year. This
23 increased per student amount is the amount each school
24 district shall receive in those counties. If an adjustment is
25 not made under subparagraph (2), the per student amount each
26 school district shall receive equals the preliminary per
27 student amount calculated in subparagraph (1).

28 c. The remitting of the appropriate per student amounts to
29 the eligible school districts shall be done in the manner
30 provided in subsection 5, paragraphs "a", "b", and "c".

31 Sec. 4. Section 422E.3, subsection 5, paragraph c,
32 unnumbered paragraph 2, Code Supplement 1999, is amended to
33 read as follows:

34 d. (1) If more than one school district, or a portion of
35 a school district, is located within the county, tax receipts

1 shall be remitted to each school district or portion of a
2 school district in which the county tax is imposed in a pro
3 rata share based upon the ratio which the percentage of actual
4 enrollment for the school district that attends school in the
5 county bears to the percentage of the total combined actual
6 enrollments for all school districts that attend school in the
7 county.

8 (2) The combined actual enrollment for a county, for
9 purposes of this section, shall be determined for each county
10 imposing a sales and services tax for school infrastructure
11 purposes by the department of management based on the actual
12 enrollment figures reported by October 1 to the department of
13 management by the department of education pursuant to section
14 257.6, subsection 1. The combined actual enrollment count
15 shall be forwarded to the director of ~~the department of~~
16 management revenue and finance by March 1, annually, for
17 purposes of calculating the preliminary and final per student
18 amounts pursuant to subsection 4A and for purposes of
19 supplying estimated tax payment figures and making estimated
20 tax payments pursuant to this section for the following fiscal
21 year.

22 Sec. 5. EFFECTIVE AND APPLICABILITY DATES. This Act,
23 being deemed of immediate importance, takes effect upon
24 enactment and applies to fiscal years beginning after the
25 effective date.

26 EXPLANATION

27 The bill provides that for counties that impose a local
28 option school infrastructure sales and services tax as a
29 result of a favorable election occurring after January 1,
30 2000, all tax revenues would go into a joint fund to be
31 distributed on an equal per student basis to the school
32 districts located in counties that have imposed the tax. The
33 per student amount is reduced for school districts in those
34 counties that have imposed the tax at less than one percent or
35 imposed it for less than the entire fiscal year.

1 The bill also makes two corrective changes. The first
 2 specifies that after a favorable election the tax will be
 3 imposed for up to 10 years rather than for 10 years as is
 4 presently stated since the chapter already provides that the
 5 ballot proposition may state that the duration may be for less
 6 than 10 years. The second correction provides that the
 7 combined actual enrollment count is to be forwarded to the
 8 director of revenue and finance instead of the director of the
 9 department of management since the department of management
 10 already has the combined actual enrollment count which it
 11 calculates.

12 The bill takes effect upon enactment and applies to fiscal
 13 years beginning after the effective date.

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Section 8.39 shall not apply to the appropriation in this section.

AN ACT

MAKING AN APPROPRIATION TO THE COMMISSION OF VETERANS AFFAIRS FOR A CONTRIBUTION TOWARD THE CONSTRUCTION OF A NATIONAL WORLD WAR II MEMORIAL.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NATIONAL WORLD WAR II MEMORIAL APPROPRIATION. Notwithstanding section 8.57, subsection 5, paragraph "c," there is appropriated from the rebuild Iowa infrastructure fund to the commission of veterans affairs for the fiscal year beginning July 1, 2000, and ending June 30, 2001, the following amount, or so much thereof as is necessary, to be used for the purpose designated:

For a contribution to the World War II memorial fund for funding the construction of a national World War II memorial in Washington, D.C.:

..... \$ 278,000

The commission of veterans affairs shall not make a contribution of any of the funds appropriated in this section unless either of the following conditions has been met:

1. The United States secretary of the interior has issued a construction permit for construction of the national World War II memorial.

2. The United States secretary of the interior has not issued a construction permit as provided in subsection 1, but the commission of veterans affairs has determined there is substantial evidence of sufficient funding available for construction of the national World War II memorial.

Notwithstanding section 8.33, if the commission of veterans affairs has not made the contribution provided for in this section by June 30, 2002, the moneys appropriated in this section shall revert to the rebuild Iowa infrastructure fund.

BRENT SIEGRIST
Speaker of the House

MARY E. KRAMER
President of the Senate

I hereby certify that this bill originated in the House and is known as House File 2059, Seventy-eighth General Assembly.

ELIZABETH ISAACSON
Chief Clerk of the House

Approved *January 27*, 2000

THOMAS J. VILSACK
Governor