

**EIGHTY-FIFTH GENERAL ASSEMBLY
2014 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

FEBRUARY 27, 2014

SENATE FILE 2234

S-5023

1 Amend Senate File 2234 as follows:
2 1. Page 10, line 4, by striking <2015> and
3 inserting <2016>
4 2. Page 10, line 17, by striking <this chapter> and
5 inserting <chapter 148G, as enacted by this Act>
By JEFF DANIELSON

S-5023 FILED FEBRUARY 26, 2014

SENATE FILE 2288

S-5025

1 Amend Senate File 2288 as follows:
2 1. Page 1, after line 22 by inserting:
3 <Sec. ____ . PRIOR REVOCATIONS. The department of
4 transportation shall end the period of revocation for
5 any person whose driver's license was revoked under
6 section 321.194, subsection 2, Code 2014, for having
7 two or more convictions if the revocation became
8 effective on or after July 1, 2013, and, as of the
9 effective date of this Act, the revocation has been
10 effective for at least 30 days.>
11 2. By renumbering as necessary.
By CHRIS BRASE

S-5025 FILED FEBRUARY 26, 2014

SENATE FILE 2322

S-5024

1 Amend Senate File 2322 as follows:
2 1. Page 5, line 14, after <program,> by inserting
3 <the Iowa aftercare services network, the federal
4 educational and training vouchers program for youths
5 aging out of foster care,>
6 2. Page 9, line 6, after <program,> by inserting
7 <the Iowa aftercare services network, the federal
8 educational and training vouchers program for youths
9 aging out of foster care,>
10 3. Page 9, line 27, after <staff> by inserting <and
11 provision of gender-responsive services>
12 4. Page 14, lines 33 and 34, by striking <and
13 233B.13> and inserting <233B.13, and 233B.14>
By JOE BOLKCOM

S-5024 FILED FEBRUARY 26, 2014



SF 2071 – Volunteer Firefighter & EMS Tax Credit Increase (LSB 5741XS)
Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 2071 increases the Firefighter and Emergency Medical Services (EMS) Tax Credit from the existing maximum of \$50 to \$100. The change is retroactive to tax year 2014.

Background

The existing EMS and Firefighter Tax Credit was created in SF 2322 (Volunteer Firefighter and EMS Tax Credit Act of 2012). The credit was first available for tax year 2013.

Assumptions

- Since the tax credit was not available until tax year 2013, taxpayer usage numbers are not yet available. Therefore, usage and tax credit redemption numbers from the originating 2012 legislation are used. That estimate assumed 21,000 volunteer firefighter and EMS personnel would qualify for the credit.
- To estimate the projected impact of a nonrefundable \$100 tax credit, the Department of Revenue utilized their individual income tax micro-simulation model. The credit was randomly assigned to 21,000 tax returns, so the results could be adjusted for tax returns that do not have the full \$100 in income tax liability.
- Nonrefundable income tax credits impact the calculation of the local option income surtax for schools. Statewide, that surtax equals 3.5% of the revenue amount raised by the State individual income tax.

Fiscal Impact

The increased Firefighter and EMS Tax Credit proposed in **SF 2071** is estimated to reduce net General Fund revenue by \$975,000 per year, beginning in FY 2015.

As a nonrefundable tax credit, the credit will also have an impact on the revenue generated by the local option income surtax for schools. The tax credit increase is estimated to decrease the annual statewide surtax yield by \$35,000, beginning in FY 2015.

Source

Department of Revenue

/s/ Holly M. Lyons

February 26, 2014

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 2251 – Child Care Assistance (LSB 5723SV)
Analyst: Estelle Montgomery Phone: (515-281-6764) (estelle.montgomery@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 2251 amends three aspects of current program rules and eligibility requirements:

- This Bill extends eligibility to parents that are both employed part time and participating in academic or vocational training part time for a combination of at least 28 hours a week. Currently, parents may only do one or the other to be considered eligible.
- This Bill requires parents to renew their application for services at 12 months instead of every six months.
- This Bill requires the Department of Human Services (DHS) to develop a smart phone mobile application for applying for services.

Background

Child Care Assistance (CCA) helps pay for the care of a child while the parent or caretaker works or attends school. The CCA Program is available to the children of eligible parents with income at or below 145.0% of the Federal Poverty Level and are absent for a portion of the day due to employment of an average of 28 hours a week, or full-time participation in academic or vocational training, or PROMISE JOBS activities. The CCA may also be available for a limited period of time to the children of a parent looking for employment or when the parent is unable to care for a child due to hospitalization or outpatient treatment for physical or mental illness.

Parents apply for six months of service at time, but services are not capped after this period. After the first six-month period, parents are required to reapply to allow the DHS to renew another six months if the parents are eligible to continue services. If income, employment, or academic conditions change at any point and do not meet the CCA eligibility requirements, the parents are required to notify the DHS and will not continue to receive services.

To receive services, a parent must fill out an application form. If they have access to a printer, the parent can print an application form from the DHS website and return it to the DHS office in the county the services will be received.

Assumptions

Eligibility: The DHS estimates 115-160 families, or an estimated 206-289 children, will qualify to receive CCA services if eligibility is extended to parents completing a combination of part time work and participation in academic or vocational training.

Redetermination Policy: The federal Child Care and Development Block Grant Act that supplies CCA funding to Iowa does not prescribe a specific eligibility period for families receiving funded child care, nor does the Act address the frequency of, or need for, redetermining eligibility once it is established. Many states (22) currently review application and eligibility for CCA services every 12 months. A 2008 Colorado State Auditor report found that six-month redetermination and family reporting requirements were costly to administer and

burdensome on participants in the subsidy system. A Washington State analysis on the impact savings of implementing a 12-month redetermination policy found that there was no increase in program costs or reduced program costs per family and per child.

In the State of Iowa, families are required to report changes, such as employment or income, that impact their eligibility status between periods of redetermination. Failure to report can result in families losing their subsidy. Thus, due to current law, it is assumed that families will comply with current law and will no longer receive services if they become ineligible during the 12-month service period. Therefore, the proposed law change cannot be determined until future practice is analyzed or more information is available.

Mobile Application: Based on previous Department of Public Health (DPH) computer and mobile applications, developing and implementing the mobile application will cost \$30,000.

Fiscal Impact

SF 2251 is estimated to result in additional cost to the General Fund of \$3,217,296 for FY 2015. This includes:

- \$3,187,296 for the extended eligibility provision.
- \$30,000 for mobile application development and implementation.

Sources

Department of Human Services

Department of Public Health

U.S. Department of Health and Human Services Administration for Children and Families

National Council of State Legislatures

“Impacts of HB3141 on the Working Connections Child Care Program”, August 2011, Social and Economic Sciences Research Center, Washington State University

“Report to the State Auditor: Colorado Child Care Assistance Program Department of Human Services”, November 2008, Office of the State Auditor

The Urban Institute

/s/ Holly M. Lyons

February 26, 2014

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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Fiscal Note

Fiscal Services Division



SF 2268 – Preschool Expansion Incentives (LSB 5796SV)

Analyst: Shawn Snyder (Phone: (515) 281-7799) (shawn.snyder@legis.iowa.gov)

Fiscal Note Version – New

Description

Senate File 2268 creates an expansion incentive to increase enrollment in the Statewide Preschool Program for four-year-olds (SWPP). Districts that have an increase in Program enrollment above the base incentive enrollment (defined as the average actual enrollments between 2011-2012 through 2013-2014) will receive incentive State aid equal to the increase in enrollment times 20.0% of the State cost per pupil for FY 2016, FY 2017, and FY 2018.

Background

The SWPP was originally established in FY 2008. The Program was implemented with a phase-in that provided funding to approved school districts in the initial year of start-up through a General Fund appropriation. Following the initial year of program implementation, the school district program received funding through the preschool formula, based on the previous year's enrollment. The following table provides the funding and enrollment history, including the estimate for FY 2015. Program funding for the initial year of school district participation totaled \$57.6 million, while formula funding is estimated to total \$353.3 million through FY 2015.

	Appropriation Amount for Initial Year	Preschool Formula Funding	Total State Funding for Statewide Voluntary Preschool Program	Estimated Number of Preschool Students Enrolled in Program*	Preschool Formula Weighting
FY 2008	\$ 15.0	N.A.	\$ 15.0	5,126	N.A.
FY 2009	14.8	\$ 17.1	31.8	9,633	3,075.6
FY 2010	11.5	33.3	44.9	13,666	5,805.6
FY 2011	16.2	48.3	64.5	19,800	8,199.6
FY 2012	N.A.	58.4	58.4	19,900	9,900.0
FY 2013	N.A.	60.4	60.4	21,381	9,950.0
Est. FY 2014	N.A.	66.1	66.1	21,926	10,690.5
Est. FY 2015	N.A.	69.8	69.8		10,963.0
Total for FY's	\$ 57.6	\$ 353.3	\$ 410.9		

Notes:
 FY 2011 appropriation amount for initial year includes \$12.2 million from the General Fund and \$4.0 million from the Cash Reserve Fund.
 Beginning in FY 2012, the preschool formula weighting was reduced from 0.6 to 0.5.
 *Enrollment amounts are calculated based on the preschool formula weighting amounts. Preschool formula weighting is the amount of weighting that was used to generate funding for the fiscal year.
 Totals may not sum due to rounding.
 Estimates as of February 10, 2014.

Assumptions

Assumptions for the estimate include:

- Current Legislative Services Agency (LSA) preschool formula funding estimates assume enrollment growth is 5.0% each year. Incentive State aid, at a minimum, will include this projected growth in FY 2016 through FY 2018.
- In addition to the projected growth, the incentive program may increase enrollments above the current assumed growth levels. This impact will include both the incentive State aid portion and an increase in overall funding levels for the SWPP.
- Based on census population estimates there are 41,034 four-year-olds in Iowa (2012 estimates). That population estimate is assumed to be static in future years for this estimate.
- The current estimated enrollment for other existing preschool programs noted in this Bill (Shared Visions, special education programs, School Ready Children Grant, Head Start, and Title I of the ESEA) totals 8,223 and is assumed to remain static. The fiscal impact noted in the tables below does not include enrollment counts for these students. This Bill allows these students to be included in the SWPP enrollment count if participation in the SWPP enhances the existing Program. The inclusion of these students in SWPP enrollment count will increase both incentive funding and total Program funding amounts.
- Based on assumed projected growth and current enrollments in existing preschool programs, the estimate assumes that beginning in the 2014-2015 school year, there will be approximately 9,800 students not attending any of the existing preschool programs or the SWPP for four-year-olds.
- The State percent of growth will impact future cost per pupil levels. This estimate assumes a 0.0% State percent of growth for FY 2016 through FY 2018. Any State percent of growth above 0.0% will increase the total fiscal impact.
- The fiscal impact estimate assumes full enrollment in the SWPP is approximately 32,800 students.
- The Department will require up to an additional 3.0 FTE positions to implement and administer the Program expansion.

Fiscal Impact

Fiscal Impact to the Department of Education: The Department of Education will require \$300,000 and an additional 3.0 FTE positions beginning in FY 2015 to administer and implement the expansion of the Program.

Fiscal Impact To Preschool Formula Funding: Based on current LSA school aid estimates and SWPP for four-year-old growth, the minimum State aid increase resulting from the incentive State aid provision will be at least \$2.5 million in FY 2016, \$4.0 million in FY 2017, and \$5.5 million in FY 2018. This fiscal impact is noted as Part I in the following tables.

There may be additional enrollments above current projected levels resulting from this Bill. Timing of the increased enrollments will factor into the overall impact and the specific increased enrollments and designated fiscal year is unknown. This issue will impact the total preschool aid and incentive aid (noted as Part II and Part III in the following tables).

The total fiscal impact is provided in three scenarios. Scenario 1 assumes full enrollment by FY 2016; Scenario 2 assumes full enrollment by FY 2017; and Scenario 3 assumes full enrollment by FY 2018. Assuming full enrollment, although the cost will vary in FY 2016 and FY 2017, the cost in FY 2018 will be an additional \$38.6 million compared to the current law estimate under all scenarios.

The estimates in the following scenarios do not include enrollment counts of students attending Shared Visions, special education programs, School Ready Children Grant, Head Start, and Title I of the ESEA preschool programs. If those students are included in the enrollment count for the SWPP, the added cost for the SWPP may be up to an additional \$36.7 million (\$10.5 million in incentive aid and \$26.2 million for the SWPP) each fiscal year. Totals may not sum due to rounding.

Scenario 1 - Full Enrollment by FY 2016 (dollars in millions)			
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Current Law Estimates	\$ 73.3	\$ 76.9	\$ 80.8
Part I - Incentive Aid (Based On Current Law Projections)	\$ 2.5	\$ 4.0	\$ 5.5
Part II - New Enrollments Impact on Cost of Preschool Aid	31.2	27.5	23.6
Part III - New Enrollments Impact on Cost for Incentive Aid	12.5	11.0	9.5
Estimated Total Preschool Funding with Bill	\$ 119.4	\$ 119.4	\$ 119.4
Estimated Impact of Proposal	\$ 46.1	\$ 42.4	\$ 38.6

Scenario 2 - Full Enrollment By FY 2017 (dollars in millions)			
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Current Law Estimates	\$ 73.3	\$ 76.9	\$ 80.8
Part I - Incentive Aid (Based On Current Law Projections)	\$ 2.5	\$ 4.0	\$ 5.5
Part II - New Enrollments Impact on Cost of Preschool Aid	15.6	27.5	23.6
Part III - New Enrollments Impact on Cost for Incentive Aid	6.2	11.0	9.5
Total Preschool Funding with Bill	\$ 97.6	\$ 119.4	\$ 119.4
Estimated Impact of Proposal	\$ 24.3	\$ 42.4	\$ 38.6

Scenario 3 - Full Enrollment By FY 2018 (dollars in millions)			
	<u>FY 2016</u>	<u>FY 2017</u>	<u>FY 2018</u>
Current Law Estimates	\$ 73.3	\$ 76.9	\$ 80.8
Part I - Incentive Aid (Based On Current Law Projections)	\$ 2.5	\$ 4.0	\$ 5.5
Part II - New Enrollments Impact on Cost of Preschool Aid	10.4	17.1	23.6
Part III - New Enrollments Impact on Cost for Incentive Aid	4.2	6.8	9.5
Total Preschool Funding with Bill	\$ 90.3	\$ 104.8	\$ 119.4
Estimated Impact of Proposal	\$ 17.0	\$ 27.9	\$ 38.6

Sources

Iowa Department of Education
Iowa Department of Management, School Aid file
LSA analysis and calculations

/s/ Holly M. Lyons

February 26, 2014

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 2280 – Electronic Government Communications (LSB 5716SV)
Analyst: Dwayne Ferguson (Phone: (515) 281-6561) (dwayne.ferguson@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 2280 requires the Chief Information Officer, in cooperation with State agencies that manage public benefit programs, to develop a common database for the programs. Public benefit programs are programs that assist low-income individuals and families such as those administered by the Departments of Human Services, Education, Aging, and Public Health, and the Iowa Finance Authority. The purpose of the database is to reduce costs and improve administration and verification of eligibility by sharing of confidential information among agencies and to assist applicants and recipients by providing access through the Internet or mobile device. The database is to be developed as a pilot project and then expanded. A provision is made for federal restrictions that could cause the loss of federal funding.

Assumptions

- State agencies have a number of complex and disparate information technology (IT) systems supporting existing programs.
- A detailed assessment of all the data systems and the elements stored by these systems will be needed in order to develop the framework to integrate all the elements.
- The Chief Information Officer will need to hire a consultant to proceed with the project.
- The costs for assessment and planning in the first year can be estimated. There are too many unknown factors to estimate the out-year costs of integrating agencies one-by-one in a pilot project manner.
- This Bill does not specify a funding source for this project. It is assumed expenditures will be funded from the Information Technology (IT) Operations Revolving Fund. This Fund is supported by payments from State agencies for information technology services as authorized in Iowa Code section [8A.123](#).
- The costs to State agencies with public benefit programs will be minimal and involve cooperation and staff time to share information.

Fiscal Impact

The first-year evaluation and planning costs to initiate this project are estimated to be \$750,000 paid from the IT Operations Revolving Fund.

Sources

Chief Information Officer
Department of Public Health

/s/ Holly M. Lyons

February 26, 2014

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 2284 – ADA-Compliant Fuel Pumps (LSB 1630SZ)

Analyst: Deb Kozel (Phone: (515) 281-6767) (deb.kozel@legis.iowa.gov)

Fiscal Note Version – New

Description

Senate File 2284 requires retail dealers that sell gasoline or diesel fuel to comply with the Federal Americans with Disabilities Act (ADA). This Bill specifies the following:

Retail motor fuel sites that sell gasoline or diesel fuel will:

- Comply with the federal ADA standards.
- Provide assistance to disabled customers to obtain fuel without charging an additional fee.
- Post a sign stating the hours when refueling assistance is available and install a call button near the fuel pump where the customer can call for assistance.
- Specifies refueling assistance is not required when a retail station is operating on a remote control basis or when there are fewer than two employees on duty.

The Department of Agriculture and Land Stewardship (DALs) will:

- Inspect each of Iowa's approximately 3,500 gas stations for compliance with the ADA requirements during the course of a normal inspection.
- Inspect a retail operation when three or more complaints are received.
- Deliver notice to the retail dealer if a violation exists and will follow up in six months to ensure corrective action has been taken. If no corrective action has been taken, the Department can suspend the dealer's license.

Background

The federal Department of Justice updated ADA accessibility standards in 2010 to include a number of establishments, including gas stations, and the requirements became applicable in March 2011.

Assumptions

It is unknown how much additional time will be needed by fuel pump inspectors to implement the requirements of this Bill, but the following costs were estimated by the DALs:

- \$25,000 in FY 2015 for ADA compliance consulting and training.
- \$104,000 and 2.00 FTE positions in FY 2015 and each year after to inspect gasoline pumps.
- \$60,000 in FY 2014 to purchase trucks and equipment.

Fiscal Impact

This Bill will increase General Fund expenditures for the DALs by \$189,000 and 2.00 FTE positions for FY 2015 and by \$104,000 for each year after.

Source

Department of Agriculture and Land Stewardship

/s/ Holly M. Lyons

February 26, 2014

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 2296 – Competency to Stand Trial, State Cost (LSB 6071SV)
Analyst: Beth Lenstra (Phone: (515) 281-6301) (beth.lenstra@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 2296 requires the costs of treatment under Iowa Code section **812.6** to be paid by the Department of Corrections (DOC) and the Department of Human Services (DHS).

Background

- Currently, when the court finds a defendant cannot appreciate the charge, understand the proceedings, or assist in the defense, the trial is suspended while the defendant is placed in the DOC (Oakdale forensic facility) or the DHS (usually the Cherokee Mental Health Institute). The two departments pay for the cost of treatment and housing the defendant.
- The counties are billed by the DHS for services provided by both departments. Any payments the counties make are deposited into the State General Fund and recorded as a miscellaneous receipt.
- Some counties pay these bills; some do not. Some counties dispute the bills; some do not. Payment varies across the state and by defendant.
- The miscellaneous receipts recorded for the Oakdale forensic facility were approximately \$200,000 in FY 2013.

Assumptions

- The DHS bills approximately \$200,000 annually to the counties.
- The DOC bills 75.0% of its costs to the counties.
- The collection rate is assumed to be 50.0%.

Fiscal Impact

The fiscal impact is estimated to be \$300,000 annually in reduced miscellaneous receipts to the General Fund. Of this amount, \$200,000 is associated with the DOC and \$100,000 is associated with the DHS.

Sources

Department of Human Services
Department of Corrections
Department of Management

/s/ Holly M. Lyons

February 26, 2014

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 2308 – Compressed Natural Gas Taxation (LSB 5791SV)
Analyst: Adam Broich (Phone: (515) 281-8223) (adam.broich@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 2308 revises the calculation that determines excise tax on compressed natural gas (CNG) used as special fuel. The calculation is amended to make CNG excise tax equivalent to the motor fuel tax by establishing a gallon equivalent. This Bill also creates a new calculation to determine liquefied natural gas (LNG) use as special fuel. The rates are set as follows:

- **Compressed Natural Gas:** A gasoline gallon equivalent of CNG is 5.66 pounds or 126.67 cubic feet measured at 60 degrees Fahrenheit. This gallon equivalent of CNG is taxed at 21 cents.
- **Liquefied Natural Gas:** A diesel gallon equivalent of LNG is 6.06 pounds, and is taxed at 22.5 cents.

Background

Compressed and liquified natural gas are currently taxed using gallon equivalents. A gasoline gallon equivalent of CNG is 100 cubic feet at a temperature of 60 degrees Fahrenheit.

The Department of Revenue reports that \$52,700 in tax was collected for CNG using the current gallon equivalents.

Assumptions

Consumption of CNG in Iowa has increased from 63,000 gallon equivalents in FY 2012 to 329,000 gallon equivalents in FY 2013. Taxes collected were \$10,100 and \$52,600, respectively. This fiscal note compares the current CNG equivalency formula to the formula proposed in SF 2101. This fiscal note does not project further change in CNG consumption.

Fiscal Impact

The revision of the CNG excise tax formula will have a minimal fiscal impact on the Road Use Tax Fund. If applied to FY 2013 gallon equivalents, the proposed formula will increase revenue by \$1,900. In FY 2013, no tax was collected for LNG.

Sources

Department of Transportation
Department of Revenue

/s/ Holly M. Lyons

February 26, 2014

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.
