

**EIGHTY-NINTH GENERAL ASSEMBLY  
2021 REGULAR SESSION  
DAILY  
SENATE CLIP SHEET**

**February 1, 2021**

**Clip Sheet Summary**

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

<b>Bill</b>	<b>Amendment</b>	<b>Action</b>	<b>Sponsor</b>
<a href="#">SJR 7</a> .....	<a href="#">S-3002</a> .....	Lost	TONY BISIGNANO
<a href="#">SF 129</a> .....	<a href="#">S-3013</a> .....	Lost	HERMAN C. QUIRMBACH
<a href="#">SF 159</a> .....	<a href="#">S-3006</a> .....	Adopted	AMY SINCLAIR
<a href="#">SF 159</a> .....	<a href="#">S-3007</a> .....	Lost	CLAIRE CELSI
<a href="#">SF 159</a> .....	<a href="#">S-3008</a> .....	Lost	CLAIRE CELSI
<a href="#">SF 159</a> .....	<a href="#">S-3009</a> .....	Lost	SARAH TRONE GARRIOTT
<a href="#">SF 159</a> .....	<a href="#">S-3010</a> .....	Lost	HERMAN C. QUIRMBACH
<a href="#">SF 159</a> .....	<a href="#">S-3011</a> .....	Lost	JANET PETERSEN
<a href="#">SF 159</a> .....	<a href="#">S-3012</a> .....	Lost	JANET PETERSEN
<a href="#">SF 160</a> .....	<a href="#">S-3001</a> .....	Adopted	BRAD ZAUN
<a href="#">SF 160</a> .....	<a href="#">S-3003</a> .....	Lost	HERMAN C. QUIRMBACH
<a href="#">SF 160</a> .....	<a href="#">S-3004</a> .....	Lost	SARAH TRONE GARRIOTT
<a href="#">SF 160</a> .....	<a href="#">S-3005</a> .....	Lost	CLAIRE CELSI

**Fiscal Notes**

[SJR 7 — Right to Keep and Bear Arms, Constitutional Amendment \(LSB1195SV\)](#)

[SF 159 — Charter Schools, Education Savings Grant Program \(LSB1391SV.1\)](#)

[SF 183 — Guaranteed Maximum Price Contracts, Public Improvements \(LSB1182SV\)](#)

SENATE JOINT RESOLUTION 7

S-3002

1 Amend Senate Joint Resolution 7 as follows:

2 1. By striking everything after the resolving clause and  
3 inserting:

4 <Section 1. The following amendment to the Constitution of  
5 the State of Iowa is proposed:

6 Article I of the Constitution of the State of Iowa is amended  
7 by adding the following new section:

8 Sec. 1A. **Right to keep and bear arms.** A well regulated  
9 Militia, being necessary to the security of a free State,  
10 the right of the people to keep and bear Arms, shall not be  
11 infringed.

12 Sec. 2. REFERRAL AND PUBLICATION. The foregoing proposed  
13 amendment to the Constitution of the State of Iowa is referred  
14 to the general assembly to be chosen at the next general  
15 election for members of the general assembly, and shall be  
16 published as provided by law for three months previous to the  
17 date of that election.>

By TONY BISIGNANO

S-3002 FILED JANUARY 28, 2021

LOST

SENATE FILE 129

S-3013

- 1 Amend Senate File 129 as follows:
- 2 1. Page 1, before line 1 by inserting:
- 3 <Section 1. Section 261.113, subsection 3, paragraph c,
- 4 Code 2021, is amended by striking the paragraph.>
- 5 2. Page 1, by striking line 14 and inserting:
- 6 <Sec. \_\_\_\_\_. Section 261.113, subsections 9 and 10, Code 2021,
- 7 are>
- 8 3. Page 1, after line 15 by inserting:
- 9 <9. *Rules for additional loan repayment.* The commission
- 10 shall adopt rules to provide, in addition to loan repayment
- 11 provided to eligible students pursuant to this section and
- 12 subject to the availability of surplus funds, loan repayment
- 13 to a physician who received a doctor of medicine or doctor
- 14 of osteopathic medicine degree from an eligible university
- 15 as provided in subsection 2, obtained a license to practice
- 16 medicine and surgery or osteopathic medicine and surgery
- 17 in this state, completed the physician's residency program
- 18 requirement ~~with an Iowa-based residency program~~, and is
- 19 engaged in the full-time practice of medicine and surgery or
- 20 osteopathic medicine and surgery as specified in subsection 3,
- 21 paragraph "d".>
- 22 4. Title page, line 2, before <and> by inserting <residency
- 23 requirements,>
- 24 5. By renumbering as necessary.

By HERMAN C. QUIRMBACH

S-3013 FILED JANUARY 28, 2021

LOST

SENATE FILE 159

S-3006

- 1 Amend Senate File 159 as follows:
- 2 1. Page 1, line 21, by striking <114-95> and inserting  
3 <114-95, or an equivalent objective federal standard>
- 4 2. Page 1, line 25, after <114-95,> by inserting <or an  
5 equivalent objective federal standard,>
- 6 3. Page 2, line 4, by striking <31> and inserting <1>
- 7 4. Page 2, line 16, by striking <March> and inserting  
8 <February>
- 9 5. Page 4, by striking lines 22 and 23 and inserting  
10 <pupil participates in the program until the pupil becomes  
11 ineligible under the program or until the remaining amounts are  
12 transferred to the state general fund under subsection 8.>
- 13 6. Page 4, line 28, by striking <fees> and inserting <fees,  
14 software,>
- 15 7. Page 5, line 7, after <education.> by inserting <The  
16 cost of one computer or other portable computing device shall  
17 be allowed as a qualified educational expense for a pupil if  
18 the computer or portable computing device is used primarily for  
19 the education of the pupil and if such a purchase has not been  
20 made using funds from that pupil's account in any of the three  
21 immediately preceding fiscal years.>
- 22 8. Page 5, line 28, by striking <or from the pupil for  
23 purposes of subsection 8,>
- 24 9. Page 5, lines 30 and 31, by striking <guardian, or a  
25 pupil for purposes of subsection 8,> and inserting <guardian>
- 26 10. By striking page 6, line 34, through page 7, line 1, and  
27 inserting <account in the student first scholarship fund, close  
28 the pupil's account, and transfer any moneys remaining in the  
29 pupil's account for deposit in the general fund of the state.  
30 In>
- 31 11. Page 7, by striking lines 17 through 19 and inserting  
32 <the student first scholarship fund, close the pupil's account,  
33 and transfer any moneys remaining in the pupil's account for  
34 deposit in the general fund of the state.>
- 35 12. By striking page 7, line 24, through page 8, line 14,

1 and inserting:

2 <8. Moneys remaining in a pupil's account when the pupil  
3 graduates from high school or turns twenty-one years of age,  
4 whichever occurs first, shall be transferred by the department  
5 of education for deposit in the general fund of the state.>

6 13. Page 8, line 26, by striking <may> and inserting <shall>

7 14. Page 15, by striking lines 2 through 5 and inserting:

8 <z. A description of the proposed charter school's staff  
9 performance evaluation measures and compensation structure,  
10 methods of contract oversight and dispute resolution,  
11 investment disclosures, and conflicts of interest.>

12 15. Page 19, lines 32 and 33, by striking <performance  
13 evaluation measures, compensation> and inserting <staff  
14 performance evaluation measures and compensation>

15 16. Page 26, by striking lines 17 through 19.

16 17. Page 36, after line 22 by inserting:

17 <Sec. \_\_\_\_\_. EFFECTIVE DATE. This division of this Act, being  
18 deemed of immediate importance, takes effect upon enactment.>

19 18. Page 38, by striking line 13 and inserting <dollars per  
20 student for the first year of the fee and set to raise an amount  
21 equal to the actual cost of the electronic data collection  
22 system minus administrative costs of the department related  
23 to the system. If the cost of the system is funded through  
24 collection of a fee by the department, after consultation  
25 with stakeholders, the department shall adopt by rule the per  
26 student fee for subsequent years based on the actual cost of  
27 the electronic data collection system minus administrative  
28 costs of the department.>

29 19. By striking page 42, line 14, through page 43, line 22,  
30 and inserting:

31 <Sec. \_\_\_\_\_. Section 2.48, subsection 3, paragraph b,  
32 subparagraph (5), Code 2021, is amended to read as follows:

33 (5) Tuition and textbook tax credits under section ~~422.12~~  
34 422.12D.

35 Sec. \_\_\_\_\_. Section 422.7, subsection 55, Code 2021, is

1 amended to read as follows:

2 55. A taxpayer who is an eligible educator as defined in  
3 section 62(d)(1) of the Internal Revenue Code is allowed to  
4 take the deduction for certain expenses of elementary and  
5 secondary school teachers allowed under section 62(a)(2)(D) of  
6 the Internal Revenue Code, ~~as amended by the federal Emergency~~  
7 ~~Economic Stabilization Act of 2008, Pub. L. No. 110-343,~~ in  
8 computing net income for state tax purposes in excess of  
9 the amount of the taxpayer's deduction for certain expenses  
10 of elementary and secondary school teachers for federal tax  
11 purposes allowed under section 62(a)(2)(D) of the Internal  
12 Revenue Code, but not to exceed five hundred dollars.

13 Sec. \_\_\_\_\_. Section 422.12, subsection 1, paragraphs d and e,  
14 Code 2021, are amended by striking the paragraphs.

15 Sec. \_\_\_\_\_. Section 422.12, subsection 2, paragraph b, Code  
16 2021, is amended by striking the paragraph.

17 Sec. \_\_\_\_\_. **NEW SECTION. 422.12D Tuition and textbook tax**  
18 **credit.**

19 1. For purposes of this section, unless the context  
20 otherwise requires:

21 a. "*Private instruction*" means independent private  
22 instruction as defined in section 299A.1, subsection 2,  
23 paragraph "b", competent private instruction under section  
24 299A.2, or private instruction provided to a resident of this  
25 state by a nonlicensed person under section 299A.3.

26 b. "*Textbooks*" means books and other instructional materials  
27 and equipment used in elementary and secondary schools in  
28 teaching only those subjects legally and commonly taught in  
29 public elementary and secondary schools in this state and  
30 does not include instructional books and materials used in  
31 the teaching of religious tenets, doctrines, or worship, the  
32 purpose of which is to inculcate those tenets, doctrines, or  
33 worship. "*Textbooks*" includes books or materials used for  
34 extracurricular activities including sporting events, musical  
35 or dramatic events, speech activities, driver's education, or

1 programs of a similar nature.

2     *c.* "Tuition" means any charges for the expenses of  
3 personnel, buildings, equipment, and materials other than  
4 textbooks, and other expenses of elementary or secondary  
5 schools which relate to the teaching only of those subjects  
6 legally and commonly taught in public elementary and  
7 secondary schools in this state and which do not relate to  
8 the teaching of religious tenets, doctrines, or worship, the  
9 purpose of which is to inculcate those tenets, doctrines, or  
10 worship. "Tuition" includes those expenses which relate to  
11 extracurricular activities including sporting events, musical  
12 or dramatic events, speech activities, driver's education, or  
13 programs of a similar nature.

14     2. The taxes imposed under this subchapter, less the credits  
15 allowed under section 422.12, shall be reduced by a tuition  
16 and textbook credit equal to fifty percent of the first two  
17 thousand dollars which the taxpayer has paid to others for each  
18 dependent in grades kindergarten through twelve, for tuition  
19 and textbooks of each dependent who is receiving private  
20 instruction or who is attending an elementary or secondary  
21 school situated in Iowa, which school is accredited or approved  
22 under section 256.11, which is not operated for profit, and  
23 which adheres to the provisions of the federal Civil Rights Act  
24 of 1964 and chapter 216.

25     3. The department, when conducting an audit of a taxpayer's  
26 return, shall also audit the tuition and textbook tax credit  
27 portion of the tax return.

28     4. Any credit allowed under this section in excess of  
29 the tax liability shall be refunded. In lieu of claiming a  
30 refund, the taxpayer may elect to have the overpayment shown  
31 on the taxpayer's final, completed return credited to the tax  
32 liability for the following taxable year.

33     5. Qualified educational expenses, as defined in section  
34 257.11B, subsection 6, paid for with funds from an account in  
35 the student first scholarship fund, shall not be included in



1 the calculation of the tuition and textbook tax credit under  
2 this section.

3 6. Married taxpayers who have filed joint federal returns  
4 electing to file separate returns or to file separately on a  
5 combined return form must determine the tuition and textbook  
6 tax credit based upon their combined net income and allocate  
7 the total credit amount to each spouse in the proportion that  
8 each spouse's respective net income bears to the total combined  
9 net income. Nonresidents or part-year residents of Iowa must  
10 determine their tuition and textbook tax credit in the ratio of  
11 their Iowa source net income to their all source net income.  
12 Nonresidents or part-year residents who are married and elect  
13 to file separate returns or to file separately on a combined  
14 return form must allocate the tuition and textbook tax credit  
15 between the spouses in the ratio of each spouse's Iowa source  
16 net income to the combined Iowa source net income of the  
17 taxpayers.

18 Sec. \_\_\_\_\_. 2018 Iowa Acts, chapter 1161, section 118, is  
19 amended to read as follows:

20 SEC. 118. Section 422.7, subsections 3, 7, 8, 9, 10, 11, 14,  
21 15, 16, 20, 22, 24, 25, 26, 30, 35, 36, 37, 39, 39B, 40, 43, 45,  
22 49, 53, ~~55~~, 56, 57, and 58, Code 2018, are amended by striking  
23 the subsections.

24 Sec. \_\_\_\_\_. EFFECTIVE DATE. This division of this Act, being  
25 deemed of immediate importance, takes effect upon enactment.

26 Sec. \_\_\_\_\_. RETROACTIVE APPLICABILITY. The following apply  
27 retroactively to January 1, 2021, for tax years beginning on  
28 or after that date:

29 1. The section of this division of this Act amending section  
30 422.7, subsection 55.

31 2. The section of this division of this Act amending section  
32 422.12, subsection 1, paragraphs "d" and "e".

33 3. The section of this division of this Act amending section  
34 422.12, subsection 2, paragraph "b".

35 4. The section of this division of this Act enacting section

1 422.12D.>

2 20. By striking page 43, line 24, through page 47, line 31,  
3 and inserting:

4 <SCHOOL DISTRICT ENROLLMENT WORKING GROUP

5 Sec. \_\_\_\_\_. SCHOOL DISTRICT ENROLLMENT WORKING GROUP.

6 1. The department of education shall convene a school  
7 district enrollment working group to review the methodology  
8 and timing of determinations of school district enrollment,  
9 including examination of the current on-time funding authorized  
10 under section 257.13, the budget adjustment authorized under  
11 section 257.14, the types and amounts of funding paid for  
12 students open enrolled under section 282.18, and alternative  
13 methods for determining school district enrollments.

14 2. Voting members of the working group shall include  
15 representatives from all of the following:

16 a. The Iowa association of school boards.

17 b. The school administrators of Iowa.

18 c. The urban education network of Iowa.

19 d. The Iowa association of school business officials.

20 e. A representative of a school district designated by the  
21 rural school advocates of Iowa.

22 f. A representative of a school district designated by the  
23 urban education network of Iowa.

24 3. Four members of the general assembly shall serve as  
25 ex officio, nonvoting members of the working group, with one  
26 member to be appointed by each of the following: the majority  
27 leader of the senate, the minority leader of the senate, the  
28 speaker of the house of representatives, and the minority  
29 leader of the house of representatives.

30 4. The director of the department of education, or the  
31 director's designee, and the director of the department of  
32 management, or the director's designee, shall each serve as ex  
33 officio, nonvoting members of the working group.

34 5. The working group shall submit its findings and  
35 recommendations to the general assembly not later than December

1 1, 2021.

2 Sec. \_\_\_\_ . EFFECTIVE DATE. This division of this Act, being  
3 deemed of immediate importance, takes effect upon enactment.>

4 21. Page 47, after line 33 by inserting:

5 <Sec. \_\_\_\_ . Section 256.46, subsection 1, Code 2021, is  
6 amended by adding the following new paragraph:

7 NEW PARAGRAPH. *i.* If the child's former school or school  
8 district, if located in this state, was unable to participate  
9 in varsity interscholastic sports as the result of a decision  
10 or implementation of a decision of the school board or  
11 superintendent.

12 Sec. \_\_\_\_ . Section 282.18, subsection 2, paragraph a, Code  
13 2021, is amended to read as follows:

14 *a.* By March 1 of the preceding school year for students  
15 entering grades one through twelve, or by September 1 of the  
16 current school year for students entering kindergarten or for  
17 prekindergarten students enrolled in special education programs  
18 and included in the school district's basic enrollment under  
19 section 257.6, subsection 1, paragraph "a", subparagraph (1),  
20 the parent or guardian shall send notification to the district  
21 of residence and the receiving district, on forms prescribed  
22 by the department of education, that the parent or guardian  
23 intends to enroll the parent's or guardian's child in a public  
24 school in another school district. If a parent or guardian  
25 fails to file a notification that the parent intends to enroll  
26 the parent's or guardian's child in a public school in another  
27 district by the deadline specified in this subsection, the  
28 procedures of subsection 4 apply.>

29 22. By striking page 47, line 34, through page 48, line 17,  
30 and inserting:

31 <Sec. \_\_\_\_ . Section 282.18, subsection 4, paragraph b, Code  
32 2021, is amended to read as follows:>

33 23. Page 48, line 20, after <residence,> by inserting  
34 <a change in a child's residence from the residence of one  
35 parent or guardian to the residence of a different parent or

1 guardian,>

2 24. Page 48, line 24, after <program,> by inserting <initial  
3 placement of a prekindergarten student in a special education  
4 program requiring specially designed instruction,>

5 25. Page 49, line 11, after <114-95,> by inserting <or an  
6 equivalent objective federal standard,>

7 26. Page 50, after line 1 by inserting:

8 <Sec. \_\_\_\_ . Section 282.18, subsection 9, paragraphs a, b,  
9 and c, Code 2021, are amended to read as follows:

10 a. If a parent or guardian of a child, who is participating  
11 in open enrollment under this section, moves to a different  
12 school district during the course of either district's academic  
13 year, the child's first district of residence as determined on  
14 the date specified in section 257.6, subsection 1, shall be  
15 responsible for payment of the cost per pupil plus weightings  
16 or special education costs to the receiving school district for  
17 the balance of the school year in which the move took place.  
18 The new district of residence shall be responsible for the  
19 payments during succeeding years.

20 b. If a request to transfer is due to a change in family  
21 residence, a change in a child's residence from the residence  
22 of one parent or guardian to the residence of a different  
23 parent or guardian, a change in the state in which the family  
24 residence is located, a change in a child's parents' marital  
25 status, a guardianship proceeding, placement in foster care,  
26 adoption, participation in a foreign exchange program, or  
27 participation in a substance abuse or mental health treatment  
28 program, and the child who is the subject of the request is  
29 enrolled in any grade from kindergarten through grade twelve  
30 or who is a prekindergarten student enrolled in a special  
31 education program at the time of the request and is not  
32 currently using any provision of open enrollment, the parent or  
33 guardian of the child shall have the option to have the child  
34 remain in the child's original district of residence under open  
35 enrollment with no interruption in the child's kindergarten

1 ~~through grade twelve~~ educational program. If a parent or  
2 guardian exercises this option, the child's new district of  
3 residence is not required to pay the amount calculated in  
4 subsection 7 or 8, as applicable, until the start of the first  
5 full year of enrollment of the child.

6 c. The receiving district shall bill the ~~first~~ resident  
7 district determined under paragraph "a" according to the  
8 timeline in section 282.20, subsection 3. Payments shall be  
9 made to the receiving district in a timely manner.>

10 27. Page 50, by striking lines 2 through 9 and inserting:

11 <Sec. \_\_\_\_\_. Section 282.18, subsection 10, paragraph c, Code  
12 2021, is amended to read as follows:>

13 28. Page 50, line 15, by striking <contiguous> and inserting  
14 <contiguous>

15 29. Page 50, line 30, by striking <contiguous> and inserting  
16 <contiguous>

17 30. By striking page 50, line 35, through page 52, line 13,  
18 and inserting:

19 <Sec. \_\_\_\_\_. Section 282.18, subsection 11, paragraph a, Code  
20 2021, is amended by adding the following new subparagraphs:

21 NEW SUBPARAGRAPH. (8) If the pupil participates in open  
22 enrollment because of circumstances that meet the definition of  
23 good cause under subsection 4, paragraph "b".

24 NEW SUBPARAGRAPH. (9) If the board of directors or  
25 superintendent of the district of residence issues or  
26 implements a decision that results in the discontinuance or  
27 suspension of varsity interscholastic sports activities in the  
28 district of residence.

29 Sec. \_\_\_\_\_. Section 282.18, subsection 11, Code 2021, is  
30 amended by adding the following new paragraph:

31 NEW PARAGRAPH. *0c.* If a pupil is declared ineligible for  
32 interscholastic athletic contests and athletic competitions in  
33 the pupil's district of residence due to the pupil's academic  
34 performance, upon participating in open enrollment, in addition  
35 to any other period of ineligibility under this subsection, the

S-3006 (Continued)

1 pupil shall be ineligible in the receiving district for the  
2 remaining period of ineligibility declared by the district of  
3 residence.

4 Sec. \_\_\_\_ . RETROACTIVE APPLICABILITY. The following apply  
5 retroactively to July 1, 2020:

6 1. The section of this division of this Act enacting section  
7 256.46, subsection 1, paragraph "i".

8 2. The portion of the section of this division of this  
9 Act enacting section 282.18, subsection 11, paragraph "a",  
10 subparagraph (9).>

11 31. By renumbering, redesignating, and correcting internal  
12 references as necessary.

By AMY SINCLAIR

[S-3006](#) FILED JANUARY 28, 2021

ADOPTED

SENATE FILE 159

S-3007

1 Amend Senate File 159 as follows:

2 1. By striking page 34, line 10, through page 36, line 22,  
3 and inserting:

4 <VOLUNTARY DIVERSITY PLAN TASK FORCE  
5 Sec. \_\_\_\_ . SCHOOL DISTRICT VOLUNTARY DIVERSITY PLAN TASK  
6 FORCE.

7 1. The department of education shall convene a school  
8 district voluntary diversity plan task force to review the use  
9 and impact of voluntary diversity plans and such plans' use  
10 within the open enrollment process under section 282.18.

11 2. Voting members of the task force shall include a  
12 representative from each school district in the state with a  
13 voluntary diversity plan and each school district within twenty  
14 miles of the boundaries of a school district with a voluntary  
15 diversity plan.

16 3. The director of the department of education, or the  
17 director's designee, shall each serve as an ex officio,  
18 nonvoting member of the task force.

19 4. The task force shall submit its findings and  
20 recommendations to the general assembly not later than December  
21 1, 2021.

22 2. Title page, line 7, by striking <law including> and  
23 inserting <law, establishing a task force relating to>

24 3. By renumbering as necessary.

By CLAIRE CELSI

S-3007 FILED JANUARY 28, 2021

LOST

SENATE FILE 159

S-3008

1 Amend Senate File 159 as follows:

2 1. By striking page 8, line 31, through page 9, line 2, and  
3 inserting:

4 <10. a. If a nonpublic school accepts payment for  
5 qualified educational expenses from a pupil's account in the  
6 student first scholarship fund, the nonpublic school shall not  
7 discriminate in the school's student admissions policies or  
8 practices on the basis of intellectual or athletic ability,  
9 measures of achievement or aptitude, or status as a person  
10 with a disability, and shall not deny admission to any pupil  
11 participating in the student first scholarship program if the  
12 pupil applying for admission is of an appropriate age for the  
13 grade level offered by the nonpublic school.

14 b. If a nonpublic school accepts payment for qualified  
15 educational expenses from a pupil's account in the student  
16 first scholarship fund, the nonpublic school shall provide all  
17 necessary and appropriate instruction and services for the  
18 pupil including but not limited to special education as defined  
19 in section 256B.2, for children requiring special education and  
20 pupils with a disability, whether or not the pupil has been  
21 identified as a child requiring special education under chapter  
22 256B, services related to a pupil's individualized education  
23 program or behavioral intervention plan, and instruction for  
24 students identified as limited English proficient.

25 c. A nonpublic school>

By CLAIRE CELSI

S-3008 FILED JANUARY 28, 2021

LOST



SENATE FILE 159

S-3009

1 Amend Senate File 159 as follows:

2 1. By striking page 8, line 31, through page 9, line 2, and  
3 inserting:

4 <10. a. If a nonpublic school accepts payment for qualified  
5 educational expenses from a pupil's account in the student  
6 first scholarship fund, the nonpublic school, notwithstanding  
7 the portion of section 216.9, subsection 2, relating to bona  
8 fide religious institutions, shall not discriminate in the  
9 school's student admissions policies or other practices,  
10 including but not limited to activities and programs described  
11 under section 216.9, subsection 1, on the basis of race, creed,  
12 color, sex, sexual orientation, gender identity, national  
13 origin, religion, or disability.

14 b. A nonpublic school>

By SARAH TRONE GARRIOTT

S-3009 FILED JANUARY 28, 2021

LOST

SENATE FILE 159

S-3010

- 1 Amend Senate File 159 as follows:
- 2 1. By striking page 40, line 25, through page 42, line 7.
- 3 2. By renumbering as necessary.

By HERMAN C. QUIRMBACH

S-3010 FILED JANUARY 28, 2021

LOST

SENATE FILE 159

S-3011

1 Amend Senate File 159 as follows:

2 1. Page 3, by striking lines 17 through 22 and inserting  
3 <scholarships under this section. The availability of student  
4 first scholarships is subject to annual appropriations by the  
5 general assembly. The director of the department of education>

6 2. Title page, line 11, by striking <making  
7 appropriations,>

By JANET PETERSEN

S-3011 FILED JANUARY 28, 2021

LOST

SENATE FILE 159

S-3012

1 Amend Senate File 159 as follows:

2 1. By striking page 8, line 31, through page 9, line 2, and  
3 inserting:

4 <10. a. If a nonpublic school accepts payment for qualified  
5 educational expenses from a pupil's account in the student  
6 first scholarship fund, the nonpublic school shall, to the  
7 extent applicable and in addition to accreditation requirements  
8 under chapter 256, comply with the requirements of all of  
9 the following as if the nonpublic school was a public school  
10 district and the governing entity of the nonpublic school was a  
11 board of directors of a school district:

12 (1) Chapter 21.

13 (2) Chapter 22.

14 (3) Chapter 11.

15 (4) The uniform administrative procedures manual.

16 (5) Annual financial reports under section 279.63.

17 (6) Annual reports under section 291.10.

18 b. The department of education shall adopt rules and issue  
19 guidance for nonpublic schools to ensure compliance with the  
20 requirements of paragraph "a".

21 c. A nonpublic school>

By JANET PETERSEN

S-3012 FILED JANUARY 28, 2021

LOST

SENATE FILE 160

S-3001

1 Amend Senate File 160 as follows:

2 1. Page 1, by striking line 5 and inserting <the first  
3 Monday that is at least two weeks after the effective date of  
4 this Act and>

5 2. Page 1, line 25, after <contrary,> by inserting <for the  
6 school year beginning July 1, 2020, and ending June 30, 2021,>

7 3. Page 2, by striking lines 1 through 10 and inserting  
8 <2020, and ending June 30, 2021, to the extent the governor  
9 waives the requirement for full-time in-person instruction  
10 pursuant to section 1 of this Act, or authorizes a  
11 brick-and-mortar school district or accredited nonpublic  
12 school to provide primarily remote learning in accordance  
13 with 2020 Iowa Acts, chapter 1107, by conditioning the waiver  
14 or authorization on approval by the department of education,  
15 the department of education shall consider, in addition to  
16 any other factors or information, data regarding the number  
17 of teachers employed by the school district or school who  
18 are quarantining due to exposure to COVID-19, as well as the  
19 scarcity of substitute teachers, food service workers, and  
20 school bus drivers.>

By BRAD ZAUN

S-3001 FILED JANUARY 28, 2021

ADOPTED

SENATE FILE 160

S-3003

1 Amend Senate File 160 as follows:  
2 1. Page 1, line 3, after <1.> by inserting <a.>  
3 2. Page 1, after line 24 by inserting:  
4 <b. The provisions of paragraph "a" are not applicable for  
5 a specific school district attendance or accredited nonpublic  
6 school attendance center unless all of the practitioners and  
7 other school employees who are employed by the school district  
8 or accredited nonpublic school to work in the attendance center  
9 to which the parent's student is assigned have been offered an  
10 opportunity to be vaccinated against COVID-19, the full course  
11 of vaccinations have been completed for those who choose to be  
12 vaccinated, and sufficient time has passed for those vaccinated  
13 to develop immunity. The department of public health shall  
14 notify the school administrator or authority in charge of the  
15 affected school, as appropriate, of the date by which this  
16 subsection is applicable for each specific school district  
17 attendance center and accredited nonpublic school.>

By HERMAN C. QUIRMBACH

S-3003 FILED JANUARY 28, 2021

LOST

SENATE FILE 160

S-3004

1 Amend Senate File 160 as follows:

2 1. Page 1, by striking lines 3 and 4 and inserting:

3 <1. a. Notwithstanding any provisions of law to the  
4 contrary, including 2020 Iowa Acts, chapter 1107, except as  
5 provided in paragraph "b", beginning no later than>

6 2. Page 1, after line 24 by inserting:

7 <b. The provisions of paragraph "a" apply only to a  
8 school district or accredited nonpublic school that follows  
9 the guidelines issued by the centers for disease control and  
10 prevention of the United States department of health and  
11 human services to prevent or contain the spread of COVID-19,  
12 including but not limited to mitigation strategies relating to  
13 face masks, cleaning and disinfecting, social distancing, and  
14 ventilation.>

By SARAH TRONE GARRIOTT

S-3004 FILED JANUARY 28, 2021

LOST

SENATE FILE 160

S-3005

1 Amend the amendment, S-3001, to Senate File 160, as follows:

2 1. Page 1, by striking lines 16 and 17 and inserting <any  
3 other factors or information, data regarding the total number  
4 of persons employed by the school district or school who>

5 2. Page 1, line 18, after <COVID-19> by inserting <or who  
6 are absent for any other reason>

By CLAIRE CELSI

S-3005 FILED JANUARY 28, 2021

LOST





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[SJR 7](#) – Right to Keep and Bear Arms, Constitutional Amendment (LSB1195SV)  
Staff Contact: Christin Mechler (515.250.0458) [christin.mechler@legis.iowa.gov](mailto:christin.mechler@legis.iowa.gov)  
Fiscal Note Version – New

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## **Description**

[Senate Joint Resolution 7](#) proposes an amendment to the Iowa Constitution related to the right of the people to keep and bear arms, explicitly stating that this right shall not be infringed. The amendment states that the sovereign State of Iowa affirms and recognizes this right to be a fundamental individual right, on which any and all restrictions shall be subject to strict scrutiny.

## **Background**

Iowa Code section [49A.1](#) and the Iowa Constitution require that when a proposed amendment to the Constitution has passed the General Assembly and has been referred to the next succeeding General Assembly, the State Commissioner of Elections (Secretary of State) is required to publish the proposed amendment in two newspapers of general circulation in each Iowa congressional district once each month for three consecutive months prior to the start of the next General Assembly. Upon passage of the same amendment by the second General Assembly, the amendment is to be published in newspapers in all 99 counties once each month for three consecutive months immediately preceding the general election.

The 88th General Assembly passed [Senate Joint Resolution 18](#), the initial version of the proposed amendment, on March 13, 2019, and subsequently referred the amendment for the consideration of the 89th General Assembly. The initial amendment was published in eight newspapers (two in each congressional district) for a three-month period in the fall of 2020 (FY 2021).

## **Assumptions**

- The average cost to publish an amendment in a single newspaper is \$600.
- Publication of the amendment will occur in 99 newspapers (one in each county) for a three-month period.

## **Fiscal Impact**

**Constitutional Amendment Publication Cost.** The estimated cost to publish a proposed Constitutional amendment passed by the General Assembly during the 2019 Legislative Session was \$14,400 (8 newspapers x 3 months x \$600). These costs were incurred in the fall of 2020 (FY 2021).

Assuming the proposed amendment is passed a second time during the 89th General Assembly, the estimated cost would be \$178,200 (99 newspapers x 3 months x \$600). The costs would be incurred in the fall of 2022 (FY 2023).

The above publication costs would be paid from moneys appropriated to the Iowa Secretary of State's Office.

**Sources**

Legislative Services Agency  
Office of the Secretary of State

/s/ Holly M. Lyons

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January 27, 2021

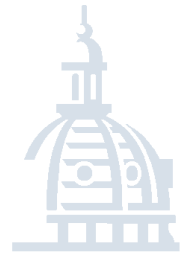
Doc ID 1210713

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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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[www.legis.iowa.gov](http://www.legis.iowa.gov)



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**SF 159** – Charter Schools, Education Savings Grant Program (LSB1391SV)  
Staff Contacts: Michael Guanci (515.725.1286) [michael.guanci@legis.iowa.gov](mailto:michael.guanci@legis.iowa.gov)  
Jeff Robinson (515.281.4614) [jeff.robinson@legis.iowa.gov](mailto:jeff.robinson@legis.iowa.gov)  
Lora Vargason (515.725.2249) [lora.vargason@legis.iowa.gov](mailto:lora.vargason@legis.iowa.gov)  
Fiscal Note Version – New

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## **Bill Description**

[Senate File 159](#) makes a variety of changes to the Iowa Code regarding education. A brief description by division is below and the following pages include assumptions and fiscal impact where it can be estimated.

DIVISION I — Student First Scholarship Program: Establishes a Student First Scholarship Program under the direction of the Department of Education (DE) for eligible accredited nonpublic students, funded by a General Fund standing unlimited appropriation beginning in FY 2023. The Division further exempts these scholarship awards from Iowa individual income tax.

DIVISION II — Charter School Programs: Expands existing provisions for the establishment of charter school programs in the State.

DIVISION III — Voluntary Diversity Plans: Repeals voluntary diversity plans under open enrollment for school districts.

DIVISION IV — Education Information, Program Standards, and Funding: Provides for a new statewide education data system, allows for a flexible student and school support program, and allows school district fund flexibility as outlined in the Bill.

DIVISION V — Education Tax Credits and Deductions: Increases the annual amount of classroom expenditures that Iowa elementary and secondary school teachers may deduct from gross income for income tax purposes from the current \$250 to \$500 and expands the [Tuition and Textbook Tax Credit](#).

DIVISION VI — Student Enrollment: Amends the methodology for calculating certified enrollment, special education weightings, and supplementary weightings from an October 1 count to an average of the October 1 and the preceding April 1 count.

DIVISION VII — Open Enrollment: Expands allowances for permissible open enrollment, addresses open enrollment busing agreements, and allows immediate eligibility in athletics for open enrolled students.

DIVISION VIII — School Board Powers and Duties: Clarifies school board member responsibilities.

This Bill takes effect upon enactment with a retroactive provision in Division V and an applicability provision in Division VI.

## **Division I**

### **Background**

Student First Scholarship Program — The federal [Every Student Succeeds Act \(ESSA\)](#) requires public schools to be identified for Comprehensive Support and Improvement and Targeted Support and Improvement. There are currently [34 public schools identified for Comprehensive Support](#) in 19 school districts in Iowa. These schools have an estimated total enrollment of 10,240. The Student First Scholarship Program created in this Bill provides education savings accounts for students who attended or might attend Comprehensive Support schools in the State but instead enroll in a nonpublic school. The scholarships are funded by a standing unlimited appropriation from the State General Fund.

For the history of nonpublic school funding in the State, please read [Issue Review: Nonpublic School Funding History](#).

### **Assumptions**

#### Student First Scholarship Program

- The DE may experience a fiscal impact due to implementation of the scholarship program; however, the extent of this fiscal impact is unknown at this time.
- Incoming first grade students may not be eligible for scholarships if the students did not attend kindergarten at a Comprehensive Support school.
- Incoming middle school or incoming high school students may not be eligible for grants if the school the students attended in the previous year was not under Comprehensive Support review.
- Under the provisions of the Bill, public schools may experience a decrease in enrollment.
- Of the 34 public school attendance centers under Comprehensive Support, 25 of those schools are located within its boundaries of a school district that also has one or more accredited nonpublic schools within the boundaries. The estimated enrollment of these 25 public school attendance centers is approximately 9,000 students. See **Appendix A** for a map of locations with an ESSA identified Comprehensive Support school.
- For estimation purposes, it is assumed that 3.5% of the total number of eligible students will receive a scholarship in FY 2023, 5.0% will receive a scholarship in FY 2024, and 6.5% will receive a scholarship in FY 2025.
- There are an estimated 820 students entering kindergarten each year into the schools under Comprehensive Support. For estimation purposes, it is assumed that 3.5% in FY 2023 will receive a scholarship, 5.0% in FY 2024 will receive a scholarship, and 7.5% in FY 2025 will receive a scholarship. Students from the previous year will retain scholarships compounding these figures.

**Table 1** displays the estimated number of scholarships by year.

**Table 1**

## Estimated Number of Student First Scholarships — SF 159

Fiscal Year	Number of Scholarships from Public Schools	Number of Entering Kindergarten Scholarships	Total Number of Scholarships
FY 2023	315	30	345
FY 2024	450	70	520
FY 2025	585	150	735

**Table 2** displays the estimated Student First Scholarship amount for FY 2023 and future years. District-specific cost per pupils, and any legislative changes to the State cost per pupil will alter these figures.

## Estimated Student First Scholarship — SF 159

Base Scholarship	\$ 4,145
Teacher Salary Supplement	606
Professional Development Supplement	69
Early Intervention Supplement	75
AEA Teacher Salary Supplement	32
AEA Professional Development Supplement	4
Teacher Leadership Supplement	341
Estimated Student First Scholarship	\$ 5,270

Totals may not add due to rounding.

**Fiscal Impact**

## Student First Scholarship Program

**Table 3** displays the estimated net fiscal impact to the State General Fund and to school districts from the Student First Scholarship Program from FY 2023 to FY 2025.

**Table 3**

## Student First Scholarship Estimated Fiscal Impact — SF 159

	FY 2023	FY 2024	FY 2025
General Fund Appropriation (dollars in millions)	\$ 1.8	\$ 2.7	\$ 3.9
Reduction in State Aid	-1.7	-2.4	-3.1
Net General Fund Fiscal Impact	\$ 0.2	\$ 0.4	\$ 0.8
Impact to School Districts (including property taxes)	\$ -2.1	\$ -3.0	\$ -3.8

The LSA anticipates DE administration costs and the potential need for full-time equivalent (FTE) positions to fulfill the oversight requirement in this Bill. The LSA will update the estimate when more information is provided.

Under the provisions of this Bill, a student may be eligible for the Student First Scholarship Program and be the beneficiary of a [Student Tuition Organization](#) (STO) grant. Exempting awards received through the Student First Scholarship Program will reduce State General Fund revenue by \$96,000 in FY 2023, and that amount will grow steadily, reaching \$205,000 in FY 2025.

## **Division II**

### **Background**

Charter School Programs — For information on charter school programs in the State, please read the DE [Legislative Report Charter and Innovation Zone Schools in Iowa](#).

### **Fiscal Impact**

Charter School Programs — The LSA does not have enough information to provide a fiscal estimate at this time. As more information is received from the DE, the LSA will update the estimate. The LSA anticipates DE administration costs and the potential need for FTE positions to fulfill the oversight requirements in this Bill.

There is a potential for double counting of students for State funding. For the initial year of funding for a charter school, State funding is based on an estimate of enrolled students. The potential students included in the charter school estimate may not actually attend the charter school and would in turn be funded at the school where the student is actually enrolled.

## **Division III**

### **Background**

Voluntary Diversity Plans — Voluntary diversity plans were enacted after changes made by the U.S. Supreme Court's ruling in *Parents Involved in Community Schools v. Seattle School District No. 1*, [551 U.S. 701](#) (2007). A voluntary diversity plan had to be adopted by the school district within a certain time frame, could only concern a limited number of factors, and could not use race as a factor.

Five Iowa school districts currently have voluntary diversity plans, with three districts using socioeconomic status (Davenport Community Schools, Des Moines Public Schools, and Waterloo Community School District) and two districts (West Liberty Community School District and Postville Community School District) using English language learner (ELL) status as their metrics for denying open enrollment. There are no districts in Iowa currently under a court-ordered desegregation plan.

### **Assumptions**

Voluntary Diversity Plans

- Affected school districts will allow open enrollment out of the district for students who previously had been denied open enrollment under voluntary diversity plans.
- Districts that previously adopted a voluntary diversity plan will have an increased amount of open enrollment out, equal to the number of the previous year's requests denied due to the diversity plan.
- Affected districts may have a number of open enrollment requests similar to the number they had during recent school years, as reported to the Urban Education Network of Iowa.
- The open enrollment window for pupils entering grades 1 through 12 for FY 2022 closes on March 1, 2021; the first year affecting school districts will be FY 2023. The deadline for open enrollment for pupils entering kindergarten is September 1, 2021, and the changes may impact FY 2022 program costs for the pupils' resident districts.
- Estimated fiscal impact of Division III will average FY 2018 and FY 2019 survey data.

## **Fiscal Impact**

Voluntary Diversity Plans — Division III has no fiscal impact to the State. Districts that have denied previous open enrollment requests based on the districts' voluntary diversity programs may experience a decrease in per pupil funds equal to the cost of the previous year's SCPP and teacher leadership supplement, as well as a decrease resulting from any additional ELL weighting for the applicable pupils. The following table shows the possible fiscal impact by district based on survey information from previous school years' open enrollment survey data. The data has been averaged where applicable.

**Table 4**

Fiscal Impact to School Districts Due to Increased Open Enrollment — SF 159

	Est. Number of New Open Enrollment Out of Resident District	Open Enrollment Funds Per Student**	Estimate of Total Funds Leaving Resident District
Davenport	106	\$ 7,389.0	\$ 783,234
Des Moines	192	7,389.0	1,418,688
Postville	2	7,389.0	14,778
Waterloo	57	7,389.0	421,173
West Liberty*	0	7,389.0	0

\* No voluntary diversity open enrollments denials for the years examined.

\*\* Open enrollment funds included the previous year's SCPP and teacher leadership categorical.

It is unknown into which districts pupils may choose to open enroll; therefore, the fiscal impact to the receiving districts cannot be determined. This estimate does not include any additional enrollments due to previously denied open enrollments from prior fiscal years. Any additional pupils previously denied under the voluntary enrollment plans from previous fiscal years who choose to open enroll may increase the fiscal impact on the resident school districts.

## **Division IV**

### **Background**

Education Information, Program Standards, and Funding — The DE currently collects multiple data sets using multiple systems including the [Basic Educational Data Survey \(BEDS\)](#), [Student Reporting in Iowa \(SRI\)](#), and the [EdInsight – education data warehouse](#). Any change in data collection systems would need to meet requirements within the federal [Family Educational Rights and Privacy Act \(FERPA\)](#).

2017 Iowa Acts, chapter [154](#), increased district flexibility in how unexpended and unobligated amounts from certain categorical funds can be used through the creation and utilization of a flexibility account within a school district's general fund. Use of this flexibility account requires formal action by the district's school board.

Statewide in FY 2020, 276 school districts carried forward \$45.0 million in teacher leadership funds, an average of \$163,000 per district. Statewide in FY 2020, 240 school districts carried \$9.7 million forward in teacher salary supplement funds, an average of approximately \$40,000 per district.

### **Assumptions**

Education Information, Program Standards, and Funding

- School districts will increase transfers to the flexibility account of unobligated or unexpended teacher leadership supplement funds and teacher salary supplement funds. In FY 2020, 40 school districts made expenditures from their flexibility account.
- Additional school districts may submit an adopted resolution authorizing expenditure from their flexibility account.

### **Fiscal Impact**

Education Information, Program Standards, and Funding — The LSA does not have enough information to provide a fiscal estimate at this time. As more information is received from the DE, the LSA will update the estimate.

After the first year of statewide implementation of the proposed statewide data system, the Bill provides that the cost of operating the system may be funded through the collection of a fee by the DE. This fee would be charged to each school district and accredited nonpublic school and is not to exceed \$7 per student for the first year of the fee. The fiscal impact to school districts would be an estimated \$3.5 million based on 2020-2021 [public school district enrollments](#) and an estimated \$260,000 based on 2019-2020 [nonpublic school enrollments](#).

Changes to districts' flexibility accounts under the provisions of this Bill will have no fiscal impact to the State. School districts may increase expenditures from their flexibility accounts; however, the extent cannot be determined.

## **Division V**

### **Background**

Education Tax Credits and Deductions — For information on the Tuition and Textbook Tax Credit please read [Fiscal Topic: Tuition and Textbook Tax Credit](#). For information on the Teacher Expense Deduction, please see [here](#).

### **Assumptions**

Teacher Expense Deduction

- Current Iowa law allows teachers to deduct up to \$250 in qualified classroom expenses from their Iowa income. The deduction is per taxpayer, so married taxpayers are each allowed to deduct up to \$250. This deduction lowers Iowa taxable income and therefore the income tax paid by teachers utilizing the deduction. The Bill increases the deduction maximum to \$500 per taxpayer. The deduction increase is first effective beginning tax year (TY) 2021.
- The Iowa Department of Revenue (IDR) utilized a model of Iowa tax returns to develop the fiscal impact projection for this provision. The model is based on actual tax returns filed for TY 2019.
- For TY 2019, 33,628 households claimed a total of \$8.6 million in Teacher Expense Deductions (an average of \$256 per household).
- For purposes of determining the fiscal impact of the change, it is assumed that increasing the deduction will not increase the number of households utilizing the deduction and will not cause current claimants to increase their classroom expenses.
- Modeled tax returns in which the TY 2019 deduction was \$250 (the maximum for a single taxpayer) or higher (indicating two eligible taxpayers) were randomly assigned projected deductions between \$250 and \$1,000.
- Modeled tax returns in which the TY 2019 deduction was below \$250 were assumed to have deductions for future years equal to their TY 2019 deduction.



- The fiscal impact of Division V was computed by comparing the model results under current law (maximum \$250 deduction) to the model results assuming a maximum \$500 deduction.
- The tax reduction associated with the enhanced deduction is assumed to occur when tax returns are filed (decreased final tax payments and increased tax refunds).
- The proposed deduction increase has no impact beyond TY 2023 as it is projected the contingent individual income tax system contained in [SF 2417](#) (2018 Tax Modifications Act) will become effective beginning TY 2024.

#### Tuition and Textbook Tax Credit

- Current Iowa law allows taxpayers to claim a nonrefundable tax credit equal to 25.0% of up to \$1,000 in qualified elementary and secondary (K-12) school expenses paid by the taxpayer for each dependent attending an [accredited](#) K-12 public or nonpublic school. Qualified expenses include:
  - Tuition to an accredited school.
  - Textbooks.
  - Specialized play, concert, and sports clothing.
  - Driver's education fees paid to a K-12 school.
  - Certain dues, fees, and admission charges.
  - Materials for extracurricular activities.
  - Rental of musical instruments and other music expenses.
  - Required supplies for shop and other specialized classes.
  - Fees and charges for transportation if paid to the school.
  - Band and athletic uniforms.
- The Bill expands the Tuition and Textbook Credit by:
  - Increasing the maximum basis of the credit from \$1,000 per student to \$2,000.
  - Increasing the credit percentage from 25.0% to 50.0%.
  - Changing the credit from nonrefundable to refundable.
  - Expanding eligibility to include private instruction students (home schooling and nonaccredited education).
- Projection Assumptions and Methods:
  - The changes to the tax credit are effective beginning TY 2021.
  - The IDR utilized a model of Iowa tax returns to develop the fiscal impact projection for this provision. The model is based on actual tax returns filed for TY 2019.
  - For TY 2019, 111,800 households claimed a total of \$14.9 million in Tuition and Textbook Credits.
  - The expansion of the credit is projected to increase the amount claimed by taxpayers and therefore reduce individual income tax revenue. The negative fiscal impact on State General Fund revenue is divided into three cumulative, direct impacts:
    - The annual benefit to the 111,800 current claimants is projected to increase by \$27.0 million due to the increase in the expense maximum to \$2,000, the increase in the credit percentage to 50.0%, and the switch to a refundable credit from a nonrefundable credit.
    - Usage of the current credit is low, at around 40.0% of eligible households. The proposed enhancements to the credit are substantial, and the enhancements are projected to expand the number of public and nonpublic school households that claim the credit for qualified expenses by 21.4% (24,000 households). The average annual total credit claimed by those households is projected to be \$12.1 million.

- The expansion of the credit to include private instruction households is expected to add an additional 12,100 new claimant households, and the total tax credits claimed by those households is projected to be \$6.9 million.
- The tax reduction associated with the enhanced tax credit is assumed to occur when tax returns are filed (decreased final tax payments and increased tax refunds).
- Nonrefundable individual income tax credits lower the amount of State income tax used in the calculation of the income tax surcharge for schools, while refundable credits do not. Switching the Tuition and Textbook Credit from nonrefundable to refundable will increase the surtax amount calculated for any tax return that is subject to the surtax and also claims the Tuition and Textbook credit.
- The IDR reports that the switch from a nonrefundable to a refundable tax credit will require substantial revisions of existing tax forms and associated computer programs, as well as additional auditing expenses associated with the projected 32.3% increase in the number of households claiming the Tuition and Textbook Credit.

### **Fiscal Impact**

**Teacher Expense Deduction** — Increasing the maximum classroom expense deduction from the current \$250 to \$500 per taxpayer is projected to reduce net General Fund revenue by the following amounts:

- FY 2022 through FY 2024 = \$410,000 each year.
- FY 2025 and after = \$0.

**Tuition and Textbook Tax Credit** — The expansion of the Tuition and Textbook Tax Credit is projected to reduce annual General Fund revenue by \$46.0 million beginning FY 2022. The change from a nonrefundable to a refundable credit is projected to increase the annual raised by the income tax surcharge for schools by \$400,000 beginning FY 2022.

### **Additional Potential Fiscal Impact**

Existing Iowa law provides for a significant change to Iowa's individual income tax system once two General Fund revenue triggers are met. The first year that the triggers may be met is at the conclusion of FY 2022. Once implemented, this contingent income tax system is projected to reduce Iowa individual income tax by roughly \$300.0 million per tax year. Since the provisions of this Bill that expand the Tuition and Textbook Tax Credit are projected to reduce General Fund revenue in FY 2022 and after, the expansion of the credit will significantly reduce the possibility of achieving both revenue triggers; as a consequence, the expansion could result in delayed implementation of the income tax reduction.

## **Division VI**

### **Background**

**Student Enrollment** — Certified Enrollment is an annual report of enrolled resident students used for the Iowa school finance formula calculation. The certified enrollment count is taken October 1 every year, or the following Monday if October 1 falls on a weekend, and is due no later than October 15. The certified enrollment count is used to calculate State aid and property tax levies for the next fiscal year following the fall count. For information on certified student enrollment, please see [here](#).

### **Assumptions**

**Student Enrollment** — Changing the calculation for certified enrollment from the October 1 count to the average of the October 1 and the preceding April 1 counts will have a fiscal impact on all school districts as follows:

- School districts with declining enrollment will receive a positive fiscal impact when averaging the two counts together.
- School districts with increasing enrollment will receive a negative fiscal impact when averaging the two counts together.

Changing the calculation for additional weighting, which includes special education and supplementary weighting, from the October 1 count to the average of the October 1 and the preceding April 1 counts will have a fiscal impact on all school districts, as follows:

- School districts with declining enrollment and declining additional weighting will receive a positive fiscal impact when averaging the two counts together.
- School districts with increasing enrollment and increasing additional weighting will receive a negative fiscal impact when averaging the two counts together.

Calculations for concurrent enrollment under sharing supplementary weightings already use a preceding Spring count with the October 1 count and may not be impacted under the provisions of this Bill. Other calculations for sharing supplementary weighting may be impacted, including whole grade sharing and operational function sharing.

Changes in certified enrollment calculations will impact other school finance calculations beyond State school aid and property tax levies, including but not limited to:

- Secure an Advanced Vision for Education (SAVE) funding allocations.
- Transportation Equity Fund allocations.
- Open enrollment billings, including students served in an ELL count.
- Regular education foster care claims.
- School Budget Review Committee (SBRC) modified supplemental amounts (MSAs) for increasing enrollment, ELL funding, and excess special education costs.

### **Fiscal Impact**

Student Enrollment — For estimation purposes, an initial analysis was performed by the LSA using estimated April 2019 enrollment data calculated by the DE and the October 2019 certified enrollment count.

If the provisions of this Bill had been enacted prior to the FY 2021 school budget year, the certified enrollment count used for FY 2021 would have declined by 2,789 students, resulting in an estimated FY 2021 State aid General Fund reduction of \$21.7 million. Additional levy property taxes would have been reduced by approximately \$3.7 million due to a reduction in the 101.0% budget guarantee.

It is estimated that school budget years beginning on or after the effective date of this division of the Bill would have a similar fiscal impact.

The initial analysis does not take into consideration potential impacts to preschool enrollment, special education weightings, or additional supplementary weightings.

This analysis is subject to change as more information is received from the DE.

## **Division VII**

### **Background**

Open Enrollment — Open enrollment is the process by which parents or guardians residing in a school district may enroll their children into another Iowa school district under the provisions set in the Iowa Code and Iowa Administrative Code. The deadline for parents to submit open enrollment applications for grades 1 through 12 is March 1. The deadline for students entering kindergarten is September 1. For information on open enrollment, please see [here](#).

### **Assumptions**

#### Open Enrollment

- School districts may experience an increase in open enrollment applications; however, the extent is unknown.
- Resident districts may experience a decline in revenue, while receiving districts may experience an increase in revenue.
- Revenue includes the previous year's SCPP amount and the resident district teacher leadership supplemental cost.

### **Fiscal Impact**

Open Enrollment — Changes to open enrollment under the provisions of this Bill will have no fiscal impact to the State. The extent to which each district may experience a fiscal impact cannot be determined.

## **Division VIII**

### **Background**

School Board Powers and Duties — The Iowa Code provides for [powers and duties](#) of school boards.

### **Fiscal Impact**

School Board Powers and Duties — This Division clarifies school board member responsibilities and is expected to have no fiscal impact to the State.

### **Sources**

Iowa Association of School Boards  
Iowa Department of Education  
Iowa Department of Revenue  
Urban Education Network of Iowa  
LSA calculations

/s/ Holly M. Lyons

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January 28, 2021

Doc ID 121061810618

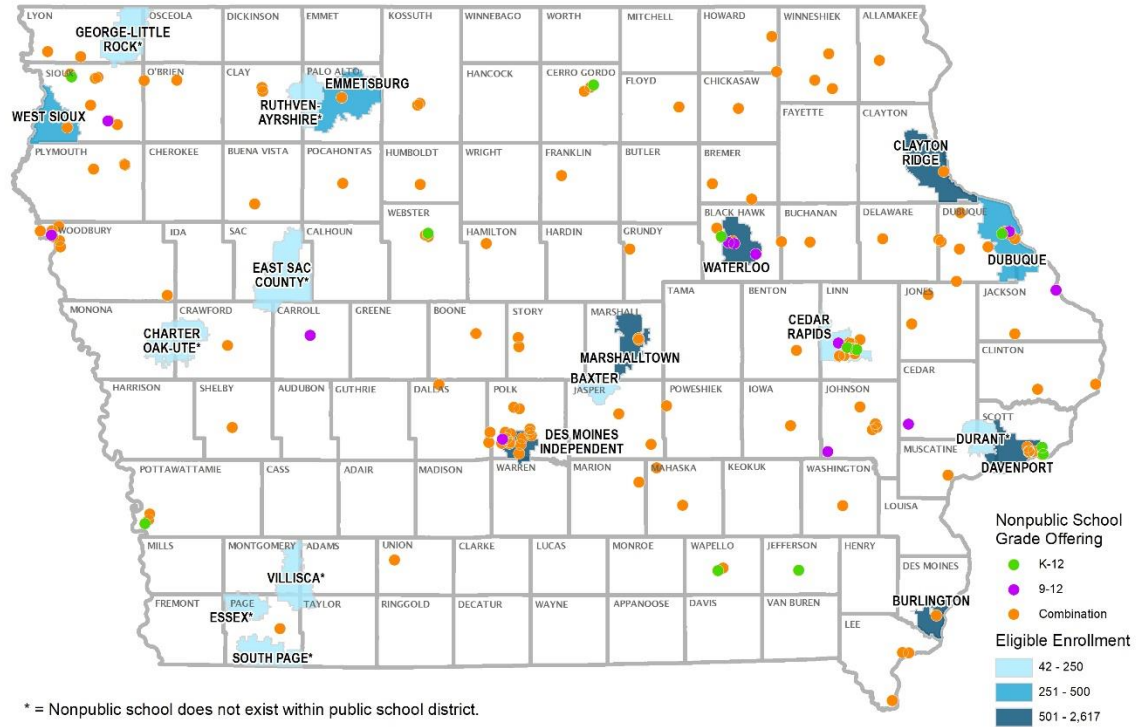
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The fiscal note for this Bill was prepared pursuant to Joint Rule 17 and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.

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[www.legis.iowa.gov](http://www.legis.iowa.gov)

### Appendix A: School Districts with an ESSA Identified Comprehensive Support School Building and Accredited Nonpublic Schools by Grade Offering





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[SF 183](#) – Guaranteed Maximum Price Contracts, Public Improvements (LSB1182SV)  
Staff Contact: Adam Broich (515.281.8223) [adam.broich@legis.iowa.gov](mailto:adam.broich@legis.iowa.gov)  
Fiscal Note Version – New

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## **Description**

[Senate File 183](#) consists of two divisions that do the following:

### **Division I**

- Prohibits the Iowa Board of Regents from entering into a design-build contract to construct, repair, or improve buildings or grounds. This prohibition does not apply to projects that are currently under contract. Provisions of Division I that amend Iowa Code section [262.34](#) are effective immediately.
- Prohibits governmental entities from utilizing the fee-based selection of an architect, landscape architect, or engineer for a public improvement.

### **Division II**

- Adopts new definitions for “construction manager-at-risk,” “governmental entity,” “guaranteed maximum price contract,” and other terms.
- Authorizes a governmental entity to enter into a guaranteed maximum price contract for the construction of a public improvement.
- Adopts procedures and requirements for public entities that are pursuing a guaranteed maximum price contract. These procedures include public disclosures, a request for qualifications, a request for proposal, and the selection of bid winners.
- Prohibits all governmental entities from entering into a design-build contract.
- Prohibits governmental entities from entering into a guaranteed maximum price contract for highway or bridge construction.

## **Background**

With the exception of the Board of Regents, all current public improvement projects are completed using a process that requires governmental entities to bid projects using a design-bid-build contract.

The Board of Regents currently uses both design-bid-build and design-build contracts. The Board has completed or initiated a total of 14 contracts using design-build to develop projects. As of February 2020, the Board had completed seven projects using design-build. These projects are listed in **Table 1**.

**Table 1. Board of Regents Projects Completed Under Design-Build**

Institution	Project	Completion	Budget
Iowa	Hawkeye Tennis and Recreation Complex	Dec. 2014	\$15,000,000
Iowa	Biomedical Research Support Facility	Dec. 2015	33,868,000
Iowa	Elizabeth Catlett Residence Hall	Jun. 2017	95,000,000
Iowa	Chilled Water Plant 2 (West)	Jul. 2018	5,200,000
Iowa	Hancher Footbridge	Aug. 2018	3,200,000
Iowa State	Gregory L. Geoffroy Hall	Dec. 2016	49,500,000
Northern Iowa	McElroy Hall	Aug. 2001	2,000,000

The Board is also planning or currently working on seven additional projects that will use design-build. These projects are reflected in **Table 2**.

**Table 2. Ongoing Board of Regents Projects Under Design-Build**

Institution	Project	Scheduled Completion	Phase	Budget
Iowa	Oakdale Studio	Dec. 2021	Construction	\$ 2,500,000
Iowa State	Poultry Farm	Spring 2020	Construction	5,750,000
Iowa State	Gerdin Business Building	Fall 2020	Construction	28,000,000
Iowa State	Curtiss Farm-Feed Mill and Grain Science	Summer 2021	Select DB	21,200,000
Iowa State	Veterinary Diagnostic Lab	Summer 2023	RPF for DB	75,000,000
Iowa State	Industrial and Manufacturing Sys. Engin.	Fall 2022	Programming	40,000,000
Iowa State	LeBaron Hall	Summer 2024	Programming	55,000,000

Note: Information in this table was submitted in Spring of 2020.

### **Assumptions**

- Allowing public entities to enter into guaranteed maximum price contracts may allow additional flexibility when designing public improvement projects. The extent to which governmental entities may use these agreements and the impact of them is unknown.
- Prohibiting the use of design-build may increase expenses for future Board projects by an unknown amount. The extent to which the Board of Regents may use guaranteed maximum price contracts and the impact of them is unknown.

### **Fiscal Impact**

Prohibiting the use of design-build will have an unknown impact on Board of Regents building projects. The fiscal impact of allowing all public entities to enter into guaranteed maximum price contracts cannot be determined at this time.

### **Sources**

Iowa Board of Regents  
Legislative Services Agency

/s/ Holly M. Lyons

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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.