

**EIGHTY-EIGHTH GENERAL ASSEMBLY
2019 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

March 6, 2019

Clip Sheet Summary

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

Bill	Amendment	Action	Sponsor
SF 461	S-3012	Filed	AMY SINCLAIR

Fiscal Notes

- [SF 203](#) — [Fishing Licenses, Ponds](#) (LSB1106SV)
- [SF 279](#) — [Industrial Hemp](#) (LSB1744XS)
- [SF 297](#) — [High-Demand Occupation, Income Tax Credit](#) (LSB2303XS)
- [SF 410](#) — [Elections, Primary Runoff](#) (LSB1625SV)
- [SF 426](#) — [Dependent Adult Abuse, Personal Degradation](#) (LSB1749SV)
- [SF 436](#) — [Wrecked or Salvage Motor Vehicles](#) (LSB2244SV)
- [SF 445](#) — [English Language Learning, Funding](#) (LSB1648SV)

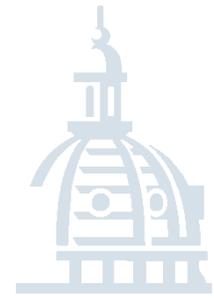
SENATE FILE 461

S-3012

- 1 Amend Senate File 461 as follows:
- 2 1. Page 2, line 25, by striking <subsection> and inserting
- 3 <paragraph>

By AMY SINCLAIR

S-3012 FILED MARCH 5, 2019



SF 203 – Fishing Licenses, Ponds (LSB1106SV)
Analyst: Debra Kozel (515.281.6767) deb.kozel@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 203](#) eliminates the need for a person to purchase a fishing license when the owner of a pond on private land gives the person permission to fish.

Background

Currently, Iowa Code section [483A.24](#) allows landowners and their minor-aged children to fish on the land they own without purchasing a fishing license. In addition, all residents under 16 years of age may fish for free in Iowa, including private ponds. Other persons wanting to fish at a pond on private property must purchase a fishing license.

Assumptions

Fishing license fees are deposited into the Fish and Game Protection Fund to pay for programs related to hunting, fishing, law enforcement, and other wildlife programs within the Department of Natural Resources (DNR). When there is a reduction in the number of licenses sold, license revenue is decreased, which can affect the services the Department provides.

[Responsive Management](#) conducted the 2018 Iowa Angler Survey during the last two months of 2018. The final report will be available in April 2019. A total of 1,628 licensed anglers were surveyed and the following information is related to the Bill:

- 14.7% of licensed anglers surveyed said they fish exclusively on private ponds.
- The DNR assumes the 14.7% of the licensed anglers would cease to purchase a fishing license.
- Fishing license sales data from 2018 was used to project fishing license sales and fee revenue for FY 2019.
- The DNR increased fishing license fees by 17.0% for calendar year 2019 through the Administrative Rules process.
- Federal Sport Fish Restoration funds are apportioned to states based on a formula that includes licenses sold. If fishing license sales decrease, the amount of federal funds could be reduced beginning in 2024, due to the timing of the federal certification and apportionment process.

Fiscal Impact

The estimated fiscal impact of [SF 203](#) is a revenue reduction of \$796,000 to the Fish and Game Trust Fund for FY 2020 and each subsequent year. Also, in FY 2024, there may be a potential loss of \$616,000 in federal funds deposited in the Fish and Game Trust Fund.

Table 1 details the estimated reduction of revenue to the Fish and Game Trust Fund from the implementation of [SF 203](#).

Table 1 — SF 203 Estimated Revenue Reduction

Estimated FY 2019				Estimated FY 2020			Increase/ (Decrease) (2-1)
License Type	# Sold	License Fee	Total Revenue (1)	# Sold	License Fee	Total Revenue (2)	
Resident Fishing	201,765	\$20.00	\$ 4,035,300	172,106	\$ 20.00	\$ 3,442,111	\$ -593,189
Resident 1 - Day Fishing	2,353	\$ 8.50	\$ 20,001	2,007	\$ 8.50	\$ 17,060	\$ -2,940
Resident 7 - Day Fishing	983	\$13.50	\$ 13,271	838	\$ 13.50	\$ 11,320	\$ -1,951
Resident 3 - Year Fishing	7,487	\$60.00	\$ 449,220	6,386	\$ 60.00	\$ 383,185	\$ -66,035
Resident Fishing/Hunting Combo	44,781	\$20.00	\$ 895,620	38,198	\$ 20.00	\$ 763,964	\$ -131,656
Projected Loss of Increased License Revenue							\$ -795,771

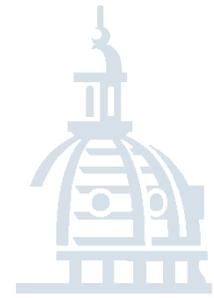
Sources

Department of Natural Resources
LSA calculations

/s/ Holly M. Lyons

March 4, 2019

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.



[SF 279](#) – Industrial Hemp (LSB1744XS)

Analyst: Debra Kozel (515.281.6767) deb.kozel@legis.iowa.gov

Fiscal Note Version – New

Description

[Senate File 279](#) creates the Iowa Hemp Act that authorizes the production and marketing of industrial hemp in Iowa in compliance with federal law and will be administered by the Department of Agriculture and Land Stewardship (DALs). Department responsibilities include submitting a State Plan to the United States Department of Agriculture (USDA), establishing license requirements, establishing industrial hemp fees, and establishing rules to implement the Iowa Hemp Act.

[Senate File 279](#) creates the Hemp Fund in the State Treasury that will be managed by the DALs. Money deposited into the Hemp Fund will include fees collected by the DALs, appropriations from the General Assembly, and other revenue such as interest earned and federal funds.

Appropriations — The Bill appropriates \$304,000 to the DALs for FY 2020, and \$209,000 for FY 2021 from the General Fund that will be deposited into the Hemp Fund. The funds will be used to pay for administrative costs and equipment needed to implement the Iowa Hemp Act.

Background

Industrial hemp and marijuana are different varieties of the *Cannabis sativa* L. plant. The differences between the two plants are their levels of tetrahydrocannabinol (THC) and their usage. Industrial hemp has THC levels of 0.1% to 0.4% of the total plant weight, while marijuana has THC levels of 4.0% to 7.0%. Industrial hemp is grown for commercial use, and the stalks and seeds are used for textiles, food, paper, building materials, and other products. Marijuana is grown for medicinal and recreational uses.

The federal [Agricultural Act of 2014](#) legalized the possession and use of industrial hemp when the crop was part of a pilot program that was regulated by a state department of agriculture or part of a research program conducted by an institution of higher education. The federal [Agriculture Improvement Act of 2018](#) removed industrial hemp from the list of controlled substances and allowed states to regulate industrial hemp production. [Senate File 279](#) specifies the DALs will develop and submit a State Plan for industrial hemp production in Iowa and submit it to the USDA for approval.

Assumptions

- Fees — The DALs will collect a license fee and an inspection fee for industrial hemp production. A license fee will be collected from persons wanting to produce industrial hemp and the fee is based on the number of acres planted. The Bill specifies that a licensed grower can only grow a maximum of 40 acres. The license fee range includes:
 - \$500 fee plus \$5 per acre for a person growing five acres or less.
 - \$750 fee plus \$5 per acre for a person growing more than five acres but less than 10 acres.

- \$1,000 fee plus \$5 per acre for a site that grows more than 10 acres.
- An annual inspection fee of not more than \$1,000 will be charged by the DALs.
- For estimating purposes, it's assumed that the DALs will submit a State plan for industrial hemp production and receive approval from the USDA by July 1, 2019.
- Personnel costs for FY 2020 are estimated at \$181,000 for 2.00 full-time equivalent (FTE) positions. This includes 1.00 FTE position for work in the laboratory and 1.00 FTE position that will work with industrial hemp growers in the field. The estimated costs were increased by 3.00% for FY 2021 to account for increased salary and other benefit expenditures.
- Contract worker costs assume a worker will make \$16.00 per hour and work 40 hours per week. This also assumes a contract worker will be needed for eight weeks.
- Required lab samples are estimated at 300 samples with a cost of \$50 each.
- Mileage costs are estimated at 5,000 miles at \$0.39 per mile.
- Civil Penalties — The Bill also specifies the DALs can assess a civil penalty for disposing a licensee's crop. The civil penalty will be between \$500 and \$2,500. Any funds collected from civil penalties will be deposited into the General Fund.

Fiscal Impact

Senate File [279](#) appropriates \$304,000 in FY 2020 and \$209,000 in FY 2021 from the General Fund for deposit in the Hemp Fund. **Table 1** shows the estimated expenditures from the Hemp Fund for the implementation of SF [279](#).

Table 1 — SF 279 Industrial Hemp Expenditures

<u>Description</u>	<u>FY 2020</u>	<u>FY 2021</u>
Personnel (2 FTE)	\$181,000	\$187,000
Contract Workers	5,000	5,000
Hemp Testing Lab Equipment	71,000	0
Consumable Lab Sample Testing	15,000	15,000
Vehicle	30,000	0
Mileage	2,000	2,000
Total Estimated Costs	<u>\$304,000</u>	<u>\$209,000</u>

*Includes one lab worker and 1 field worker

The fee income cannot be estimated, as it is unknown how many persons will participate in the manufacturing of industrial hemp. The other unknown factor is estimating how much it will cost to destroy crops that exceed the required THC levels.

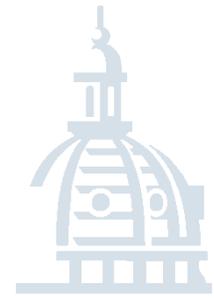
Sources

Department of Agriculture and Land Stewardship
 Department of Public Safety
 LSA calculations

/s/ Holly M. Lyons

March 5, 2019

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.



SF 297 – High-Demand Occupation, Income Tax Credit (LSB2303XS)
Analyst: Jeff Robinson (515.281.4614) jeff.robinson@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 297](#) creates a High-Demand Occupation Tax Credit. The new tax credit is available to community college graduates with credentials that qualify the graduate for a high-demand job. A qualifying credential includes a postsecondary certificate, a diploma, or a degree that is not more than an associate degree.

A high-demand job includes the fields of science, technology, engineering, and mathematics, and/or occupations aligned with the six career and technical education service areas listed in Iowa Code section [256.11](#)(5)(h). The six areas include:

- Agriculture, food, and natural resources.
- Arts, communications, and information systems.
- Applied sciences, technology, engineering, and manufacturing.
- Health sciences.
- Human services.
- Business, finance, marketing, and management.

The tax credit is not transferable or refundable, but unused portions of the credit may be carried forward for up to five additional tax years. If a tax credit recipient enters active military duty or enrolls in a public or private college or university, an additional two-year carryforward period is allowed. The tax credit applies to tax years beginning on or after January 1, 2020.

Assumptions

- Based on a Department of Workforce Development report covering the education outcomes of Iowa community college students, the Department of Revenue estimates that the average annual number of students graduating with a degree in the qualified areas is approximately 5,000.
- Using the same Department of Workforce Development report, 83.3% of the 5,000 annual qualified graduates (4,165) are assumed to remain Iowa residents and benefit from the tax credit.
- The tax credit qualifications require an agreement between the student and the community college. The agreement must have a time length of at least two years. Therefore, it is assumed the first graduates who may benefit from the new tax credit will graduate in 2021.
- The assumed 2018 average community college tuition and mandatory fee cost of an associate degree is \$10,560 (64 credit hours at \$165 per credit hour). The average cost per credit hour is assumed to increase 2.0% each year through 2026.
- The average starting wage for qualified occupations is assumed to be \$34,000 in 2021 and will increase to \$49,900 by 2026. Wages earned in the first year of employment are assumed to equal 50.0% of the annual wages of a qualified occupation.
- The tax owed by individuals with wage income equal to the average income for qualified occupations was estimated by the Department of Revenue for each tax year. For tax year 2023 and after, the contingent income tax system enacted in [SF 2417](#) (2018 Tax Modifications Act) is assumed to be in effect.

- The statewide average local option income surtax for schools is assumed to equal 2.9% of State income tax liability.
- For tax year TY 2021, 30.0% of the revenue reduction will be in the form of reduced withholding and estimate payment receipts. The taxpayers will realize the remaining benefit through increased tax refunds and decreased tax payments made when filing individual income tax returns for the tax year. For TY 2022, the withholding and estimate payment percentage is assumed to be 40.0%. With implementation of the contingent tax system, the withholding and estimate payment percentage is assumed to be 90.0% for TY 2023 and after.

Fiscal Impact

The High-Demand Occupation Tax Credit is projected to reduce net General Fund revenue and local option surtax for school revenue by the amounts listed in **Table 1**. The revenue reductions are projected to continue in future fiscal years, increasing at the rate of income tax growth for qualified occupations.

<u>Fiscal Year</u>	<u>Total Income Tax Reduction</u>	<u>General Fund Revenue Reduction</u>	<u>Local Option Surtax Revenue Reduction</u>
FY 2021	\$ 0.4	\$ 0.4	\$ 0.0
FY 2022	4.7	4.6	0.1
FY 2023	12.7	12.3	0.4
FY 2024	15.6	15.2	0.4
FY 2025	23.3	22.6	0.7
FY 2026	31.8	30.9	0.9
FY 2027	37.3	36.2	1.1

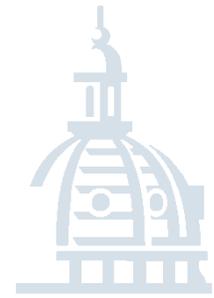
Sources

Department of Revenue
 Department of Workforce Development
 Legislative Services Agency analysis

/s/ Holly M. Lyons

March 4, 2019

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.



SF 410 – Elections, Primary Runoff (LSB1625SV)

Analyst: Christopher Ubben (515.725.0134) chris.ubben@legis.iowa.gov

Fiscal Note Version – New

Description

[Senate File 410](#) requires that a primary runoff election be held to determine a party's nominee in the event of an inconclusive primary election. An inconclusive primary election occurs when there is not a sufficient number of candidates from one political party who received at least 35.0% of the vote in a primary election to fill the necessary number of nominations for an office. This includes elections for county offices, statewide offices, congressional offices, and members of the General Assembly.

Background

- Under current law, the winner of an inconclusive primary election is determined by applicable delegates at convention, and expenses are paid by the applicable political party.
- In Iowa, one congressional district seat in the 2002 election and in the 2014 election was determined by convention.
- The National Conference of State Legislatures (NCSL) reports that 10 states have provisions for primary runoff elections: Alabama, Arkansas, Georgia, Mississippi, North Carolina, Oklahoma, South Carolina, South Dakota, Texas, and Vermont. Vermont only holds runoffs in the event of a tie, and South Dakota only holds runoffs for the offices of U.S. Senator, U.S. Representative, and Governor.

Assumptions

- Each county auditor will determine how to staff, equip, and supply the election site with precinct officials and the appropriate quantity of ballots.
- Based on responses from 56 counties, the average cost of a special election per capita is \$1.18. The highest cost is \$4.21, the lowest cost is \$0.33, and the median cost is \$1.07. It is assumed these numbers would hold statewide, but \$1.10 will be used for the calculations below.
- Precinct workers' pay varies from county to county but averages approximately \$8.50 per hour, plus travel reimbursement, training, and supplies. Travel costs in rural precincts will be higher than in precincts in cities. Each precinct has approximately five workers working a 16-hour day.
- The cost per ballot is \$0.25, and the cost for postage and envelopes per absentee ballot is \$1.68.
- County election administration costs are estimated to be \$30 per hour per person, including base pay, overtime pay, and benefits.
- Publication costs per county are \$2,000.
- The voting equipment programming cost per county is \$3,000.
- The calculations assume a 25.0% voter turnout.
- The average cost per precinct for officials, equipment, and supplies is approximately \$1,470.
- Some county supervisors are elected "at large" by the entire county, while others are elected by a specific district within the county. The smallest district is assumed to include seven precincts.

- Primary runoff elections happen infrequently but are assumed to happen more frequently at the county level than at the state or congressional level.

Fiscal Impact

All costs for a primary runoff election would be paid at the county level. The effect on county expenditures would depend on the number of precincts involved. Cost estimates range from approximately \$10,000 for seven precincts in a county local election for a specific county board of supervisors seat; to an approximate average of \$849,800 for each of the four congressional districts; and up to \$3.4 million for a statewide runoff election.

In the event of a statewide primary runoff, the Secretary of State's Office will incur approximately \$35,000 in additional computer programming costs and staff overtime expenses.

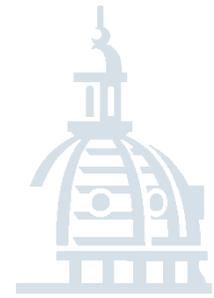
Sources

Iowa State Association of Counties (ISAC)
Secretary of State's Office
National Conference of State Legislatures

/s/ Holly M. Lyons

March 5, 2019

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.



SF 426 – Dependent Adult Abuse, Personal Degradation (LSB1749SV)
Analyst: Jess Benson (515.281.4611) jess.benson@legis.iowa.gov
Fiscal Note Version – New (Same as Fiscal Note for HF 569)

Description

Senate File 426 adds personal degradation as a form of dependent adult abuse by a caretaker regulated by the Department of Human Services (DHS). The Bill defines personal degradation as a willful act or statement by a caretaker intended to shame, degrade, humiliate, or otherwise harm a dependent adult's personal dignity, or a willful act or statement by a caretaker where the caretaker knew or reasonably should have known the act or statement would shame, degrade, humiliate, or otherwise harm the dependent adult's personal dignity. This would include the taking, transmission, or display of an electronic image of a dependent adult by a caretaker.

The Bill makes an exception for electronic images taken for the purpose of reporting dependent adult abuse, for the purpose of treatment or diagnosis, or as part of an ongoing investigation. The Bill also makes an exception for electronic images taken by a caretaker in accordance with the confidentiality policy and release of information or consent policies of a contractor, employer, or facility or program not regulated by the Department of Inspections and Appeals (DIA).

The Bill establishes dependent adult abuse by personal degradation as a serious misdemeanor.

Assumptions

DHS Computer System Updates:

- Adding a new category for dependent adult abuse will require one-time updates to the Child Welfare Information System. The DHS will need to add a new allegation category to the allegation screen and adult subject screen, adding additional factors and updating assessment reports, statistical reports, and federal reports with the new abuse category.
- The updates to the Child Welfare Information System will take 200 contract staff hours to complete at an average hourly rate of \$105 per hour.
- The match rate is 50.0% federal and 50.0% State, with all costs occurring in FY 2020.

Additional DHS Staff:

- The current annual number of intakes by the DHS is 8,476 and the number of accepted dependent adult abuse cases is 3,856. It is estimated that this Bill would increase intakes by 10.0% in FY 2020 and an additional 10.0% in FY 2021.
- There will be 847 new intakes and 386 new accepted cases in FY 2020 and 932 additional new intakes with 419 of those accepted in FY 2021.
- To maintain current staffing levels, the DHS would require 2.0 full-time equivalent (FTE) Social Worker 3 positions in FY 2020 and 4.0 FTE Social Worker 3 positions in FY 2021.
- The salary for a Social Worker 3 position is \$62,952. That cost is based on the minimum pay for the classification, adjusted to include benefits, FICA, and IPERS. This estimate does not reflect any changes or impact for potential salary adjustments.
- The match rate is 10.62% federal and 89.38% State.

Correctional Impact

The correctional impact of [SF 426](#) cannot be determined. The Bill establishes personal degradation as a serious misdemeanor and the number of convictions cannot be estimated.

Table 1 below shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; length of stay (LOS) under those supervisions; and supervision marginal costs per day for all serious misdemeanors. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 8, 2019, for information related to the correctional system.

Table 1 — Sentencing Estimates and LOS

Conviction Offense Class	Percent to Prison	FY 18 Avg Length of Stay Prison (months)	FY 18 Marginal Cost/Day	Percent to Probation	FY 18 Avg Length of Stay Probation (months)	FY 18 Avg Cost/Day Probation	Percent to CBC	FY 18 Marginal CBC Cost/Day	FY 18 Avg Length of Stay Parole (months)	FY 18 Marginal Cost/Day Parole	Percent to County Jail	Marginal Cost/Day
Serious Misdemeanor	2.0%	6.4	\$19.93	60.0%	13.1	\$5.38	1.0%	\$11.85	6.8	\$5.38	70.0%	\$50.00

Minority Impact

The minority impact of [SF 426](#) is unknown. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 7, 2019, for information related to minorities in the criminal justice system.

Fiscal Impact

[Senate File 426](#) is estimated to increase the DHS annual state operating costs by \$123,000 in FY 2020 and \$225,000 in FY 2021 and subsequent years. The increase for FY 2020 includes \$10,500 in one-time upgrade costs to the Child Welfare Information System.

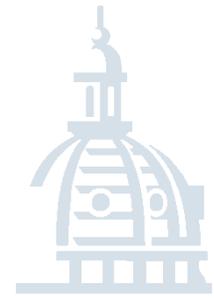
Sources

Department of Human Services
Criminal and Juvenile Justice Planning Division, Department of Human Rights

/s/ Holly M. Lyons

March 5, 2019

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.



SF 436 – Wrecked or Salvage Motor Vehicles (LSB2244SV)
Analyst: Rodrigo Acevedo (515.281.6764) rodrigo.acevedo@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 436](#) increases the threshold for damage to a vehicle in order to be deemed wrecked or salvage from 50.0% percent to 70.0% of the fair market value in both Iowa Code section [321.52\(4\)\(e\)](#) and Iowa Code section [321H.2\(12\)](#).

Background

Currently, a vehicle is deemed wrecked or salvage if the cost to repair the vehicle exceeds 50.0% of the fair market value. Before the owner of a repaired vehicle can be issued a vehicle registration to operate the vehicle on public highways, the vehicle must undergo a salvage theft examination by a peace officer certified by the Iowa Law Enforcement Academy (ILEA). Under Iowa Code section [321.52\(4\)\(d\)](#), the purpose of the exam is to examine whether the vehicle or repaired components have been stolen and not whether a car is safe to operate. The current cost of an examination is \$50. The local agency performing the examination retains \$40; the remaining \$10 is split evenly between the Road Use Tax Fund (RUTF) and the General Fund. The money in the General Fund is to be used by the ILEA to provide for the training and certification of officers performing salvage theft examinations. In FY 2018, there were 45,861 salvage vehicle titles issued and 17,329 salvage theft examinations.

Assumptions

- The number of vehicles deemed wrecked or salvaged will decrease under [SF 436](#).
- The number of vehicles needing a salvage theft examination prior to vehicle registration will decrease under [SF 436](#).
- Salvage vehicle titles issued and salvage theft examinations in FY 2019 would be similar to FY 2018 if not for the proposed change.

Fiscal Impact

According to the Department of Transportation, the exact number of vehicles falling within the current 50.0% damage and the proposed 70.0% damage range cannot be determined for FY 2018. However, **Table 1** provides a range for possible decreases in salvage theft examinations fees and the funds or entity that will be impacted by [SF 436](#). A 20.0% (3,466) reduction in salvage theft examinations would decrease total revenues by \$173,000. A 60.0% (10,397) reduction would decrease total revenues by \$520,000.

Table 1

Senate File 436 – Estimated Range of Revenue Reduction				
	<u>Total Fees</u>	<u>Potential Reduction in Salvage Theft Examinations</u>		
	<u>Current Law</u>	<u>20% Decrease</u>	<u>40% Decrease</u>	<u>60% Decrease</u>
Funds				
Local Agency	\$ 693,000	\$ -139,000	\$ -277,000	\$ -416,000
RUTF	87,000	-17,000	-35,000	-52,000
General Fund (ILEA)	87,000	-17,000	-35,000	-52,000
Total	<u>\$ 867,000</u>	<u>\$ -173,000</u>	<u>\$ -347,000</u>	<u>\$ -520,000</u>

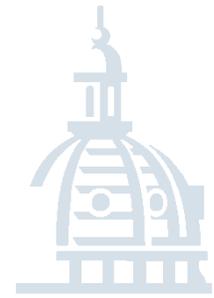
Sources

Iowa Department of Transportation
LSA calculations

/s/ Holly M. Lyons

March 5, 2019

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.



[SF 445](#) – English Language Learning, Funding (LSB1648SV)
Analyst: Michael Guanci (515.725.1286) michael.guanci@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 445](#) increases the amount of supplementary weighting for an English language learner (ELL) from 0.22 to 0.295 per pupil.

Background

The Department of Education describes an ELL as a student who is in the process of acquiring English proficiency and has a first language other than English. Under current law, a student identified as an ELL may draw an additional weighting of 0.22 in the School Aid and Levy formula for no more than five years. In FY 2019, approximately 20,516 students were identified as ELLs and received supplementary weighting, an increase of 2.9% from FY 2018.

Assumptions

Increasing the weighting for ELL pupils would have a fiscal impact on State aid from the General Fund. The fiscal estimate uses growth rates agreed upon by the Legislative Services Agency (LSA) and the Department of Management (DOM) for ELL pupils for fiscal years 2020 through 2024. The ELL weightings have already been established for FY 2020, and the increase in additional weightings would not apply until the October 2019 student count for FY 2021. Under current law, the State cost per pupil is set at \$6,880 for FY 2021 through FY 2024. Individual district cost per pupil may be higher.

Fiscal Impact

The fiscal impact of SF 445 may increase State aid from the State General Fund by \$10.4 million in FY 2021, and increasing to \$12.1 million by FY 2024.

Table 1 — SF 445

Estimated State Aid and Property Taxes for SF 445 — FY 2020 - FY 2024 (in Millions)

Fiscal Year	Current Law		SF 445		Increases	
	State Aid	Property Tax	State Aid	Property Tax	State Aid	Property Tax
FY 2020	\$ 29.1	\$ 3.7	\$ 29.1	\$ 3.7	\$ 0.0	\$ 0.0
FY 2021	30.6	3.9	41.0	5.2	10.4	1.3
FY 2022	32.1	4.0	43.1	5.4	11.0	1.4
FY 2023	33.7	4.2	45.2	5.7	11.5	1.4
FY 2024	35.4	4.5	47.5	6.0	12.1	1.5

Totals may not add due to rounding.

Sources

Department of Education
Department of Management — School Aid and Levy File
LSA analysis and calculations

/s/ Holly M. Lyons

March 5, 2019

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.
