

**EIGHTY-SIXTH GENERAL ASSEMBLY
2015 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

MARCH 30, 2015

SENATE FILE 328

S-3071

1 Amend Senate File 328 as follows:

- 2 1. Page 1, line 8, after <or> by inserting <
3 for a return envelope received from a person included
4 within the term "armed forces of the United States"
5 under subchapter II of this chapter and as far as is
6 consistent with federal law,>
7 2. Page 1, by striking lines 9 through 13 and
8 inserting <be clearly postmarked by an officially
9 authorized postal service not later than the day before
10 of the election and received by the commissioner not
11 later than noon on the Monday following the election.>
12 3. By renumbering as necessary.

By MARK CHELGREN

S-3071 FILED MARCH 26, 2015

S-3073

1 Amend Senate File 399 as follows:

2 1. Page 4, after line 5 by inserting:

3 <Sec. _____. NEW SECTION. 279.39A Radon testing.

4 1. For purposes of this section, "short-term test"
5 means a test approved by the department of public
6 health in which a testing device remains in an area for
7 not less than two days and not more than ninety days
8 to determine the amount of radon in the air that is
9 acceptable for human inhalation.

10 2. The board of directors of each public school
11 district shall provide for short-term testing and
12 retesting for radon gas to be performed at each
13 attendance center under its control and following any
14 new construction of an attendance center or additions,
15 renovations, or repairs to an attendance center.

16 3. a. The department of public health and the
17 department of education shall each adopt rules pursuant
18 to chapter 17A to jointly administer this section.

19 b. In consultation with appropriate stakeholders,
20 the department of public health shall adopt rules
21 pursuant to chapter 17A establishing standards for
22 radon testing at attendance centers. Such standards
23 shall include but are not limited to training
24 requirements for persons to conduct such testing and
25 best practices for conducting such testing.

26 Sec. _____. Section 298.3, subsection 1, Code 2015,
27 is amended by adding the following new paragraph:

28 NEW PARAGRAPH. n. Radon testing pursuant to
29 section 279.39A.

30 Sec. _____. Section 423F.3, subsection 3, paragraph
31 a, Code 2015, is amended to read as follows:

32 a. If the board of directors adopts a resolution to
33 use funds received under the operation of this chapter
34 solely for providing property tax relief by reducing
35 indebtedness from the levies specified under section
36 298.2 or 298.18, or for radon testing pursuant to
37 section 279.39A, the board of directors may approve
38 a revenue purpose statement for that purpose without
39 submitting the revenue purpose statement to a vote of
40 the electors.

41 Sec. _____. STATE MANDATE FUNDING SPECIFIED. In
42 accordance with section 25B.2, subsection 3, the state
43 cost of requiring compliance with any state mandate
44 included in this Act may be paid by a school district
45 from a physical plant and equipment levy under chapter
46 298, as amended by this Act, the secure an advanced
47 vision for education fund under chapter 423F, as
48 amended by this Act, or a modified supplemental amount
49 under section 257.31, subsection 6. This specification
50 of the payment of the state cost shall be deemed to

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1 meet all of the state funding-related requirements of
2 section 25B.2, subsection 3, and no additional state
3 funding shall be necessary for the full implementation
4 of this Act by and enforcement of this Act against all
5 affected school districts.>

6 2. Title page, line 1, after <radon> by inserting
7 <testing and>

8 3. By renumbering as necessary.

By MATT McCOY

S-3073 FILED MARCH 26, 2015

HOUSE FILE 468

S-3072

1 Amend House File 468, as passed by the House, as
2 follows:

3 1. Page 4, line 25, after <county> by inserting <,
4 including>

5 2. Page 4, line 26, by striking <chapter> and
6 inserting <chapter chapters 97B and>

7 3. Page 5, line 17, after <Minimum> by inserting
8 <professional qualifications and>

COMMITTEE ON HUMAN RESOURCES
LIZ MATHIS, CHAIRPERSON

S-3072 FILED MARCH 26, 2015



SF 143 – Vehicle Facility Tax Credit (LSB1380XS)

Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)

Fiscal Note Version – New

Description

Senate File 143 creates a new refundable income tax credit for the installation of commercial, residential, and agricultural electric or natural gas vehicle refueling infrastructure. The credit is equal to 30.0% of the cost of purchasing and installing the equipment. Commercial and agricultural installation tax credits may be claimed in equal installments over three tax years. Residential tax credits may be claimed entirely in the initial tax year. All qualified installations must be placed in service prior to January 1, 2018. The Bill limits the dollar amount of tax credits that may be approved to \$5.0 million across all tax years. The tax credits are allowed on a first-come, first-served basis. This change is effective January 1, 2015, and repealed January 1, 2020.

Assumptions

- Sufficient demand will exist to fully utilize \$5.0 million in tax credits over the timeframe available.
- Tax credits for residential installations earned in a calendar year are redeemed through the tax return process the following spring.
- Tax credits for commercial and agricultural installations earned in a calendar year are redeemed one-third through the tax return process the following spring and one-third for the following two tax years.
- The \$5.0 million in tax credits will impact net General Fund revenue on the following schedule:
 - FY 2016 = 6.7% of \$5.0 million total available
 - FY 2017 = 16.5%
 - FY 2018 = 35.6%
 - FY 2019 = 25.9%
 - FY 2020 = 15.3%
- The tax credit is refundable. Refundable tax credits have no impact on the local option income tax for schools.

Fiscal Impact

The new tax credit will reduce net General Fund revenue by the following estimated amounts:

- FY 2016 = \$ 0.3 million
- FY 2017 = \$ 0.8 million
- FY 2018 = \$ 1.8 million
- FY 2019 = \$ 1.3 million
- FY 2020 = \$ 0.8 million

Since the tax credit is refundable, there is no impact to the Local Option Income Surtax for Schools.

The Department of Revenue indicates that the enactment of this newly awarded tax credit will require the development of a new component to their Tax Credit Award, Claim & Transfer System. This one-time development cost is estimated by the Department to be \$90,000.

Source

Department of Revenue

/s/ Holly M. Lyons

March 26, 2015

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.



**LEGISLATIVE
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SF 471 – School Supplemental Weighting, Low-Income Students (LSB1463SZ)

Analyst: John Parker (Phone: (515) 725-2249) (john.parker@legis.iowa.gov)

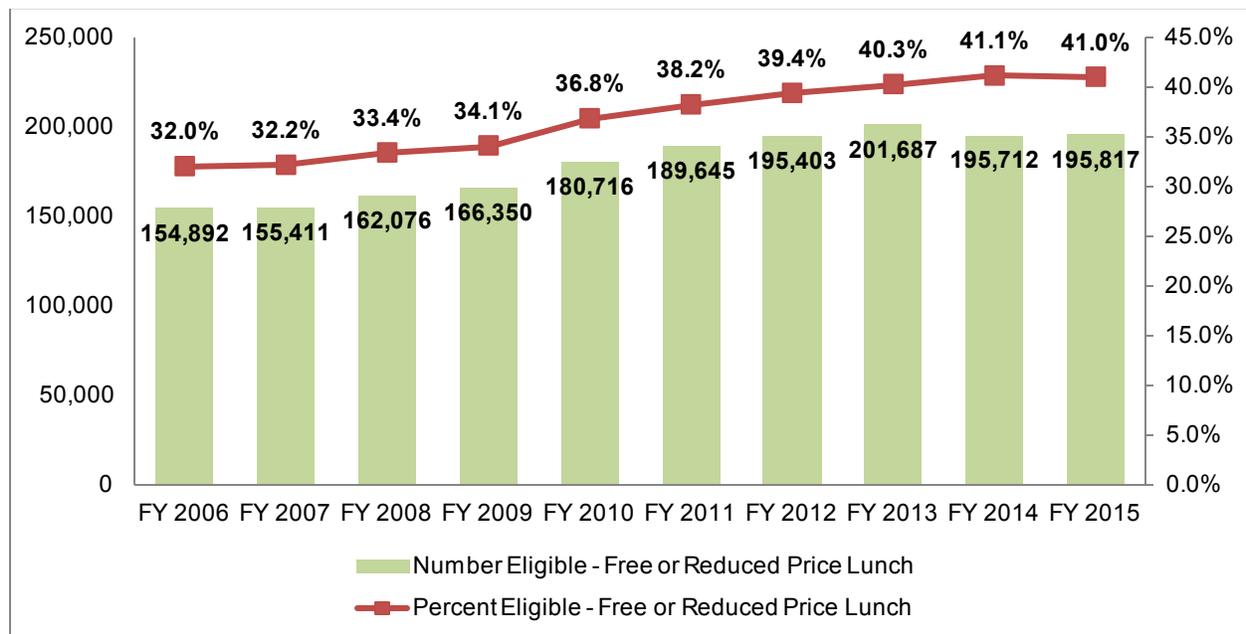
Fiscal Note Version – New

Description

Senate File 471 creates a Low-Income Program Supplement that provides additional State school aid for school districts based on the number of students eligible for free or reduced price lunch. Students identified as eligible will receive an additional weighting of 0.04. Additionally, the Bill requires the funding generated to be paid entirely by State aid and does not include a local property tax provision. Districts do not receive the Low-Income Program Supplement until FY 2018.

Background

The following chart provides the free or reduced price lunch eligible information for FY 2006 through FY 2015.



Assumptions

Assumptions include:

- The number of students eligible for free or reduced price lunch in future fiscal years will be at least at the FY 2015 amount of 195,817.
- A 0.0% State percent of growth is assumed for FY 2016 through FY 2018. Any State percent of growth above 0.0% will increase the estimated cost.
- The estimate assumes a State cost per pupil of \$6,366 in FY 2018. The additional weighting of 0.04 will generate approximately \$255 per eligible student.

Fiscal Impact

Beginning in FY 2018, it is estimated the State General Fund expenditure for school aid will increase by a minimum of \$49.9 million.

Sources

Iowa Department of Education, Iowa Public School K-12 Students Eligible for Free and Reduced-Price Lunch by District file
LSA analysis and calculations

/s/ Holly M. Lyons

March 25, 2015

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 479 – Broadcaster Income Sourcing and Taxation (LSB1952SV)
Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 479 relates to the apportionment of income of national broadcasters in Iowa. The change is retroactive to tax year 2015.

Background

Under previous interpretations of current law, national television broadcasters do not pay Iowa corporate income tax since without a physical presence, they lacked nexus for corporate income tax purposes. However, the Iowa Supreme Court decision in *KFC Corporation v. Iowa Department of Revenue* (KFC ruling) potentially changes the nexus interpretation and could make national broadcasting companies subject to Iowa corporate income tax.

Assumptions

- The Iowa Department of Revenue will hold that the KFC ruling applies to national broadcasting companies.
- While national broadcasting companies may mount a legal challenge to the application of the KFC ruling to their Iowa business income, they will remit Iowa corporate income tax during the legal challenge in order to avoid potential tax penalties should the challenge be unsuccessful.
- After legal challenges are exhausted or abandoned, the KFC ruling will apply to national broadcasting companies.

Fiscal Impact

Should the KFC ruling be determined to apply to national broadcast companies, their Iowa income will be subject to Iowa corporate income tax, with or without this Bill. This Bill establishes a framework for imposition and calculation of Iowa corporate income tax on the Iowa income of national broadcast companies. While it is possible the tax liability of national broadcast companies will be different under this Bill than the tax liability calculated under current law, the difference is speculative at this time. Therefore, the fiscal impact of this Bill cannot be estimated.

Sources

Legislative Services Agency analysis
Department of Revenue

/s/ Holly M. Lyons

March 26, 2015

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.
