

FEB 25 2005
EDUCATION

HOUSE FILE 452
BY FREVERT

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to the local option sales and services tax for
2 school infrastructure purposes and including an effective
3 date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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HF 452

1 Section 1. Section 423E.4, subsection 3, paragraph a, Code
2 2005, is amended to read as follows:

3 a. The director of revenue by June 1 preceding each fiscal
4 year shall compute the guaranteed school infrastructure amount
5 for each school district, each school district's sales tax
6 capacity per student for each county, the statewide tax
7 revenues per student, and the supplemental school
8 infrastructure amount for the coming fiscal year.

9 Sec. 2. Section 423E.4, subsection 3, paragraph b,
10 subparagraph (3), Code 2005, is amended by striking the
11 subparagraph and inserting in lieu thereof the following:

12 (3) "Statewide tax revenues per student" means the amount
13 determined by estimating the total revenues that would be
14 generated by a one percent local option sales and services tax
15 for school infrastructure purposes if imposed by all the
16 counties during the entire fiscal year and dividing this
17 estimated revenue amount by the sum of the combined actual
18 enrollment for all counties as determined in section 423E.3,
19 subsection 5, paragraph "d", subparagraph (2).

20 Sec. 3. Section 423E.4, subsection 6, unnumbered paragraph
21 1, Code 2005, is amended to read as follows:

22 A school district with an actual enrollment of less than
23 two hundred fifty or with an actual enrollment of less than
24 one hundred in high school shall not expend the supplemental
25 school infrastructure amount received for new construction or
26 for payments for bonds issued for new construction against the
27 supplemental school infrastructure amount without prior
28 application to the department of education and receipt of a
29 certificate of need pursuant to this subsection. However, a
30 certificate of need is not required for the payment of
31 outstanding bonds issued for new construction pursuant to
32 section 296.1, before April 1, 2003. A certificate of need is
33 also not required for repairing schoolhouses or buildings,
34 equipment, technology, or transportation equipment for
35 transporting students as provided in section 298.3, or for

1 construction necessary for compliance with the federal
2 Americans With Disabilities Act pursuant to 42 U.S.C. §
3 12101--12117. In determining whether a certificate of need
4 shall be issued or denied, the department shall consider all
5 of the following:

6 Sec. 4. EFFECTIVE DATE. This Act, being deemed of
7 immediate importance, takes effect upon enactment.

8 EXPLANATION

9 This bill amends the Code chapter dealing with the local
10 sales and services tax for school infrastructure purposes by
11 requiring, in determining the definition of "statewide tax
12 revenues per student" for purposes of calculating a school
13 district's guaranteed amount, that instead of the present set
14 amount of \$575, an estimated amount that would be generated by
15 a 1 cent statewide sales tax divided by the budget enrollment
16 would be used.

17 The bill also limits the applicability of the requirement
18 for a certificate of need before supplemental funding may be
19 used for new construction, to school districts with less than
20 250 actual enrollment or with less than 100 actual enrollment
21 in high school, as opposed to the present requirement which is
22 applicable to all school districts.

23 The bill takes effect upon enactment.

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