House Study Bill 235

HOUSE FILE ______
BY (PROPOSED COMMITTEE ON ECONOMIC GROWTH BILL BY CHAIRPERSON THOMAS)

Passed House, Date ____________ Passed Senate, Date ____________
Vote: Ayes ______ Nays _______ Vote: Ayes ______ Nays ________
Approved ____________________________

A BILL FOR

An Act changing the allocation of moneys in the county endowment fund.
BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
TLSB 2546HC 83
tw/nh/5

Section 1. Section 15E.311, subsection 2, Code 2009, is amended to read as follows:

2. a. A county endowment fund is created in the state treasury under the control of the department of revenue, and within the fund there is created an account for each county in the state.

b. The fund consists of all moneys appropriated to the fund. Moneys in the fund shall be distributed by the department as provided in this section.

Sec. 2. Section 15E.311, subsection 3, Code 2009, is amended by striking the subsection and inserting in lieu thereof the following:

3. a. At the end of each fiscal year, the moneys in the fund shall be transferred into the separate accounts within the fund according to the following formula:

(1) Twenty=five percent of the moneys in the fund shall be credited on a pro rata basis to the account of each county in the state.

(2) Seventy=five percent of the moneys in the fund shall be credited on a pro rata basis to the account of each county in the state that did not have a licensee authorized to conduct gambling games pursuant to chapter 99F located in that county during that fiscal year.

b. Moneys credited to a county's account pursuant to paragraph "a", subparagraph (1), shall be transferred to an eligible county recipient in that county to be used for purposes of establishing a permanent endowment fund for the benefit of charitable organizations for charitable purposes.

c. Moneys credited to a county's account pursuant to paragraph "a", subparagraph (2), shall be transferred to an eligible county recipient and distributed by the eligible county recipient in the form of grants to charitable organizations for charitable purposes.

d. In distributing the moneys, an eligible county recipient shall give special consideration to projects that include significant vertical infrastructure components that enhance the quality of life in local communities.

e. If there is no eligible county recipient in a county to which the moneys can be transferred, the moneys shall remain in the county's account until there is an eligible county recipient in the county.

f. The governing body of a charitable organization receiving a grant pursuant to this subsection shall approve all expenditures of grant moneys received and shall allow the state to audit the expenditures.

EXPLANATION

This bill changes the allocation of moneys within the county endowment fund.

Currently, the moneys appropriated to the fund may only go to counties that do not have a licensee authorized to conduct gambling games pursuant to Code chapter 99F. Of those moneys, each county has to reserve 25 percent for a permanent endowment fund that benefits charitable organizations. The remaining 75 percent must be distributed as grants.

The bill provides that each county in the state gets a pro rata share of 25 percent of the moneys in the fund, and that the remaining 75 percent is reserved for counties that do not have a licensee authorized to conduct gambling games pursuant to Code chapter 99F. Moneys received from the 25 percent allocation must be reserved for a permanent endowment and moneys received from the 75 percent allocation must be distributed as grants to eligible county recipients.

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