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House File 2165

H-8027

1 Amend House File 2165 as follows:

2 1. Page 1, before line 1 by inserting:

3 <Section 1. Section 232.75, subsection 3, Code 2024, is
4 amended to read as follows:

5 3. A person who reports or causes to be reported to the
6 department false information regarding an alleged act of child
7 abuse, knowing that the information is false or that the act
8 did not occur, commits a ~~simple~~ an aggravated misdemeanor.>

9 2. Title page, line 2, after <entities> by inserting <and
10 false reports of alleged child abuse>

11 3. By renumbering as necessary.

M. THOMPSON of Wright

Iowa General Assembly
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House File 2263

H-8028

1 Amend House File 2263 as follows:

2 1. Page 2, after line 7 by inserting:

3 <Sec. _____. Section 523D.1, subsections 2, 3, 4, 8, and 9,
4 Code 2024, are amended to read as follows:

5 2. "*Continuing care*" means ~~housing together with~~ a continuum
6 of supportive services, home health services, nursing services,
7 medical services, or other health related services, furnished
8 to a resident, regardless of whether or not the lodging and
9 services are provided at the same location, together with
10 housing for residents that elect to live in a facility of
11 a provider, with or without other periodic charges, and
12 pursuant to one or more contracts effective for the life of the
13 resident or a period in excess of one year, including mutually
14 cancelable contracts, and in consideration of an entrance fee.

15 3. "*Continuing care retirement community*" means a facility or
16 program which provides continuing care to residents other than
17 residents related by consanguinity or affinity to the person
18 furnishing their care.

19 4. "*Entrance fee*" means an initial or deferred transfer to
20 a provider of a sum of money or other property made or promised
21 to be made as full or partial consideration for acceptance of
22 a specified individual ~~in~~ into a facility or a program if the
23 amount exceeds either of the following:

24 a. Five thousand dollars.

25 b. The sum of the regular periodic charges for six months
26 ~~of residency~~.

27 8. "*Provider*" means a person undertaking through a lease or
28 other type of agreement to provide care in or from a continuing
29 care retirement community or senior adult congregate living
30 facility, even if that person does not own the facility.

31 9. "*Resident*" means an individual, sixty years of age or
32 older, entitled to receive care ~~in~~ from a continuing care
33 retirement community or a senior adult congregate living
34 facility.

35 Sec. _____. Section 523D.1, Code 2024, is amended by adding

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1 the following new subsection:

2 NEW SUBSECTION. 7A. "Program" means an organized set of
3 measures or activities undertaken by a provider to provide
4 continuing care services to an individual.

5 Sec. _____. Section 523D.2, Code 2024, is amended to read as
6 follows:

7 **523D.2 Application of chapter.**

8 This chapter applies to a provider who executes a contract
9 to provide continuing care or senior adult congregate living
10 services in a facility or program, or ~~extend~~ extends the term
11 of an existing contract to provide continuing care or senior
12 adult congregate living services in a facility or program, if
13 the contract requires or permits the payment of an entrance fee
14 to a person, and any of the following apply:

15 1. The facility or program is or will be located in this
16 state.

17 2. The provider or a person acting on the provider's behalf
18 solicits the contract within this state for a facility or
19 program located in this state and the person to be provided
20 with continuing care or senior adult congregate living services
21 under the contract resides within this state at the time of the
22 solicitation.

23 Sec. _____. Section 523D.2A, unnumbered paragraph 1, Code
24 2024, is amended to read as follows:

25 On or before March 1 of each year, a provider shall
26 file a certification with the commissioner in a manner and
27 according to requirements established by the commissioner. The
28 certification shall be accompanied by a one hundred dollar
29 administrative fee which fee shall be deposited as provided in
30 section 505.7. The certification shall attest that according
31 to the best knowledge and belief of the attesting party,
32 the facility or program administered by the provider is in
33 compliance with the provisions of **this chapter**, including
34 rules adopted by the commissioner or orders issued by the
35 commissioner as authorized under **this chapter**. The attesting

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1 person may be any of the following:

2 Sec. _____. Section 523D.3, subsection 1, paragraph c,
3 unnumbered paragraph 1, Code 2024, is amended to read as
4 follows:

5 With respect to each person covered by paragraph "b", and
6 if the facility or program will be managed on a day-to-day
7 basis by a person identified pursuant to paragraph "b", or with
8 respect to the proposed manager, the following information:

9 Sec. _____. Section 523D.3, subsection 1, paragraphs f, h, and
10 k, Code 2024, are amended to read as follows:

11 f. The services provided or proposed to be provided under
12 contracts for continuing care or senior adult congregate living
13 services ~~at the facility~~, including the extent to which medical
14 care is furnished. The disclosure statement shall clearly
15 state which services are included in basic contracts and which
16 services are made available ~~at or by the facility~~ at extra
17 charge.

18 h. The provisions which have been made or will be made,
19 if any, to provide reserve funding or security to enable the
20 provider to fully perform its obligations under contracts to
21 provide continuing care or senior adult congregate living
22 services ~~at the facility~~, including the establishment of escrow
23 accounts, trusts, or reserve funds, together with the manner in
24 which the funds will be invested and the names and experience
25 of persons who will make the investment decisions.

26 k. Other material information concerning the facility,
27 program, or the provider required by the division of insurance
28 or which the provider wishes to include.

29 Sec. _____. Section 523D.6, subsection 1, paragraphs b, c, f,
30 g, h, j, k, m, and p, Code 2024, are amended to read as follows:

31 b. The name and address of the facility or facilities, or
32 of the program.

33 ~~The~~ If a prospective resident elects to reside in housing
34 at the facility of a provider, the identification of the living
35 unit which the prospective resident will occupy.

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1 *f.* A statement of the policy of the facility or program with
2 regard to any health or financial conditions upon which the
3 provider may require the resident to relinquish the resident's
4 space in the designated facility or program.

5 *g.* A statement of the policy of the facility or program with
6 regard to the health and financial conditions required for a
7 person to continue as a resident or an enrollee in a program.

8 *h.* A statement of the policy of the facility or program with
9 regard to the conditions under which the resident is permitted
10 to remain in the facility or program in the event of financial
11 difficulties affecting the resident.

12 *j.* A statement of the policy of the facility or program
13 with regard to changes in accommodations and a description
14 of the procedures to be followed by the provider when the
15 provider temporarily or permanently changes the resident's
16 accommodations within the facility or program, transfers the
17 resident from one level of care to another, or transfers the
18 resident to another health facility or program.

19 *k.* A description in clear and understandable language, in at
20 least ten point type, of the terms governing the refund of any
21 portion of the entrance fee in the event of discharge by the
22 provider, or cancellation by the resident, and a statement that
23 the provider shall not dismiss or discharge a resident from
24 a facility or program prior to the expiration of a resident
25 contract without just cause and sixty days written notice of
26 intent to cancel. The notice of dismissal or discharge shall
27 only be given upon a good faith determination that just cause
28 exists, and the notice shall be given in writing, signed by the
29 medical director, if any, and the administrator of the facility
30 or program. In an emergency situation only such notice as is
31 reasonable under the circumstances is required.

32 *m.* A description of the facility's or program's policies
33 and procedures for handling grievances between the provider and
34 residents.

35 *p.* A statement that if a resident dies or through illness,

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1 injury, or incapacity is precluded from becoming a resident
2 under the terms of the contract before occupying the living
3 unit, or precluded from commencing a continuing care services
4 program under the terms of the contract, the contract is
5 automatically rescinded and the resident or the resident's
6 legal representative shall receive a full refund of all
7 payments of money or transferred property to the facility
8 or program, except those costs specifically incurred by the
9 facility or program at the request of the resident or program
10 enrollee and set forth in writing in a separate addendum,
11 signed by both parties to the contract.

12 Sec. _____. Section 523D.6, subsection 2, Code 2024, is
13 amended to read as follows:

14 2. *Cancellation.* The contract required by [this section](#)
15 shall state the terms under which the contract can be canceled
16 by the provider, ~~or~~ the resident, or a program enrollee,
17 including a statement of the refund rights of a resident,
18 or a program enrollee, and shall include a completed,
19 easily detachable form in duplicate, captioned "Notice
20 of Cancellation", as an attachment, in ten point boldface
21 type, containing the following information and statements in
22 substantially the following form and language:

23 NOTICE OF CANCELLATION

24

25 Date contract was executed.

26

27 Date disclosure statement was provided

28 to resident or program enrollee.

29 You may rescind and cancel your contract, without any penalty
30 or obligation, within three business days of the date the
31 contract was executed or within thirty days after the date
32 you received the disclosure statement required by Iowa Code
33 section 523D.3, whichever is later. You are not required to
34 move into the facility or commence continuing care services
35 from the program before the expiration of this cancellation

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1 period. However, if you do, the provider may retain the
2 reasonable value of care and services actually provided to you,
3 the resident, prior to your vacating the provider's facility
4 or terminating continuing care services from the program. If
5 you cancel this contract and you have already moved into the
6 provider's facility, you must vacate your living unit within
7 ten days after receipt by the provider of your cancellation
8 notice.

9 If you cancel this contract, any payments of money or
10 transfers of property you made to the provider must be returned
11 as soon as reasonably possible by the provider following
12 receipt by the provider of your cancellation notice, and any
13 security interest arising out of the transaction is canceled,
14 except that, as stated above, the provider may retain the
15 reasonable value of care and services actually provided to you
16 prior to your vacating the provider's facility or terminating
17 continuing care services from the program.

18 To cancel this contract, mail by certified mail or hand
19 deliver a signed and dated copy of this cancellation notice
20 or any other written notice clearly indicating your intent to
21 cancel the contract, or send a telegram, to (name
22 of provider) at (address of provider's place of
23 business). Your cancellation is effective upon mailing by
24 certified mail, when transmitted by telegraph, or when actual
25 notice is given to the provider, whichever is earlier.

26 I hereby cancel this contract.

27

28 (Date)

29

30 (Resident's signature)

31 Sec. _____. Section 523D.7, subsection 1, paragraphs a and b,
32 Code 2024, are amended to read as follows:

33 a. Enters into a contract to provide continuing care or
34 senior adult congregate living services ~~at a facility~~ without
35 having first delivered a disclosure statement meeting the

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1 requirements of [this chapter](#) to the person contracting for
2 continuing care or senior adult congregate living services and
3 to the person's personal representative if one is appointed by
4 the person.

5 *b.* Enters into a contract to provide continuing care or
6 senior adult congregate living services ~~at a facility~~ with a
7 person who has relied on a disclosure statement which contains
8 any untrue statement of a material fact or omits to state a
9 material fact necessary in order to make the statements made,
10 in light of the circumstances under which they are made, not
11 misleading.>

12 2. Title page, line 3, by striking <sellors.> and inserting
13 <sellors, continuing care retirement facilities, and continuing
14 care retirement programs.>

15 3. By renumbering as necessary.

LOHSE of Polk

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House File 2402

H-8029

- 1 Amend House File 2402 as follows:
- 2 1. Page 2, line 12, by striking <Require> and inserting
3 <Allow>
- 4 2. Page 2, line 13, by striking <required> and inserting
5 <billable>
- 6 3. Page 2, line 17, by striking <Require> and inserting
7 <Allow>
- 8 4. Page 2, line 18, by striking <required> and inserting
9 <billable>
- 10 5. Page 2, by striking lines 33 and 34 and inserting
11 <organization to respond within five business days from receipt
12 of a request for authorization for a PMIC placement, if the
13 certificate of need and independent assessment have been
14 received in a timely manner.>
- 15 6. Page 3, line 5, by striking <Require> and inserting
16 <Allow>
- 17 7. Page 3, line 6, by striking <ninety> and inserting
18 <sixty>
- 19 8. Page 3, line 7, after <thereafter.> by inserting <A
20 PMIC shall submit a care plan to the managed care organization
21 within thirty days of the admission.>
- 22 9. Page 3, after line 26 by inserting:
23 <Sec. ____ . HAWKI PROGRAM — BENEFITS INCLUDED IN QUALIFIED
24 CHILD HEALTH PLAN — REVIEW. The department of health
25 and human services shall review the benefits included in a
26 qualified child health plan under the Hawki program and shall
27 specifically address the inclusion of applied behavior analysis
28 services as a covered benefit. The department shall report the
29 findings of the review to the general assembly by December 1,
30 2024.>
- 31 10. Title page, line 1, after <to> by inserting <behavioral
32 health services for children including>
- 33 11. By renumbering as necessary.

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WILZ of Wapello

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House File 2551

H-8030

1 Amend House File 2551 as follows:

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

4 <Section 1. Section 478.16, Code 2024, is amended to read
5 as follows:

6 **478.16 Electric transmission lines — federally registered
7 planning authority transmission plans.**

8 1. Development and investment in high-voltage transmission
9 is urgently needed to ensure the reliable, adequate, secure,
10 and stable delivery of electricity to consumers. To ensure
11 reliable electric service to the people of Iowa as a matter
12 of public policy, it is the intent of the general assembly
13 to express a preference for further investment in Iowa
14 transmission infrastructure.

15 ~~1.~~ 2. As used in [this section](#), unless the context otherwise
16 requires:

17 *a.* "Electric transmission line" means a high-voltage
18 electric transmission line located in this state with a
19 capacity of one hundred kilovolts or more and any associated
20 electric transmission facility, including any substation or
21 other equipment located in this state.

22 *b.* "Electric transmission line project" means a project
23 planned and approved in the final, utility board approved plans
24 of the midwest independent system operator or southwest power
25 pool to be owned, operated, and sited in this state.

26 ~~b.~~ *c.* "Electric transmission owner" means an individual or
27 entity who, as of July 1, 2020, owns and maintains an electric
28 transmission line that is required for rate-regulated electric
29 utilities, municipal electric utilities, and rural electric
30 cooperatives in this state to provide electric service to the
31 public for compensation.

32 ~~e.~~ *d.* "Incumbent electric transmission owner" means any of
33 the following, which may be formed, located, or headquartered
34 in any state:

35 (1) A public utility or a municipally owned utility that

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1 owns, operates, and maintains an electric transmission line in
2 this state.

3 (2) An electric cooperative corporation or association or
4 municipally owned utility that owns an electric transmission
5 facility in this state and has turned over the functional
6 control of such facility to a federally approved authority.

7 (3) An "electric transmission owner" as defined in paragraph
8 "b".

9 ~~d.~~ e. "Landowner" means the same as defined in section
10 478.2.

11 ~~e.~~ f. "Municipally owned utility" means a "city utility"
12 as defined in [section 362.2](#), or an "electric power agency" as
13 defined in [section 390.9](#) ~~which~~ that is comprised solely of
14 cities or solely of cities and other political subdivisions.

15 ~~2.~~ 3. An If ninety percent of the right of way length,
16 or net acreage in the case of a substation, of the electric
17 transmission line project is exclusively owned or controlled
18 by an incumbent transmission owner at the time of approval
19 of the electric transmission line project in a federally
20 registered planning authority transmission plan, an incumbent
21 electric transmission owner has the right to construct,
22 own, and maintain an electric transmission line project
23 that has been approved for construction in a the federally
24 registered planning authority transmission plan and which
25 that directly connects to an electric transmission facility
26 owned by the incumbent electric transmission owner. Where a
27 ~~proposed electric transmission line would connect to electric~~
28 ~~transmission facilities owned by two or more incumbent electric~~
29 ~~transmission owners, each incumbent electric transmission owner~~
30 ~~whose facility connects to the electric transmission line~~
31 ~~has the right to construct, own, and maintain the electric~~
32 ~~transmission line individually and equally. If an incumbent~~
33 ~~electric transmission owner declines to construct, own, and~~
34 ~~maintain its portion of an electric transmission line that~~
35 ~~would connect to electric transmission facilities owned by~~

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1 ~~two or more incumbent electric transmission owners, then the~~
2 ~~other incumbent electric transmission owner or owners that~~
3 ~~own an electric transmission facility to which the electric~~
4 ~~transmission line connects has the right to construct, own, and~~
5 ~~maintain the electric transmission line individually. Prior~~
6 ~~to the utilities board approving an electric transmission line~~
7 ~~project included in the federally registered planning authority~~
8 ~~transmission plan, the applicant shall provide to the board~~
9 ~~evidence that the applicant exclusively owns or controls ninety~~
10 ~~percent of the right of way length needed to construct the~~
11 ~~line or, in the case of substations, ninety percent of the~~
12 ~~net acreage. The evidence shall be based on and calculated~~
13 ~~on the basis of legal descriptions in recorded instruments of~~
14 ~~right of way or property exclusively owned or controlled by~~
15 ~~the applicant, who will develop, own, and operate the electric~~
16 ~~transmission line project. The board shall verify and confirm~~
17 ~~that the electric transmission line project will fit within the~~
18 ~~right of way exclusively controlled or owned with no additional~~
19 ~~right of way needed. If an additional private or public right~~
20 ~~of way or property is needed, the right of way length, or~~
21 ~~net acreage in the case of substations, shall not qualify as~~
22 ~~exclusively owned or controlled by the applicant.~~

23 3. ~~If an electric transmission line has been approved for~~
24 ~~construction in a federally registered planning authority~~
25 ~~transmission plan, and the electric transmission line is~~
26 ~~not subject to a right of first refusal in accordance with~~
27 ~~the tariff of a federally registered planning authority,~~
28 ~~then within ninety days of approval for construction, an~~
29 ~~incumbent electric transmission owner, or owners if there~~
30 ~~is more than one owner, that owns a connecting electric~~
31 ~~transmission facility shall give written notice to the board~~
32 ~~regarding whether the incumbent electric transmission owner~~
33 ~~or owners intend to construct, own, and maintain the electric~~
34 ~~transmission line. If the incumbent electric transmission~~
35 ~~owner or owners give notice of intent to construct the electric~~

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1 ~~transmission line, the incumbent electric transmission owner~~
2 ~~or owners shall follow the applicable franchise requirements~~
3 ~~pursuant to this chapter. If the incumbent electric~~
4 ~~transmission owner or owners give notice declining to construct~~
5 ~~the electric transmission line, the board may determine whether~~
6 ~~another person may construct the electric transmission line.~~

7 4. For projects ~~where an election~~ for which a right to
8 construct an electric transmission line has been made under
9 this section, all of the following cost accountability measures
10 shall apply:

11 a. Within thirty days after the issuance of a franchise
12 pursuant to [this chapter](#) for the electric transmission line,
13 the incumbent electric transmission owner or owners shall
14 provide to the board an estimate of the cost to construct the
15 electric transmission line.

16 b. Until construction of the electric transmission line
17 is complete, the incumbent electric transmission owner or
18 owners shall provide a quarterly report to the board, which
19 shall include an updated estimate of the cost to construct the
20 electric transmission line and an explanation of changes in the
21 cost estimate from the prior cost estimate.

22 5. [This section](#) shall not modify the authority of the
23 board under [this chapter](#), the rights of landowners under this
24 chapter, or the requirements, rights, and obligations relating
25 to the construction, maintenance, and operation of electric
26 transmission lines pursuant to [this chapter](#).

27 6. [This section](#) shall not apply to an electric transmission
28 line to be placed underground that has not been approved for
29 construction in a federally registered planning authority
30 transmission plan.

31 7. The board shall adopt rules pursuant to [chapter 17A](#) to
32 administer [this section](#).

33 Sec. 2. EFFECTIVE DATE. This Act, being deemed of immediate
34 importance, takes effect upon enactment.

35 Sec. 3. RETROACTIVE APPLICABILITY. The provisions of this

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1 Act shall apply retroactively to July 1, 2020.>

MOMMSEN of Clinton

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House File 2618

H-8031

1 Amend House File 2618 as follows:

2 1. Page 1, after line 26 by inserting:

3 <Sec. _____. Section 256.146, Code 2024, is amended by adding
4 the following new subsection:

5 NEW SUBSECTION. 25. Adopt rules under chapter 17A that
6 require an individual to obtain an advanced dyslexia specialist
7 endorsement under subsection 21 prior to obtaining a reading
8 specialist endorsement.>

9 2. Page 2, after line 26 by inserting:

10 <Sec. _____. APPLICABILITY. The following applies to
11 individuals who apply to the board of educational examiners for
12 a reading specialist endorsement on or after the effective date
13 of this Act:

14 The section of this Act enacting section 256.146, subsection
15 25.>

16 3. Title page, line 2, after <program> by inserting <and
17 teacher licensing>

18 4. Title page, line 3, by striking <and>

19 5. Title page, line 5, after <level> by inserting < , and
20 including applicability provisions>

21 6. By renumbering as necessary.

STECKMAN of Cerro Gordo

Iowa General Assembly
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House File 2551

H-8032

1 Amend House File 2551 as follows:

2 1. Page 4, after line 3 by inserting:

3 <8. An incumbent electric transmission owner who exercises
4 the right of first refusal pursuant to this section shall
5 utilize local, skilled labor for the construction of an
6 electric transmission line project.>

7 2. Page 4, line 4, by striking <8.> and inserting <9.>

BAGNIEWSKI of Polk

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House File 2620 - Introduced

HOUSE FILE 2620
BY BAGNIEWSKI

A BILL FOR

1 An Act regulating commercial transactions involving commercial
2 sod containing entwined plastic netting, and providing
3 penalties.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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H.F. 2620

1 Section 1. NEW SECTION. 199A.1 Definitions.

2 As used in this chapter, unless the context otherwise
3 requires:

4 1. "*Commercial sod*" or "*sod*" means any variety of grass
5 planted on a layer of soil and cut into pallets or rolls for
6 transport and permanent installation on land.

7 2. "*Department*" means the department of agriculture and land
8 stewardship.

9 3. "*Entwined commercial sod*" means commercial sod that is
10 entwined with plastic netting in a manner that increases its
11 stability.

12 Sec. 2. NEW SECTION. 199A.2 Sales notice — offense.

13 A person engaged in the business of selling commercial sod
14 on a wholesale or retail basis shall not sell or offer for sale
15 entwined commercial sod, unless the person notifies a person
16 purchasing the sod that the sod is entwined commercial sod.

17 Sec. 3. NEW SECTION. 199A.3 Installation notice — offense.

18 A person engaged in the business of installing commercial
19 sod on real property owned by another person shall not install
20 entwined commercial sod on the real property, unless the person
21 notifies a person owning the land that the commercial sod is
22 entwined commercial sod.

23 Sec. 4. NEW SECTION. 199A.4 Notice requirements.

24 The department shall adopt rules providing requirements for
25 the type of notice required under this chapter. The notice may
26 be in the form of a label, conspicuously placed placard, or
27 written statement that meets requirements established by the
28 department.

29 Sec. 5. NEW SECTION. 199A.5 Rules.

30 The department shall adopt rules necessary or desirable to
31 administer this chapter.

32 Sec. 6. NEW SECTION. 199A.6 Penalty.

33 A person committing a violation of this chapter is guilty
34 of a simple misdemeanor punishable by a fine of five hundred
35 dollars.

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H.F. 2620

1 EXPLANATION

2 The inclusion of this explanation does not constitute agreement with
3 the explanation's substance by the members of the general assembly.

4 This bill regulates certain commercial sod (sod) planted on
5 a layer of soil and cut into pallets or rolls for transport
6 and permanent installation on land. The bill's provisions
7 are administered by the department of agriculture and land
8 stewardship (DALs). It addresses two situations: first,
9 the purchase of sod for later installation; and second,
10 the purchase of the sod's installation. In each of the two
11 situations, notice has to be provided to a purchaser if the
12 sod is entwined with plastic netting. In the first situation,
13 notice must be given to the purchaser of the sod by a person
14 selling the sod; and in the second situation, notice must be
15 given to the purchaser of the sod's installation by the person
16 installing the sod. DALs is responsible for adopting rules
17 providing for notice requirements. A person who violates a
18 notice requirement is guilty of a simple misdemeanor punishable
19 by a fine of \$500.

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House File 2621 - Introduced

HOUSE FILE 2621
BY WOOD

A BILL FOR

1 An Act relating to the statewide interoperable communications
2 system and county sheriff's offices, and making
3 appropriations.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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H.F. 2621

1 Section 1. Section 80.44, Code 2024, is amended by adding
2 the following new subsection:

3 NEW SUBSECTION. 3. A county sheriff's office without
4 digital radios compatible with the statewide interoperable
5 communications system shall receive moneys from the fund
6 transferred pursuant to this Act, to be distributed at the
7 discretion of the statewide interoperable communications
8 system board established in section 80.28, for the purpose of
9 purchasing such digital radios. All county sheriff's offices
10 shall have compatible digital radios by July 1, 2026.

11 Sec. 2. TRANSFER. For the fiscal year beginning July 1,
12 2024, and ending June 30, 2025, there is transferred from the
13 911 emergency communications fund created in section 34A.7A to
14 the public safety interoperable and broadband communications
15 fund created in section 80.44, the following amount:

16 \$ 750,000

17 EXPLANATION

18 The inclusion of this explanation does not constitute agreement with
19 the explanation's substance by the members of the general assembly.

20 This bill relates to the statewide interoperable
21 communications system and digital radios for county sheriff's
22 offices.

23 The bill requires the statewide interoperable communications
24 system board to distribute moneys to county sheriff's
25 offices without digital radios compatible with the statewide
26 interoperable communications system. All county sheriff's
27 offices shall have compatible digital radios by July 1, 2026.

28 The bill transfers \$750,000 from the 911 emergency
29 communications fund to the public safety interoperable and
30 broadband communications fund to assist county sheriff's
31 offices in purchasing compatible digital radios.

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House Study Bill 717 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act exempting certain cities from public hearing
2 requirements related to proposed property taxes.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 24.2A, subsection 4, Code 2024, is
2 amended by adding the following new paragraph:
3 NEW PARAGRAPH. d. This subsection shall not apply to a city
4 with a population less than one thousand.

5 Sec. 2. APPLICABILITY. This Act applies to budgets for
6 fiscal years beginning on or after July 1, 2025.

7 EXPLANATION

8 The inclusion of this explanation does not constitute agreement with
9 the explanation's substance by the members of the general assembly.

10 Under current law, each school district, county, and city
11 (political subdivision) of the state must set a time and place
12 for a public hearing on the political subdivision's proposed
13 property tax amount for a budget year. This public hearing
14 must be separate from any other meeting of the governing body
15 of the political subdivision, including any other meeting or
16 public hearing relating to the political subdivision's budget,
17 and other business of the political subdivision that is not
18 related to the proposed property tax shall not be conducted at
19 the public hearing.

20 This bill exempts each city with a population of less than
21 1,000 from the requirement to hold a hearing relating to a
22 proposed property tax for a budget year.

23 The bill applies to budgets for fiscal years beginning on or
24 after July 1, 2025.

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House Study Bill 718 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act relating to special forces special registration plates.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 35A.11, subsection 2, Code 2024, is
2 amended by adding the following new paragraph:

3 NEW PARAGRAPH. *Ob.* Special forces special plates issued
4 pursuant to section 321.34, subsection 16A.

5 Sec. 2. Section 321.34, Code 2024, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 16A. *Special forces plates.*

8 *a.* An owner referred to in subsection 12 who is a member
9 of the United States army special forces may, upon written
10 application to the department and presentation of satisfactory
11 proof of such membership, order special registration plates
12 with a United States army special forces distinguishing
13 processed emblem. The emblem shall be designed by the
14 department in consultation with the adjutant general and must
15 include a representation of the special forces branch insignia.
16 The special plate fees collected by the director under
17 subsection 12, paragraph "a", from the annual validation of
18 letter-number designated special forces plates, and subsection
19 12, paragraph "c", from the issuance and annual validation of
20 personalized special forces plates shall be paid monthly to the
21 treasurer of state and deposited in the road use tax fund. The
22 treasurer of state shall transfer monthly from the statutory
23 allocations fund created under section 321.145, subsection 2,
24 to the veterans license fee fund created in section 35A.11
25 the amount of the special fees collected under subsection 12,
26 paragraph "a", in the previous month for special forces plates.

27 *b.* Notwithstanding subsection 12, paragraph "a", an owner
28 who is approved for special registration plates under this
29 subsection shall be issued one set of special registration
30 plates with a United States army special forces distinguishing
31 processed emblem at no charge.

32 *c.* The surviving spouse of a person who was issued special
33 plates under this subsection may continue to use or apply for
34 and use the special plates subject to registration of the
35 special plates in the surviving spouse's name and upon payment

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1 of the annual five-dollar special plate fee and the regular
2 annual registration fee for the vehicle. If the surviving
3 spouse remarries, the surviving spouse shall return the special
4 plates to the department and the department shall issue regular
5 registration plates to the surviving spouse.

6 EXPLANATION

7 The inclusion of this explanation does not constitute agreement with
8 the explanation's substance by the members of the general assembly.

9 This bill authorizes the department of transportation (DOT)
10 to issue special registration plates bearing a United States
11 army special forces distinguishing processed emblem designed
12 by the DOT in consultation with the adjutant general. The
13 processed emblem must include a representation of the special
14 forces branch insignia. The special forces are also referred
15 to as the "green berets". A person who is a member of the
16 special forces may apply to the DOT and present satisfactory
17 proof of such membership to order the plates.

18 Under current law, the fee for the issuance of special
19 registration plates with a processed emblem is \$25 which is
20 in addition to the regular annual registration fee. The bill
21 provides that a person who is approved for the special forces
22 plates must be issued one set of plates at no charge.

23 The bill requires the fees collected by the DOT for the
24 special forces plates to be paid monthly to the treasurer of
25 state and deposited in the road use tax fund. The treasurer of
26 state must credit monthly from the statutory allocations fund
27 to the veterans license fee fund the amount of special fees for
28 special forces plates collected in the previous month.

29 The bill authorizes the surviving spouse of a person who was
30 issued special forces plates to continue to use or apply for
31 and use the plates subject to certain conditions.

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House Study Bill 719 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act relating to tax rates on receipts from gambling games.
2 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 99F.11, subsection 2, Code 2024, is
2 amended to read as follows:

3 2. The tax rate imposed each fiscal year on any amount of
4 adjusted gross receipts over three million dollars shall be as
5 follows:

6 a. If the licensee is an excursion gambling boat or gambling
7 structure:

8 (1) For fiscal years beginning prior to July 1, 2024,
9 twenty-two percent.

10 (2) For the fiscal year beginning July 1, 2024, and ending
11 June 30, 2025, twenty-one percent.

12 (3) For the fiscal year beginning July 1, 2025, and ending
13 June 30, 2026, twenty percent.

14 (4) For the fiscal year beginning July 1, 2026, and ending
15 June 30, 2027, and for each fiscal year thereafter, nineteen
16 percent.

17 b. If the licensee is a racetrack enclosure conducting
18 gambling games and another licensee that is an excursion
19 gambling boat or gambling structure is located in the same
20 county, then one of the following rate rates, as applicable:

21 (1) If the licensee of the racetrack enclosure has not been
22 issued a table games license during the fiscal year or if the
23 adjusted gross receipts from gambling games of the licensee
24 in the prior fiscal year were less than one hundred million
25 dollars:

26 (a) For fiscal years beginning prior to July 1, 2024,
27 twenty-two percent.

28 (b) For the fiscal year beginning July 1, 2024, and ending
29 June 30, 2025, twenty-one percent.

30 (c) For the fiscal year beginning July 1, 2025, and ending
31 June 30, 2026, twenty percent.

32 (d) For the fiscal year beginning July 1, 2026, and ending
33 June 30, 2027, and for each fiscal year thereafter, nineteen
34 percent.

35 (2) If the licensee of the racetrack enclosure has been

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1 issued a table games license during the fiscal year or prior
2 fiscal year and the adjusted gross receipts from gambling games
3 of the licensee in the prior fiscal year were one hundred
4 million dollars or more:

5 (a) For fiscal years beginning prior to July 1, 2024,
6 twenty-two percent on adjusted gross receipts received prior
7 to the operational date and twenty-four percent on adjusted
8 gross receipts received on or after the operational date.

9 For purposes of this subparagraph division, the operational
10 date is the date the commission determines table games became
11 operational at the racetrack enclosure.

12 (b) For the fiscal year beginning July 1, 2024, and ending
13 June 30, 2025, twenty-three percent.

14 (c) For the fiscal year beginning July 1, 2025, and ending
15 June 30, 2026, twenty-two percent.

16 (d) For the fiscal year beginning July 1, 2026, and ending
17 June 30, 2027, and for each fiscal year thereafter, twenty-one
18 percent.

19 *c.* If the licensee is a racetrack enclosure conducting
20 gambling games and no licensee that is an excursion gambling
21 boat or gambling structure is located in the same county:

22 (1) For fiscal years beginning prior to July 1, 2024,
23 twenty-four percent.

24 (2) For the fiscal year beginning July 1, 2024, and ending
25 June 30, 2025, twenty-three percent.

26 (3) For the fiscal year beginning July 1, 2025, and ending
27 June 30, 2026, twenty-two percent.

28 (4) For the fiscal year beginning July 1, 2026, and ending
29 June 30, 2027, and for each fiscal year thereafter, twenty-one
30 percent.

31 EXPLANATION

32 The inclusion of this explanation does not constitute agreement with
33 the explanation's substance by the members of the general assembly.

34 This bill relates to tax rates on receipts from gambling
35 games.

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1 Under current law, if a person licensed under Code chapter
2 99F (licensee) is an excursion gambling boat or gambling
3 structure, the tax rate imposed each fiscal year on any amount
4 of adjusted gross receipts over \$3 million is 22 percent.
5 Under the bill, the tax rate is decreased to 21 percent for FY
6 2024-2025, 20 percent for FY 2025-2026, and 19 percent for FY
7 2026-2027 and thereafter.

8 Under current law, if the licensee is a racetrack enclosure
9 conducting gambling games and another licensee that is an
10 excursion gambling boat or gambling structure is located in the
11 same county and the licensee of the racetrack enclosure has
12 not been issued a table games license during the fiscal year
13 or if the adjusted gross receipts from gambling games of the
14 licensee in the prior fiscal year were less than \$100 million,
15 the tax rate imposed each fiscal year on any amount of adjusted
16 gross receipts over \$3 million is 22 percent. Under the bill,
17 the tax rate is decreased to 21 percent for FY 2024-2025, 20
18 percent for FY 2025-2026, and 19 percent for FY 2026-2027 and
19 thereafter.

20 Under current law, if the licensee is a racetrack enclosure
21 conducting gambling games and another licensee that is an
22 excursion gambling boat or gambling structure is located in the
23 same county and the licensee of the racetrack enclosure has
24 been issued a table games license during the fiscal year or
25 prior fiscal year and the adjusted gross receipts from gambling
26 games of the licensee in the prior fiscal year were \$100
27 million or more, the tax rate imposed each fiscal year on any
28 amount of adjusted gross receipts over \$3 million is 22 percent
29 on adjusted gross receipts received prior to the operational
30 date and 24 percent on adjusted gross receipts received on
31 or after the operational date. Under the bill, the tax rate
32 is altered to 23 percent for FY 2024-2025, 22 percent for FY
33 2025-2026, and 21 percent for FY 2026-2027 and thereafter,
34 regardless of operational date.

35 Under current law, if the licensee is a racetrack enclosure

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1 conducting gambling games and no licensee that is an excursion
2 gambling boat or gambling structure is located in the same
3 county, the tax rate imposed each fiscal year on any amount
4 of adjusted gross receipts over \$3 million is 24 percent.
5 Under the bill, the tax rate is decreased to 23 percent for FY
6 2024-2025, 22 percent for FY 2025-2026, and 21 percent for FY
7 2026-2027 and thereafter.

8 Taxes collected under Code section 99F.11 on the adjusted
9 gross receipts from gambling games are used to support a
10 variety of programs and funds including the county endowment
11 fund; operational support grants, community cultural grants,
12 and regional tourism marketing of the economic development
13 authority; the rebuild Iowa infrastructure fund; the revenue
14 bonds debt service fund and revenue bonds federal subsidy
15 holdback fund; the water quality infrastructure fund; the Iowa
16 skilled worker and job creation fund; and the levee improvement
17 fund.

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House Study Bill 720 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act relating to state taxation by modifying future
2 individual income tax rates, creating processes for
3 reducing the individual income tax rate to zero, reducing
4 future contingent corporate income tax rates, making
5 appropriations, and including effective date, applicability,
6 and retroactive applicability provisions.

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

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1 DIVISION I
2 CREATION OF TAXPAYER RELIEF TRUST FUND, INCOME TAX ELIMINATION
3 FUND AND BOARD

4 Section 1. Section 2.46, Code 2024, is amended by adding the
5 following new subsection:

6 NEW SUBSECTION. 6. *Income tax elimination board.* Beginning
7 on or after July 1, 2026, and each fiscal year thereafter
8 until the individual income tax is zero, schedule a meeting
9 to examine and discuss the actions taken by the income tax
10 elimination board in the previous fiscal year.

11 Sec. 2. Section 8.54, subsection 1, paragraph b, Code 2024,
12 is amended to read as follows:

13 *b. "New revenues"* means moneys which are received by the
14 state due to increased tax rates and fees or newly created
15 taxes and fees over and above those moneys which are received
16 due to state taxes and fees which are in effect as of January
17 1 following the December state revenue estimating conference.
18 *"New revenues"* also includes moneys received by the general fund
19 of the state due to new transfers over and above those moneys
20 received by the general fund of the state due to transfers
21 which are in effect as of January 1 following the December
22 state revenue estimating conference. The department of
23 management shall obtain concurrence from the revenue estimating
24 conference on the eligibility of transfers to the general
25 fund of the state which are to be considered as new revenue
26 in determining the state general fund expenditure limitation.
27 However, "new revenues" does not include transfers to the
28 general fund of the state from the income tax elimination fund
29 pursuant to section 97E.4 that occur during the fiscal year
30 immediately proceeding the fiscal year for which the adjusted
31 revenue estimate is determined.

32 Sec. 3. Section 8.57E, subsection 2, paragraph a, Code 2024,
33 is amended to read as follows:

34 *a.* Except as otherwise provided in [this section](#), moneys
35 in the taxpayer relief fund shall only be used pursuant to

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1 appropriations or transfers made by the general assembly to
2 the taxpayer relief trust fund in section 97E.3 or the income
3 tax elimination fund in section 97E.4 or for tax relief or
4 reductions in income tax rates.

5 Sec. 4. Section 8.57E, Code 2024, is amended by adding the
6 following new subsection:

7 NEW SUBSECTION. 2A. *a.* On July 1, 2024, there is
8 transferred from the taxpayer relief fund to the income tax
9 elimination fund created in section 97E.4, one hundred million
10 dollars for administrative purposes under chapter 97E.

11 *b.* On January 1, 2025, there is transferred from the
12 taxpayer relief fund to the taxpayer relief trust fund created
13 in section 97E.3, two billion six hundred million dollars for
14 the purpose of producing investment returns for deposit into
15 the income tax elimination fund.

16 *c.* For the fiscal year beginning July 1, 2026, and each
17 fiscal year thereafter, there is transferred from the taxpayer
18 relief fund to the taxpayer relief trust fund created in
19 section 97E.3, an amount equal to twenty-five percent of the
20 moneys transferred to the taxpayer relief fund during the
21 preceding fiscal year.

22 Sec. 5. Section 12B.10, subsection 6, Code 2024, is amended
23 by adding the following new paragraphs:

24 NEW PARAGRAPH. *o.* Investments by the taxpayer relief trust
25 fund established in section 97E.3.

26 NEW PARAGRAPH. *p.* Investments by the income tax elimination
27 fund established in section 97E.4.

28 Sec. 6. Section 12B.10C, subsection 4, unnumbered paragraph
29 1, Code 2024, is amended to read as follows:

30 The following entities or funds are not subject to this
31 section:

32 Sec. 7. Section 12B.10C, subsection 4, Code 2024, is amended
33 by adding the following new paragraph:

34 NEW PARAGRAPH. *1.* The taxpayer relief trust fund
35 established in section 97E.3.

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1 NEW PARAGRAPH. *m.* The income tax elimination trust
2 established in section 97E.4.

3 Sec. 8. Section 97B.1, subsection 1, Code 2024, is amended
4 to read as follows:

5 1. The "Iowa Public Employees' Retirement System" is
6 established as an independent agency within the executive
7 branch of state government. The Iowa public employees'
8 retirement system shall administer the retirement system
9 established under this chapter, and beginning July 1, 2024,
10 shall administer chapter 97E.

11 Sec. 9. NEW SECTION. **97E.1 Purpose.**

12 The purpose of this chapter is to create and ensure economic
13 vitality and growth for the benefit of future generations of
14 Iowans by setting aside and protecting moneys today in order to
15 responsibly eliminate the individual income tax in the future.

16 Sec. 10. NEW SECTION. **97E.2 Definitions.**

17 For the purpose of this chapter and unless otherwise
18 required by the context:

19 1. "*Board*" means the income tax elimination board.

20 2. "*Elimination fund*" means the income tax elimination fund.

21 3. "*System*" means the Iowa public employees' retirement
22 system as defined in section 97B.1.

23 4. "*Trust fund*" means the taxpayer relief trust fund.

24 Sec. 11. NEW SECTION. **97E.3 Taxpayer relief trust fund.**

25 1. *a.* Beginning January 1, 2025, a trust fund is created,
26 separate and apart from all other public moneys or funds of
27 this state and the balance in the trust fund shall not be
28 considered part of the balance of the general fund of the
29 state.

30 *b.* Notwithstanding section 12C.7, subsection 2, interest
31 or earnings on moneys deposited in the trust fund shall be
32 credited to the fund. Notwithstanding section 8.33, moneys
33 credited to the trust fund shall not revert at the close of a
34 fiscal year.

35 2. The trust fund shall consist of all moneys collected by

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1 or appropriated or transferred to the trust fund, together with
2 all interest, dividends, and rents, and shall also include all
3 securities or investment income and other assets acquired by
4 and through the use of the moneys belonging to the trust fund
5 and any other moneys that have been paid into the trust fund.

6 3. a. The system is hereby made the custodian of the trust
7 fund, and shall administer the trust fund, and shall hold and
8 disburse the trust fund in accordance with the requirements of
9 this chapter. As custodian, the system shall be authorized to
10 disburse moneys in the fund upon warrants drawn by the director
11 of the department of administrative services pursuant to the
12 order of the system.

13 b. The system shall not select any bank or other third
14 party for the purposes of investment asset safekeeping, other
15 custody, or settlement services without prior consultation with
16 and approval of the board.

17 c. The system, subject to board approval, may execute
18 contracts and agreements with investment advisors, consultants,
19 and investment management and benefit consultant firms in the
20 administration of investments of moneys in the trust fund.

21 4. a. All moneys that are appropriated or otherwise
22 transferred or deposited into the trust fund are appropriated
23 and made available to be used for transfers made to the income
24 tax elimination fund made pursuant to subsection 5.

25 b. The expenses to administer the trust fund shall be as
26 provided in section 97E.5.

27 5. Beginning July 1, 2028, and each July 1 thereafter, five
28 percent of the remaining balance of the trust fund at the close
29 of the preceding fiscal year shall be transferred to the income
30 tax elimination fund created in section 97E.4.

31 6. Moneys in the trust fund, except so much of the trust
32 fund as may be necessary to be kept on hand for the making of
33 disbursements under this chapter, shall be invested by the
34 board in any investments according to the investment policy of
35 the board, and subject to the requirements of chapters 12F,

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1 12H, 12J, and 12K, and the earnings therefrom shall be credited
2 to the fund.

3 7. After the individual income tax rate is adjusted to zero
4 pursuant to section 422.5B, any moneys remaining in the fund
5 shall be transferred to the general fund of the state in the
6 same fiscal year.

7 Sec. 12. NEW SECTION. 97E.4 Income tax elimination fund.

8 1. Commencing July 1, 2024, an income tax elimination fund
9 is created separate and apart from all other public moneys or
10 funds of this state and the balance of the elimination fund
11 shall not be considered part of the balance of the general fund
12 of the state.

13 2. a. The elimination fund shall consist of all moneys
14 transferred to the elimination fund pursuant to section 97E.3
15 or appropriated to or otherwise collected by the elimination
16 fund for the purpose of reducing the individual income tax to
17 zero.

18 b. Notwithstanding section 12C.7, subsection 2, interest or
19 earnings on moneys deposited in the income tax elimination fund
20 shall be credited to the elimination fund. Notwithstanding
21 section 8.33, moneys credited to the income tax elimination
22 fund shall not revert at the close of a fiscal year.

23 3. a. The system is hereby made custodian of the
24 elimination fund, and shall administer the elimination fund,
25 and shall hold and disburse the fund in accordance with the
26 requirements of this chapter. As custodian, the system shall
27 be authorized to disburse moneys in the elimination fund
28 upon warrants drawn by the director of the department of
29 administrative services pursuant to the order of the system.

30 b. The system shall not select any bank or other third
31 party for the purposes of investment asset safekeeping, other
32 custody, or settlement services without prior consultation with
33 and approval of the board.

34 c. The system, subject to board approval, may execute
35 contracts and agreements with investment advisors, consultants,

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1 and investment management and benefit consultant firms in the
2 administration of investments of moneys in the elimination
3 fund.

4 4. a. All moneys that are appropriated or otherwise
5 transferred or deposited into the elimination fund are
6 appropriated and made available to be used for transfers to the
7 general fund as provided in section 422.5B.

8 b. The expenses to administer the elimination fund shall be
9 as provided in section 97E.5.

10 5. Moneys in the elimination fund, except so much of the
11 elimination fund as may be necessary to be kept on hand for the
12 making of disbursements under this section, shall be invested
13 by the board in investments authorized for the Iowa public
14 employees' retirement system in section 97B.7A, and subject to
15 the requirements of chapters 12F, 12H, 12J, and 12K, and the
16 earnings therefrom shall be credited to the fund.

17 6. After the individual income tax rate is adjusted to
18 zero pursuant to section 422.5B, any moneys remaining in the
19 elimination fund shall be transferred to the general fund of
20 the state in the same fiscal year.

21 **Sec. 13. NEW SECTION. 97E.5 Expenses.**

22 1. The investment management and administrative expenses
23 for the trust fund and elimination fund shall be charged
24 against the investment income of the elimination fund.

25 2. The total expenses for investment management and
26 administration of the trust fund and elimination fund shall not
27 exceed two million dollars in the aggregate per year.

28 **Sec. 14. NEW SECTION. 97E.6 Income tax elimination board.**

29 1. Beginning July 1, 2024, a board is established. The
30 duties of the board are to establish and implement policy in
31 matters relating to the investment of the trust fund and the
32 elimination fund. The board shall be the trustee of the trust
33 fund and the elimination fund.

34 2. a. At least annually the board shall have a public
35 meeting and review the investment policies and procedures used

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1 by the board and system. Following the review and a public
2 meeting, the board shall, pursuant to the requirements of
3 section 97E.7, and in consultation with the chief investment
4 officer of the system and other relevant personnel of the
5 system, establish an investment policy and goal statement that
6 shall direct the investment activities concerning each fund.

7 *b.* The board shall review and approve, prior to the
8 execution of a contract with the system, the hiring of each
9 investment manager and investment consultant outside of state
10 government.

11 *c.* The board shall review and approve the selection of any
12 bank used by the system pursuant to this chapter.

13 3. *a.* The board shall consist of eleven members, including
14 seven voting members and four nonvoting members.

15 *b.* (1) The voting members shall be as follows:

16 (a) Four public members, appointed by the governor who
17 each have substantial experience in institutional investments,
18 institutional finance, or other business management.

19 (b) Two public members, appointed by the governor who are
20 citizens of the state.

21 (c) The director of the department of management.

22 (2) A voting member shall not hold other office or position
23 under the laws of this state, or any other state or territory
24 or of the United States.

25 *c.* The nonvoting members of the board shall be two state
26 representatives, one appointed by the speaker of the house of
27 representatives and one by the minority leader of the house,
28 and two state senators, one appointed by the majority leader of
29 the senate and one by the minority leader of the senate.

30 *d.* Four voting members of the board shall constitute a
31 quorum.

32 *e.* The four members who have substantial institutional
33 investment experience or substantial institutional financial
34 experience shall be paid actual expenses incurred as a member
35 and shall receive a per diem as specified in section 7E.6

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1 for each day of service not exceeding forty days per year.
2 Legislative members shall be paid the per diem and expenses
3 specified in section 2.10, for each day of service. The per
4 diem and expenses of the legislative members shall be paid
5 from funds appropriated under section 2.12. The two remaining
6 public members and the director of the department of management
7 shall be paid actual expenses incurred as members of the board
8 and such performance as members of the board shall not affect
9 benefits such as salary, vacation accrual, or a leave of
10 absence for sickness or injury.

11 *f.* The appointive terms of the members appointed by the
12 governor are for six-year staggered terms whose initial terms
13 shall be designated by the governor beginning and ending as
14 provided in section 69.19. If there is a vacancy in the
15 membership of the board for one of the members appointed by
16 the governor, the governor has the power of appointment.
17 Gubernatorial appointees to this board are subject to
18 confirmation by the senate.

19 4. *a.* Prior to any rule or policy adopted by the board,
20 the board shall notify the fiscal committee of the legislative
21 council the content of any rule or policy by electronic means,
22 and shall provide the fiscal committee at least ten days to
23 comment on the rule or policy before adopting the rule or
24 policy.

25 *b.* Beginning on or after July 1, 2026, and each fiscal year
26 thereafter, the board shall report to the fiscal committee of
27 the legislative council including the investment decisions,
28 transfers, and any other actions taken by the board in the
29 previous fiscal year.

30 **Sec. 15. NEW SECTION. 97E.7 Investment and management of**
31 **funds — standards — immunity.**

32 1. In establishing the investment policy of the trust fund
33 and elimination fund and providing for the separate investment
34 of each fund, the system and board shall do the following:

35 *a.* Exercise the judgment and care, under the circumstances

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1 then prevailing, which persons of prudence, discretion, and
2 intelligence exercise in the management of their own affairs,
3 not for the purpose of speculation, but with regard to the
4 permanent disposition of the funds, considering the probable
5 income, as well as the probable safety, of their capital.

6 *b.* Give appropriate consideration to those facts and
7 circumstances that the system and board know or should know
8 are relevant to the particular investment or investment policy
9 involved, including the role the investment plays in the total
10 value of each fund.

11 *c.* For the purposes of this subsection, appropriate
12 consideration includes a determination that the particular
13 investment or investment policy is reasonably designed to
14 further the purposes of each fund, taking into consideration
15 the risk of loss and the opportunity for gain or income
16 associated with the investment or investment policy and
17 consideration of the following factors as they relate to each
18 fund:

19 (1) The composition of the fund with regard to
20 diversification.

21 (2) The liquidity and current return of the investments in
22 the fund relative to the anticipated cash flow requirements of
23 the fund.

24 (3) The projected return of the investments relative to the
25 funding objectives of the fund.

26 2. Within the limitations of the investment standards
27 prescribed in this section, the system may acquire and retain
28 every kind of property and every kind of investment which
29 persons of prudence, discretion, and intelligence acquire or
30 retain for their own account. Consistent with this section,
31 investments shall be made in a manner that will enhance
32 the economy of this state, and in particular, will result
33 in increased employment of the residents of this state.

34 Investments of moneys in each fund are not subject to sections
35 73.15 through 73.21.

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1 3. Except as provided in subsection 6, if there is loss
2 to either fund, the system, the employees of the system,
3 the members of the board severally, and the board are not
4 personally liable, and the loss shall be charged against the
5 appropriate fund. There is appropriated from the appropriate
6 fund the amount required to cover a loss.

7 4. In managing the investment of either fund, the system, in
8 accordance with the investment policy established by the board,
9 is authorized to do the following:

10 *a.* To sell any securities or other property in either
11 fund and reinvest the proceeds when such action may be deemed
12 advisable by the system for the protection of the applicable
13 fund or the preservation of the value of the investment.
14 Such sale of securities or other property of either fund and
15 reinvestment shall only be made in accordance with policies
16 of the board in the manner and to the extent provided in this
17 chapter.

18 *b.* To subscribe for the purchase of securities for future
19 delivery in anticipation of future income. The securities
20 shall be paid for by anticipated income or from funds from the
21 sale of securities or other property held by the applicable
22 fund.

23 *c.* To pay for securities directed to be purchased upon
24 the receipt of the purchasing bank's paid statement or paid
25 confirmation of purchase.

26 5. In the administration of the investment of moneys in
27 each fund, employees of the system and members of the board
28 may travel outside the state for the purpose of meeting with
29 investment firms and consultants and attending conferences and
30 meetings to fulfill their fiduciary responsibilities.

31 6. The system, employees of the system, the board, the
32 members of the board, and the treasurer of state are not
33 personally liable for actions or omissions under this chapter
34 that do not involve malicious or wanton misconduct even if
35 those actions or omissions violate the standards established in

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1 this section.

2 Sec. 16. NEW SECTION. **422.5B Reduction of individual income**
3 **tax rates.**

4 1. For tax years beginning on or after January 1, 2029,
5 and notwithstanding the individual income tax rate in section
6 422.5, the department of revenue shall determine the individual
7 income tax rate as provided in this section. The tax rate
8 in effect in section 422.5 shall remain in effect until the
9 rate is adjusted pursuant to subsection 2. A rate adjusted in
10 subsection 2 shall remain in effect until the rate is adjusted
11 again pursuant to this section.

12 2. a. Before November 1, 2028, and before November 1
13 each year thereafter, until the individual income tax rate is
14 adjusted to zero, the department of management shall determine
15 the amount of money available in the income tax elimination
16 fund in section 97E.4, and the net individual income tax
17 receipts at the close of the preceding fiscal year. The amount
18 available in the income tax elimination fund and the net tax
19 receipts shall be provided to the department of revenue for the
20 calculation in paragraph "b".

21 b. By November 1, 2028, and by November 1 each year
22 thereafter, the department of revenue shall adjust the
23 individual income tax rate as provided in this paragraph if all
24 of the following apply:

25 (1) The amount of net sales and use tax revenue collected by
26 the state during the most recent October 1 through September 30
27 calculation period is greater than one hundred three percent
28 of the net sales and use tax revenue collected during the
29 immediately preceding calculation period covering the same
30 months.

31 (2) The rate is able to be adjusted downward at least
32 one-tenth of one percent in such a way that the proposed
33 adjusted rate would have generated an amount equal to the net
34 individual income tax receipts generated from the rate in the
35 preceding fiscal year less any transfer amount from the income

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1 tax elimination fund in section 97E.4.

2 (3) There is at least one hundred fifty percent of the
3 amount to be transferred to the general fund pursuant to
4 subsection 3 available in the income tax elimination fund in
5 section 97E.4.

6 c. If a determination is made by the department of revenue
7 that the rate is subject to adjustment, the department of
8 revenue shall adjust the rate specified in section 422.5, or if
9 the rate has been previously adjusted, adjust the previously
10 adjusted rate.

11 3. If an adjustment is made pursuant to subsection 2, one
12 hundred fifty percent of the amount of moneys in the income tax
13 elimination fund used in the calculation in subsection 2 shall
14 be transferred to the general fund of the state in the fiscal
15 year the rate is adjusted.

16 4. If a rate is adjusted pursuant to subsection 2, the
17 director of revenue shall cause an advisory notice containing
18 the new individual income tax rate to be published in the
19 Iowa administrative bulletin and on the internet site of the
20 department of revenue. The calculation and publication of the
21 adjusted tax rate by the director of revenue is exempt from
22 chapter 17A, and shall be submitted for publication by the
23 first December 31 following the determination date to adjust
24 the rate.

25 DIVISION II

26 INDIVIDUAL INCOME TAX RATES

27 Sec. 17. Section 421.27, subsection 9, paragraph a,
28 subparagraph (3), Code 2024, is amended to read as follows:

29 (3) In the case of all other entities, including
30 corporations described in [section 422.36, subsection 5](#), and all
31 other entities required to file an information return under
32 section 422.15, subsection 2, the entity's Iowa net income
33 after the application of the Iowa business activity ratio, if
34 applicable, multiplied by the top income tax rate imposed under
35 section [422.5 or 422.5A, as applicable](#), for the tax year, less

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1 any Iowa tax credits available to the entity.

2 Sec. 18. Section 422.5, subsection 1, paragraph a, Code
3 2024, is amended to read as follows:

4 a. (1) A tax is imposed upon every resident and nonresident
5 of the state which tax shall be levied, collected, and paid
6 annually upon and with respect to the entire taxable income
7 as defined in this subchapter at rates as provided in section
8 422.5A. This subparagraph is repealed January 1, 2026.

9 (2) Commencing with tax years beginning on or after January
10 1, 2026, but before January 1, 2027, a tax is imposed upon
11 every resident and nonresident of the state which tax shall
12 be levied, collected, and paid annually upon and with respect
13 to the entire taxable income as defined in this subchapter at
14 a rate of three and seven hundred seventy-five thousandths
15 percent.

16 (3) Commencing with tax years beginning on or after January
17 1, 2027, a tax is imposed upon every resident and nonresident
18 of the state which tax shall be levied, collected, and paid
19 annually upon and with respect to the entire taxable income as
20 defined in this subchapter at a rate of three and sixty-five
21 hundredths percent.

22 Sec. 19. Section 422.5A, subsection 1, paragraph a,
23 subparagraphs (2) and (3), Code 2024, are amended to read as
24 follows:

25 (2) For the tax year beginning on or after January 1, 2024,
26 but before January 1, 2025:

27 (a) On taxable income from 0 through ~~\$12,000~~ \$12,420, the
28 rate of ~~4.40~~ 3.90 percent.

29 (b) On taxable income exceeding ~~\$12,000~~ \$12,420 but not
30 exceeding ~~\$60,000~~ \$62,100, the rate of 4.82 percent.

31 (c) On taxable income exceeding ~~\$60,000~~ \$62,100, the rate of
32 5.70 percent.

33 (3) For the tax year beginning on or after January 1, 2025,
34 but before January 1, 2026:

35 (a) On taxable income from 0 through ~~\$12,000~~ \$25,000, the

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1 rate of ~~4.40~~ 3.90 percent.

2 (b) On taxable income exceeding ~~\$12,000~~ \$25,000, the rate of
3 4.82 percent.

4 Sec. 20. Section 422.5A, subsection 1, paragraph b,
5 subparagraphs (2) and (3), Code 2024, are amended to read as
6 follows:

7 (2) For the tax year beginning on or after January 1, 2024,
8 but before January 1, 2025:

9 (a) On taxable income from 0 through ~~\$6,000~~ \$6,210, the rate
10 of ~~4.40~~ 3.90 percent.

11 (b) On taxable income exceeding ~~\$6,000~~ \$6,120 but not
12 exceeding ~~\$30,000~~ \$31,050, the rate of 4.82 percent.

13 (c) On taxable income exceeding ~~\$30,000~~ \$31,050, the rate of
14 5.70 percent.

15 (3) For the tax year beginning on or after January 1, 2025,
16 but before January 1, 2026:

17 (a) On taxable income from 0 through ~~\$6,000~~ \$12,500, the
18 rate of ~~4.40~~ 3.90 percent.

19 (b) On taxable income exceeding ~~\$6,000~~ \$12,500, the rate of
20 4.82 percent.

21 Sec. 21. Section 422.16, subsection 2, paragraph e, Code
22 2024, is amended to read as follows:

23 e. For the purposes of **this subsection**, state income tax
24 shall be withheld at the highest rate described in section
25 422.5 or 422.5A, as applicable, from supplemental wages of an
26 employee in those circumstances in which the employer treats
27 the supplemental wages as wholly separate from regular wages
28 for purposes of withholding and federal income tax is withheld
29 from the supplemental wages under section 3402(g) of the
30 Internal Revenue Code.

31 Sec. 22. Section 422.16B, subsection 2, paragraph a, Code
32 2024, is amended to read as follows:

33 a. (1) A pass-through entity shall file a composite return
34 on behalf of all nonresident members and shall report and pay
35 the income or franchise tax imposed under **this chapter** at the

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1 maximum state income or franchise tax rate applicable to the
2 member under section 422.5, 422.5A, 422.33, or 422.63 on the
3 nonresident members' distributive shares of the income from the
4 pass-through entity.

5 (2) The tax rate applicable to a tiered pass-through entity
6 shall be the maximum state income tax rate under section 422.5
7 or 422.5A, as applicable.

8 Sec. 23. Section 422.16C, subsection 4, paragraph a, Code
9 2024, is amended to read as follows:

10 a. A taxpayer making an election under this section shall
11 be subject to tax in an amount equal to the maximum rate under
12 section 422.5 or 422.5A, as applicable, imposed against the
13 taxable income of the taxpayer for the taxable year properly
14 determined under this chapter and allocated and apportioned to
15 the state under the rules adopted by the department. The tax
16 shall be due with the taxpayer's return required under this
17 chapter.

18 Sec. 24. Section 422.25A, subsection 5, paragraph c,
19 subparagraphs (3), (4), and (5), Code 2024, are amended to read
20 as follows:

21 (3) Determine the total distributive share of all final
22 federal partnership adjustments and positive reallocation
23 adjustments as modified by this title that are reported to
24 nonresident individual partners and nonresident fiduciary
25 partners and allocate and apportion such adjustments as
26 provided in section 422.33 at the partnership or tiered
27 partner level, and multiply the resulting amount by the maximum
28 individual income tax rate pursuant to section 422.5 or 422.5A,
29 as applicable, for the reviewed year.

30 (4) For the total distributive share of all final federal
31 partnership adjustments and positive reallocation adjustments
32 as modified by this title that are reported to tiered partners:

33 (a) Determine the amount of such adjustments which are of a
34 type that would be subject to sourcing to Iowa under section
35 422.8, subsection 2, paragraph "a", as a nonresident, and then

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1 determine the portion of this amount that would be sourced to
2 Iowa under those provisions as if the tiered partner were a
3 nonresident.

4 (b) Determine the amount of such adjustments which are of
5 a type that would not be subject to sourcing to Iowa under
6 section 422.8, subsection 2, paragraph "a", as a nonresident.

7 (c) Determine the portion of the amount in subparagraph
8 division (b) that can be established, as prescribed by the
9 department by rule, to be properly allocable to indirect
10 partners that are nonresident partners or other partners not
11 subject to tax on the adjustments.

12 (d) Multiply the total of the amounts determined in
13 subparagraph divisions (a) and (b), reduced by any amount
14 determined in subparagraph division (c), by the highest
15 individual income tax rate pursuant to section 422.5 or 422.5A,
16 as applicable, for the reviewed year.

17 (5) For the total distributive share of all final federal
18 partnership adjustments and positive reallocation adjustments
19 as modified by [this title](#) that are reported to resident
20 individual partners and resident fiduciary partners, multiply
21 that amount by the highest individual income tax rate pursuant
22 to section 422.5 or 422.5A, as applicable, for the reviewed
23 year.

24 Sec. 25. REPEAL. 2022 Iowa Acts, chapter 1002, sections 19,
25 20, 21, 22, 23, and 24, are repealed.

26 Sec. 26. RETROACTIVE APPLICABILITY. The following apply
27 retroactively to January 1, 2024, for tax years beginning on
28 or after that date:

29 1. The portion of the section of this division of this
30 Act amending section 422.5A, subsection 1, paragraph "a",
31 subparagraph (2).

32 2. The portion of the section of this division of this
33 Act amending section 422.5A, subsection 1, paragraph "b",
34 subparagraph (2).

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1 FUTURE CONTINGENT CORPORATE INCOME TAX RATE

2 Sec. 27. Section 422.33, subsection 1, paragraph b,
3 subparagraph (2), subparagraph division (b), subparagraph
4 subdivision (iii), Code 2024, is amended to read as follows:

5 (iii) The tax rates adjusted pursuant to this paragraph
6 shall not be adjusted below ~~five and one-half~~ four and
7 nine-tenths percent.

8 DIVISION IV

9 FUTURE CODE EDITING OF INTERNAL REFERENCES

10 Sec. 28. Section 421.27, subsection 9, paragraph a,
11 subparagraph (3), as amended by this Act, is amended to read
12 as follows:

13 (3) In the case of all other entities, including
14 corporations described in [section 422.36, subsection 5](#), and all
15 other entities required to file an information return under
16 section 422.15, subsection 2, the entity's Iowa net income
17 after the application of the Iowa business activity ratio, if
18 applicable, multiplied by the ~~top~~ income tax rate imposed under
19 section 422.5 ~~or 422.5A, as applicable~~, for the tax year, less
20 any Iowa tax credits available to the entity.

21 Sec. 29. Section 422.5, subsection 1, paragraph a, as
22 amended by this Act, is amended to read as follows:

23 ~~a. (1) A tax is imposed upon every resident and nonresident~~
24 ~~of the state which tax shall be levied, collected, and paid~~
25 ~~annually upon and with respect to the entire taxable income~~
26 ~~as defined in [this subchapter](#) at rates as provided in section~~
27 ~~422.5A. This subparagraph is repealed January 1, 2026.~~

28 ~~(2)~~ (1) Commencing with tax years beginning on or after
29 January 1, 2026, but before January 1, 2027, a tax is imposed
30 upon every resident and nonresident of the state which tax
31 shall be levied, collected, and paid annually upon and with
32 respect to the entire taxable income as defined in this
33 subchapter at a rate of three and seven hundred seventy-five
34 thousandths percent.

35 ~~(3)~~ (2) Commencing with tax years beginning on or after

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1 January 1, 2027, a tax is imposed upon every resident and
2 nonresident of the state which tax shall be levied, collected,
3 and paid annually upon and with respect to the entire taxable
4 income as defined in this subchapter at a rate of three and
5 sixty-five hundredths percent.

6 Sec. 30. Section 422.16, subsection 2, paragraph e, as
7 amended by this Act, is amended to read as follows:

8 e. For the purposes of **this subsection**, state income tax
9 shall be withheld at the ~~highest~~ applicable rate described in
10 section 422.5 ~~or 422.5A, as applicable~~, from supplemental wages
11 of an employee in those circumstances in which the employer
12 treats the supplemental wages as wholly separate from regular
13 wages for purposes of withholding and federal income tax is
14 withheld from the supplemental wages under section 3402(g) of
15 the Internal Revenue Code.

16 Sec. 31. Section 422.16B, subsection 2, paragraph a, as
17 amended by this Act, is amended to read as follows:

18 a. (1) A pass-through entity shall file a composite return
19 on behalf of all nonresident members and shall report and pay
20 the income or franchise tax imposed under **this chapter** at the
21 ~~maximum~~ state income or franchise tax rate applicable to the
22 member under section 422.5, ~~422.5A~~, **422.33**, or **422.63** on the
23 nonresident members' distributive shares of the income from the
24 pass-through entity.

25 (2) The tax rate applicable to a tiered pass-through entity
26 shall be the ~~maximum~~ state income tax rate applicable under
27 section 422.5 ~~or 422.5A, as applicable~~.

28 Sec. 32. Section 422.16C, subsection 4, paragraph a, as
29 amended by this Act, is amended to read as follows:

30 a. A taxpayer making an election under **this section** shall
31 be subject to tax in an amount equal to the ~~maximum~~ applicable
32 rate under section 422.5 ~~or 422.5A, as applicable~~, imposed
33 against the taxable income of the taxpayer for the taxable
34 year properly determined under **this chapter** and allocated
35 and apportioned to the state under the rules adopted by the

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1 department. The tax shall be due with the taxpayer's return
2 required under [this chapter](#).

3 Sec. 33. Section 422.25A, subsection 5, paragraph c,
4 subparagraphs (3), (4), and (5), as amended by this Act, are
5 amended to read as follows:

6 (3) Determine the total distributive share of all final
7 federal partnership adjustments and positive reallocation
8 adjustments as modified by [this title](#) that are reported to
9 nonresident individual partners and nonresident fiduciary
10 partners and allocate and apportion such adjustments as
11 provided in [section 422.33](#) at the partnership or tiered partner
12 level, and multiply the resulting amount by the ~~maximum~~ highest
13 individual income tax rate ~~pursuant to section 422.5 or 422.5A,~~
14 ~~as applicable,~~ for the reviewed year.

15 (4) For the total distributive share of all final federal
16 partnership adjustments and positive reallocation adjustments
17 as modified by [this title](#) that are reported to tiered partners:

18 (a) Determine the amount of such adjustments which are of a
19 type that would be subject to sourcing to Iowa under section
20 422.8, subsection 2, paragraph "a", as a nonresident, and then
21 determine the portion of this amount that would be sourced to
22 Iowa under those provisions as if the tiered partner were a
23 nonresident.

24 (b) Determine the amount of such adjustments which are of
25 a type that would not be subject to sourcing to Iowa under
26 section 422.8, subsection 2, paragraph "a", as a nonresident.

27 (c) Determine the portion of the amount in subparagraph
28 division (b) that can be established, as prescribed by the
29 department by rule, to be properly allocable to indirect
30 partners that are nonresident partners or other partners not
31 subject to tax on the adjustments.

32 (d) Multiply the total of the amounts determined in
33 subparagraph divisions (a) and (b), reduced by any amount
34 determined in subparagraph division (c), by the highest
35 individual income tax rate ~~pursuant to section 422.5 or 422.5A,~~

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1 ~~as applicable,~~ for the reviewed year.

2 (5) For the total distributive share of all final federal
3 partnership adjustments and positive reallocation adjustments
4 as modified by [this title](#) that are reported to resident
5 individual partners and resident fiduciary partners, multiply
6 that amount by the highest individual income tax rate pursuant
7 ~~to section 422.5 or 422.5A, as applicable,~~ for the reviewed
8 year.

9 Sec. 34. EFFECTIVE DATE. This division of this Act takes
10 effect January 1, 2026.

11 Sec. 35. APPLICABILITY. This division of this Act applies
12 to tax years beginning on or after January 1, 2026.

13 EXPLANATION

14 The inclusion of this explanation does not constitute agreement with
15 the explanation's substance by the members of the general assembly.

16 This bill relates to state taxation by modifying future
17 individual income tax rates, creating processes for reducing
18 individual income tax rates to zero, and reducing future
19 contingent corporate income tax rates.

20 DIVISION I — CREATION OF TAXPAYER RELIEF TRUST FUND,
21 INCOME TAX ELIMINATION FUND, AND BOARD. The bill creates the
22 taxpayer relief trust fund (trust fund) and the income tax
23 elimination fund (ITEF) for the purpose of reducing future
24 individual income tax rates to zero. Under the bill, moneys
25 are transferred through both funds before being used to fund
26 the reduction of individual income tax rates.

27 TRANSFERS FROM TAXPAYER RELIEF FUND. On July 1, 2024, the
28 bill transfers \$100 million from the taxpayer relief fund (TRF)
29 to the ITEF.

30 On January 1, 2025, the bill transfers \$2.6 billion from
31 the TRF to the trust fund. For FY 2027, and each fiscal year
32 thereafter, the bill transfers from TRF to the trust fund, an
33 amount equal to 25 percent of moneys transferred into the TRF
34 each fiscal year.

35 TRUST FUND. The trust fund is created beginning January

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1 1, 2025, separate and apart from all other public moneys or
2 funds of this state and the balance in the trust fund shall not
3 be considered part of the balance of the general fund of the
4 state.

5 The trust fund shall consist of all moneys collected by or
6 appropriated or transferred to the trust fund including all
7 interest, dividends, and rents, and shall also include all
8 securities or investment income and other assets acquired by
9 the use of the moneys in the trust fund and any other moneys
10 that have been transferred or paid into the fund.

11 The trust fund shall be administered by the Iowa public
12 employees' retirement system (IPERS).

13 Beginning July 1, 2028, and each July 1 thereafter, the bill
14 transfers 5 percent of the remaining balance of the trust fund
15 at the close of the preceding fiscal year into the ITEF.

16 After the individual income tax rate is adjusted to zero,
17 the bill requires any moneys remaining in the trust fund to be
18 transferred to the general fund of the state in the fiscal year
19 the rate is adjusted to zero.

20 ITEF. The bill establishes the ITEF on July 1, 2024. The
21 ITEF shall consist of all moneys transferred to the fund from
22 the trust fund or appropriated to or otherwise collected by
23 ITEF for the purpose of reducing the individual income tax rate
24 to zero.

25 The ITEF shall also be administered by IPERS. The moneys
26 in the ITEF are deposited into the general fund of the state
27 when individual income tax rates are adjusted pursuant to the
28 procedures in new Code section 422.5B in the bill.

29 After the rate is adjusted to zero, the bill requires any
30 moneys remaining in the ITEF to be transferred to the general
31 fund of the state in the fiscal year the rates are adjusted to
32 zero.

33 EXPENSES. The investment management and administrative
34 expenses for the trust fund and fund shall be charged against
35 the investment income of the fund. The bill limits the total

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1 investment management and administrative expenses of the trust
2 fund and ITEF to \$2 million in the aggregate per year.

3 BOARD. After July 1, 2024, the bill creates a board to
4 establish policy and to review implementation of the policy, in
5 matters relating to the investment of the trust fund and the
6 ITEF. The bill establishes the board as trustee of both funds.

7 The bill allows the board to review and approve, prior to
8 the execution of a contract with the system, the hiring of each
9 investment manager and investment consultant outside of state
10 government.

11 The bill allows the board to review and approve the selection
12 of any bank used by IPERS for each fund.

13 The bill requires the board to report to the fiscal committee
14 of the legislative council.

15 The board shall consist of 11 members, including 7 voting
16 members and 4 nonvoting members.

17 The voting members shall be as follows: four public members,
18 appointed by the governor who each have substantial experience
19 in institutional investment, institutional finance, or business
20 management; two public members, appointed by the governor who
21 are citizens of the state; and the director of the department
22 of management.

23 The nonvoting members of the board shall be two state
24 representatives, one appointed by the speaker of the house of
25 representatives and one by the minority leader of the house,
26 and two state senators, one appointed by the majority leader of
27 the senate and one by the minority leader of the senate.

28 IPERS. The bill requires IPERS and the board to develop
29 separate investment policies for each fund. IPERS and the
30 board have broader authority to establish the investment policy
31 for the trust fund than the investment policy for ITEF. The
32 investment policy for the ITEF shall be similar to the Iowa
33 public employees' retirement system in Code chapter 97B. In
34 developing the investment policy for either fund, the bill
35 requires IPERS and the board to exercise judgment and care that

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1 requires prudence, discretion, probable income, and probable
2 safety, as if investing personal funds. The board is required
3 to give appropriate consideration to investments that are
4 reasonably designed to further the purposes of each fund,
5 taking into consideration the risk of loss and the opportunity
6 for gain or income associated with the investment or investment
7 policy.

8 The bill allows each fund to acquire and retain every kind
9 of property and every kind of investment which persons of
10 prudence, discretion, and intelligence acquire or retain for a
11 personal account.

12 The bill specifies if there is loss to either fund, IPERS,
13 the employees of IPERS, the members of the board severally,
14 and the board are not personally liable, and the loss shall be
15 charged against the trust fund or fund, as applicable, unless
16 the conduct involves malicious or wanton misconduct.

17 IPERS, in accordance with the investment policy established
18 by the board, is authorized under the bill to sell any
19 securities or other property in the trust fund and reinvest the
20 proceeds when such action may be deemed advisable by IPERS for
21 the protection of the fund or the preservation of the value of
22 the investment.

23 The bill allows IPERS, subject to board approval, to
24 execute contracts and agreements with investment advisors and
25 consultants in the administration of investments of moneys in
26 either fund.

27 ADJUSTING INDIVIDUAL INCOME TAX RATE. By November 1, 2028,
28 and by November 1 each year thereafter, the department of
29 management shall determine the amount of moneys available in
30 the ITEF, and the net individual income tax receipts at the
31 close of the preceding fiscal year. The amount available in
32 the ITEF and the net tax receipts shall be provided to the
33 department of revenue for the calculation to determine if
34 the individual income tax rates may be adjusted. The bill
35 specifies the department of revenue shall adjust and apply a

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1 new individual income tax rate in such a way that the rate
2 would have generated an amount equal to the net receipts
3 generated from the rate in the preceding fiscal year less the
4 amount transferred from the ITEF.

5 The bill prohibits the rate from being adjusted unless
6 the amount of net sales and use tax revenue collected by the
7 state during the most recent October 1 through September 30
8 calculation period is greater than 103 percent of the net sales
9 and use tax revenue collected during the preceding calculation
10 period covering the same months.

11 The bill prohibits the rate from being adjusted unless the
12 rate is able to be adjusted at least one-tenth of 1 percent.
13 The rate, when adjusted, shall be rounded down to the nearest
14 one-tenth of 1 percent.

15 The bill prohibits the rate from being adjusted unless
16 at least 150 percent of the amount to be transferred to the
17 general fund of the state is available in the ITEF.

18 The bill requires the moneys in the ITEF be transferred to
19 the general fund of the state in the fiscal year the rate is
20 adjusted. The bill specifies the transfer from the ITEF to the
21 general fund of the state shall not be considered "new revenue"
22 for purposes of the general fund expenditure limitation in Code
23 section 8.54.

24 If a tax rate is adjusted, the bill requires the director
25 of revenue to cause an advisory notice containing the new
26 individual income tax rate to be published in the Iowa
27 administrative bulletin and on the internet site of the
28 department of revenue. The calculation and publication of the
29 adjusted tax rate by the director of revenue is exempt from
30 Code chapter 17A, and shall be submitted for publication by the
31 first December 31 following the determination date to adjust
32 the tax rates.

33 DIVISION II — INDIVIDUAL INCOME TAX RATES. The bill changes
34 some of the individual income tax brackets and individual
35 income tax rates for the tax year beginning January 1, 2024,

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1 but before January 1, 2025, and for the tax year beginning
2 January 1, 2025, but before January 1, 2026. For the tax year
3 beginning January 1, 2026, but before January 1, 2027, the bill
4 lowers the future flat individual income tax rate from 3.90
5 percent to 3.775 percent. For tax years beginning on or after
6 January 1, 2027, the bill lowers the flat individual income tax
7 rate from 3.775 percent to 3.65 percent. The flat individual
8 income tax rate of 3.65 percent is the rate that will be
9 subject to reduction by the processes established in the bill.

10 DIVISION III — FUTURE CONTINGENT CORPORATE INCOME TAX RATE.

11 Under current law, a process exists by which corporate income
12 tax rates may be lowered if net corporate income tax receipts
13 for the preceding fiscal year exceed \$700 million. Current
14 law prohibits the corporate rate from being adjusted below 5.5
15 percent. The bill strikes the 5.5 percent corporate tax rate
16 minimum, and provides that the corporate tax rate minimum shall
17 not be adjusted below 4.90 percent.

18 DIVISION IV — FUTURE CODE EDITING OF INTERNAL REFERENCES.

19 The bill eliminates internal references to individual income
20 tax rates in Code section 422.5A due to moving the individual
21 income tax rate to Code section 422.5. The bill also
22 eliminates references to "highest", "maximum", and "top" rate
23 because the individual income tax rate becomes a flat rate
24 commencing with tax years beginning on or after January 1,
25 2026.

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House Study Bill 721 - Introduced

HOUSE JOINT RESOLUTION _____
BY (PROPOSED COMMITTEE ON WAYS
AND MEANS RESOLUTION BY
CHAIRPERSON KAUFMANN)

HOUSE JOINT RESOLUTION

1 A Joint Resolution proposing amendments to the Constitution of
2 the State of Iowa relating to requirements for certain state
3 tax law changes and requiring a single rate for individual
4 income taxes.

5 BE IT RESOLVED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. The following amendment to the Constitution of
2 the State of Iowa is proposed:

3 The Constitution of the State of Iowa is amended by adding
4 the following new section to new Article XIII:

5 ARTICLE XIII.
6 TAXATION LIMITATIONS.

7 Section 1. **Two-thirds majority vote for state tax law**
8 **changes.** Passage of a bill that increases the individual income
9 tax rate or the corporate income tax rate, or the rate of
10 any other type of tax based upon income or legal and special
11 reserves, shall require the affirmative votes of at least
12 two-thirds of the members elected to each house of the general
13 assembly. This requirement does not apply to taxes imposed at
14 the option of a local government.

15 Passage of a bill that establishes a new tax on any type of
16 income or legal and special reserves imposed by the state shall
17 require the affirmative votes of at least two-thirds of the
18 members elected to each house of the general assembly.

19 A lawsuit challenging the proper enactment of a bill under
20 this section must be filed no later than one year following the
21 enactment. If such a lawsuit is not filed within the one-year
22 limit, the bill shall be considered properly enacted under this
23 section.

24 Each bill to which this section applies must include a
25 separate provision describing the requirements for enactment
26 prescribed by this section.

27 The general assembly shall enact laws to implement this
28 section.

29 Sec. 2. The following amendment to the Constitution of the
30 State of Iowa is proposed:

31 The Constitution of the State of Iowa is amended by adding
32 the following new section to new Article XIII:

33 ARTICLE XIII.
34 TAXATION LIMITATIONS.

35 Sec. 2. **Single individual income tax rate.** A tax on income

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1 or based upon income for individuals shall be imposed at a
2 single rate if imposed, and shall not be imposed at a graduated
3 rate for individuals. There shall not be more than one income
4 tax rate above zero imposed by the state for state purposes on
5 an individual at any one time.

6 Sec. 3. REFERRAL AND PUBLICATION. The foregoing proposed
7 amendments to the Constitution of the State of Iowa are
8 referred to the general assembly to be chosen at the next
9 general election for members of the general assembly, and shall
10 be published as provided by law for three months previous to
11 the date of that election.

12 EXPLANATION

13 The inclusion of this explanation does not constitute agreement with
14 the explanation's substance by the members of the general assembly.

15 This joint resolution proposes amendments to the
16 Constitution of the State of Iowa by restricting certain state
17 tax law changes and requiring a single rate for individual
18 income taxes.

19 RESTRICTIONS ON CERTAIN STATE TAX LAW CHANGES. The
20 amendment requires a bill that increases the individual income
21 tax rate or corporate income tax rate, or the rate of any other
22 type of tax based upon income or legal and special reserves,
23 to be adopted by at least two-thirds of the members elected to
24 each house of the general assembly. In addition, the amendment
25 requires a bill that establishes a new tax on any type of
26 income or legal and special reserves imposed by the state to
27 be adopted by at least two-thirds of the members elected to
28 each house of the general assembly. A lawsuit challenging
29 enactment of a bill subject to the two-thirds majority passage
30 requirement must be filed no later than one year following the
31 enactment of the bill. Finally, the amendment requires the
32 general assembly to enact laws to implement the amendment.

33 SINGLE INDIVIDUAL INCOME TAX RATE. Under the amendment, a
34 tax on income or based upon income for individuals shall be
35 imposed at a single rate if imposed, and a graduated rate of

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1 taxation on such income is prohibited. The amendment prohibits
2 more than one income tax rate above zero imposed by the state
3 for state purposes on an individual at any one time.

4 REFERRAL. The resolution, if adopted, would be published
5 and then referred to the next general assembly (91st) for
6 adoption, before being submitted to the electorate for
7 ratification.

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House Study Bill 722 - Introduced

HOUSE FILE _____
BY (PROPOSED COMMITTEE ON
WAYS AND MEANS BILL BY
CHAIRPERSON KAUFMANN)

A BILL FOR

1 An Act relating to tax credits awarded by the economic
2 development authority for specific capital contributions
3 made to certified rural business growth funds for investment
4 in qualified businesses.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. NEW SECTION. 15.490 Short title.

2 This part shall be known and may be cited as the "*Iowa Rural*
3 *Development Tax Credit Program*".

4 Sec. 2. NEW SECTION. 15.491 Definitions.

5 As used in this part, unless the context otherwise requires:

6 1. "*Affiliate*" means a person that directly, or indirectly
7 through one or more intermediaries, controls, is controlled
8 by, or is under common control with another person. A person
9 is controlled by another person if the controlling person
10 holds, directly or indirectly, the majority voting or ownership
11 interest in the controlled person or has control, by contract
12 or by law, over the day-to-day operations of the controlled
13 person.

14 2. "*Authority*" means the economic development authority
15 created in section 15.105.

16 3. "*Closing date*" means the date on which a rural business
17 growth fund completes collection of all contributions and
18 investments and submits all required documentation to the
19 authority pursuant to section 15.492, subsection 7.

20 4. "*Credit-eligible capital contribution*" means an investment
21 of cash by a person in a rural business growth fund that is
22 eligible for a tax credit certificate issued by the authority
23 pursuant to section 15.493, subsection 1. The cash investment
24 shall purchase either of the following:

25 a. An equity interest in the growth fund.

26 b. A debt instrument, at par value or premium, issued by the
27 growth fund that has a maturity date at least six years after
28 the growth fund's closing date.

29 5. "*Depository institution*" means the same as defined in
30 section 524.1802.

31 6. "*Eligible investment authority*" means the amount stated
32 on the certification the authority issues pursuant to section
33 15.492, subsection 7, paragraph "a". At least sixty percent
34 of a growth fund's eligible investment authority shall be
35 comprised of credit-eligible capital contributions.

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1 7. "*Employee*" means a natural person who is employed in this
2 state by a qualified business and who is either salaried, works
3 a minimum of thirty-five hours per week, or another period of
4 time generally accepted by custom, industry, or practice as
5 full-time employment.

6 8. "*Equity holder*" means a person that makes an equity
7 investment in a rural business growth fund.

8 9. "*Growth investment*" means any of the following:

9 a. Capital or equity investments in a qualified business.

10 b. A loan to a qualified business if all of the following
11 conditions apply:

12 (1) The loan has a stated maturity of at least two years.

13 (2) The principal payments have been deferred for at least
14 two years.

15 (3) The pro forma financial statements of the qualified
16 business result in a leverage ratio of greater than three to
17 one when comparing debt to earnings before interest, taxes,
18 depreciation, and amortization.

19 c. A senior secured loan if the senior secured loan is
20 secured first by a mortgage on real estate with a loan to value
21 ratio of less than eighty percent, and the qualified business
22 has a credit refusal letter or similar correspondence from a
23 depository institution located in this state.

24 10. "*Jobs created*" means the number of new employees at
25 a qualified business, after an initial growth investment, at
26 the end of each subsequent calendar year. This number is
27 calculated annually by adding together the number of employees
28 at the qualified business on the last day of each calendar
29 month and dividing by twelve, then subtracting the number of
30 employees at the qualified business on the date the day before
31 the date of the initial growth investment. If the resulting
32 total is less than zero, the jobs created is equal to zero.

33 11. "*Jobs retained*" means the number of employees at a
34 qualified business the day before the date of an initial growth
35 investment that the qualified business's chief executive

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1 officer or similar officer certifies as being positions located
2 in this state that would have been eliminated but for the
3 initial growth investment.

4 12. "*Located in*" means the place or places at which a
5 business's operations are located and where at least sixty
6 percent of the business's employees work, or where employees
7 that are paid at least sixty percent of the business's payroll
8 work.

9 13. "*Program*" means the Iowa rural development tax credit
10 program administered under this part.

11 14. "*Qualified business*" means any business within this
12 state that has fewer than two hundred fifty employees,
13 including ostensible subcontractors pursuant to 13 C.F.R.
14 §121.103(h)(4), and is not located in whole or in part in one
15 or more of the twelve most populous counties in the state, as
16 determined by the most recent decennial census released by the
17 United States bureau of census.

18 15. "*Revenue*" means the total state and local income
19 produced by a rural business growth fund's economic activity.

20 16. "*Rural business growth fund*" or "*growth fund*" means a
21 person, or an affiliate of a person, certified by the authority
22 pursuant to section 15.492, subsection 7, paragraph "a".

23 17. "*Within this state*" means in the state of Iowa, or an
24 out-of-state business that has agreed to use a proposed growth
25 investment to become a qualified business within one hundred
26 eighty days of receiving the growth investment.

27 Sec. 3. NEW SECTION. **15.492 Application and agreement.**

28 1. The authority shall begin accepting program applications
29 on January 7, 2025. An application is deemed received based
30 on the date and time stamp that shall be generated by the
31 authority upon receipt of the application. Applications
32 received by the authority on the same day shall be deemed to
33 have been received simultaneously.

34 2. A person seeking certification as a rural business
35 growth fund shall apply to the authority in the form and manner

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1 prescribed by the authority. The application must include all
2 of the following:

3 a. The eligible investment authority sought by the
4 applicant.

5 b. A copy of the applicant's, or an affiliate of the
6 applicant's, license as a rural business investment company
7 as defined under 7 U.S.C. §2009cc(14), or license as a small
8 business investment company under 15 U.S.C. §681.

9 c. Documentation as required by the authority to establish
10 that at least one principal of the applicant has been an
11 officer or an employee of the rural business investment
12 company, the small business investment company, or an affiliate
13 thereof, for a minimum of four years prior to the date of
14 application.

15 d. A revenue impact assessment for the applicant's proposed
16 growth investments as determined by an econometric analysis
17 conducted by a nationally recognized third-party independent
18 econometric firm. The revenue impact assessment must provide
19 an analysis of the applicant's proposed growth investments over
20 the ten consecutive years following the date the applicant's
21 application is submitted to the authority, and must demonstrate
22 that there will be a positive revenue impact on this state
23 that exceeds the cumulative amount of tax credits, that if the
24 application is approved, may be issued by the authority to the
25 rural business growth fund's investors.

26 e. The number of jobs created and the number of jobs
27 retained assumed in the revenue impact assessment required by
28 paragraph "d".

29 f. A signed affidavit from each investor that identifies
30 the investor and the amount of the credit-eligible capital
31 contribution that the investor has committed to the applicant's
32 proposed growth fund.

33 g. A nonrefundable application fee of five thousand dollars.
34 All application fees submitted to the authority pursuant to
35 this paragraph shall be used by the authority to administer

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1 this part.

2 3. The authority shall review and make a determination
3 to approve or deny each application within the time frame
4 adopted by rule by the authority. The authority shall review
5 applications on a first-come, first-served basis as determined
6 pursuant to subsection 1.

7 4. The authority shall not approve more than forty-five
8 million dollars in eligible investment authority and not more
9 than twenty-seven million dollars in credit-eligible capital
10 contributions under the program. If approved applications
11 that are simultaneously received would collectively exceed the
12 maximum limit on eligible investment authority or the maximum
13 on credit-eligible capital contributions, the authority shall
14 proportionally reduce the growth fund's eligible investment
15 authority and credit-eligible capital contributions for each
16 of the simultaneous applications as necessary to comply with
17 the maximum limits.

18 5. The authority shall reject an application for any of the
19 following reasons:

20 a. The applicant failed to comply with any of the
21 requirements pursuant to subsection 2.

22 b. The authority has already approved the maximum eligible
23 investment authority or the maximum credit-eligible capital
24 contributions pursuant to subsection 4.

25 6. a. If the authority rejects an application, the
26 authority shall send a notice of rejection to the applicant and
27 provide a reason for the rejection.

28 b. If the authority has rejected an application on any
29 grounds other than subsection 5, paragraph "b", the applicant
30 may provide additional information to the authority to cure
31 the defects in the application. All additional information
32 must be received by the authority within fifteen business days
33 from the date the authority sent the notice of rejection to
34 the applicant. The authority shall review and reconsider,
35 within the time frame adopted by rule by the authority, any

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1 application for which additional information is provided within
2 the fifteen business days. If an application is approved by
3 the authority after review and reconsideration, the application
4 shall be considered complete as of its original date of
5 submission.

6 *c.* If an applicant does not submit additional information
7 within fifteen business days from the date the authority sent
8 the applicant the notice of rejection, the applicant may submit
9 a new application at any time pursuant to subsection 2 and the
10 application shall be reviewed by the authority pursuant to
11 subsection 3.

12 7. *a.* If the authority approves an application, the
13 authority shall send a notice to the applicant certifying all
14 of the following:

15 (1) The applicant as a rural business growth fund.

16 (2) The growth fund's eligible investment authority and
17 required credit-eligible contributions.

18 (3) The required number of jobs created and the required
19 number of jobs retained based on the number submitted in the
20 applicant's application, prorated if the growth fund's eligible
21 investment authority is reduced pursuant to subsection 4.

22 *b.* Within forty-five calendar days of the date the authority
23 sent the notice of certification pursuant to paragraph "a",
24 the rural business growth fund shall comply with all of the
25 following requirements:

26 (1) Collect all credit-eligible capital contributions
27 from each investor whose affidavit was included in the growth
28 fund's application. If the growth fund's requested eligible
29 investment authority has been proportionally reduced pursuant
30 to subsection 4, each investor's required credit-eligible
31 capital contribution shall be reduced by the same proportion.

32 (2) Collect one or more equity investments contributed
33 directly or indirectly by affiliates of the growth fund,
34 including employees and principals of such affiliates, that
35 must equal at least ten percent of the growth fund's eligible

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1 investment authority.

2 (3) Collect one or more investments of cash that, when added
3 to the contributions collected under subparagraphs (1) and (2),
4 equal the growth fund's total eligible investment authority.

5 c. Within sixty-five calendar days of the date the authority
6 sent the notice of certification pursuant to paragraph "a",
7 the rural business growth fund shall comply with all of the
8 following requirements:

9 (1) Submit documentation to the authority sufficient to
10 prove to the satisfaction of the authority that the growth fund
11 has collected amounts described in paragraph "b", subparagraphs
12 (1), (2), and (3).

13 (2) Submit documentation to the authority that identifies
14 all affiliates of an investor described in paragraph "b",
15 subparagraph (1), that may be eligible to claim a tax credit
16 issued by the authority pursuant to section 15.493, subsection
17 1.

18 8. If a growth fund fails to comply with subsection 7,
19 paragraph "b" or "c", the growth fund's certification shall
20 lapse. Any eligible investment authority and credit-eligible
21 capital contributions that lapse pursuant to this subsection
22 shall not count toward the maximum limits on eligible
23 investment authority and credit-eligible capital contributions
24 pursuant to subsection 4. If a growth fund's eligible
25 investment authority lapses pursuant to this subsection, the
26 authority shall first award the lapsed eligible investment
27 authority pro rata to each rural business growth fund that
28 was awarded less than the eligible investment authority that
29 the rural business growth fund sought in the growth fund's
30 application. A rural business growth fund that is awarded
31 lapsed eligible investment authority must comply with the
32 requirements of subsection 7, paragraph "b", as related to the
33 additional eligible investment authority. The authority may
34 award any remaining lapsed eligible investment authority to
35 new applicants until the maximum limits on eligible investment

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1 authority and credit-eligible capital contributions pursuant
2 to subsection 4 are met.

3 9. After a growth fund's successful submission to the
4 authority of the required documentation pursuant to subsection
5 7, paragraph "c", subparagraphs (1) and (2), the growth fund
6 shall enter into an agreement with the authority that specifies
7 the requirements that must be met for successful completion
8 of the program. At a minimum, the agreement shall contain
9 provisions addressing all of the following:

10 a. The legal name of the growth fund.

11 b. The growth fund's closing date.

12 c. The growth fund's eligible investment authority as
13 certified by the authority.

14 d. Each investor of the growth fund and each investor's
15 credit-eligible capital contribution.

16 e. The minimum number of jobs that must be created and the
17 minimum number of jobs that must be retained as a result of
18 the growth fund's growth investments to avoid paying state
19 reimbursement pursuant to section 15.497.

20 f. Revocation and recapture of tax credits pursuant to
21 section 15.494.

22 g. Any terms deemed necessary by the authority to effect
23 compliance with the program requirements pursuant to this part.

24 **Sec. 4. NEW SECTION. 15.493 Tax credits.**

25 1. After an agreement is executed pursuant to section
26 15.492, subsection 9, the authority shall issue a tax credit
27 certificate to each investor whose affidavit was included
28 in the growth fund's application and whose credit-eligible
29 capital contribution was collected pursuant to section
30 15.492, subsection 7, paragraph "b", subparagraph (1). The
31 tax credit certificate shall specify the amount of the
32 tax credit allocated to that investor as a result of the
33 investor's credit-eligible capital contribution. The tax
34 credit allocated to any one investor shall be equal to the
35 investor's credit-eligible capital contribution to the growth

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1 fund. The tax credit certificate shall contain the taxpayer's
2 name, address, tax identification number, the name of the
3 rural business growth fund associated with the tax credit, and
4 any other information required by the department of revenue.
5 The tax credit may be claimed against the taxes imposed in
6 chapter 422, subchapter V, the insurance premium and insurance
7 retaliatory premium tax imposed in chapter 432, or the moneys
8 and credits tax imposed in section 533.329.

9 2. One-third of the amount of a tax credit issued to an
10 investor pursuant to subsection 1 may be claimed in the tax
11 year of the third, fourth, and fifth anniversaries of the
12 growth fund's closing date, exclusive of the amount of tax
13 credit carried forward pursuant to subsection 4.

14 3. a. A tax credit issued under this part is not
15 refundable and shall not be sold, transferred, or allocated
16 by the investor to any person other than an affiliate of the
17 investor that was an affiliate at the time of the growth fund's
18 submission of the investor's affidavit pursuant to section
19 15.492, subsection 2, paragraph "f".

20 b. Within ninety calendar days of the sale, transfer, or
21 allocation of a tax credit, the affiliate shall submit the tax
22 credit certificate to the department of revenue along with a
23 statement containing the affiliate's name, tax identification
24 number, address, and any other information required by the
25 department of revenue.

26 c. Within thirty calendar days of receiving the tax credit
27 certificate and the affiliate's statement, the department of
28 revenue shall issue the affiliate a replacement tax credit
29 certificate. The replacement tax credit certificate must
30 contain all of the information required for the original tax
31 credit certificate and must have the same expiration date that
32 appeared on the original tax credit certificate.

33 4. To claim a tax credit under this section, a taxpayer
34 shall submit the tax credit certificate with the taxpayer's
35 tax return for each taxable year in which the tax credit is

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1 claimed. Any tax credit in excess of the taxpayer's tax
2 liability for the tax year may be carried forward to the
3 taxpayer's tax liability for subsequent years until the tax
4 credit is depleted.

5 Sec. 5. NEW SECTION. **15.494 Revocation and recapture of tax**
6 **credits.**

7 1. The authority shall recapture any tax credits used by
8 a taxpayer and shall revoke any tax credits issued pursuant
9 to section 15.493, subsection 1, if, before a rural business
10 growth fund exits the program pursuant to section 15.496, any
11 of the following occur:

12 a. The growth fund cannot provide documentation to the
13 authority to substantiate to the satisfaction of the authority
14 all of the following:

15 (1) That the growth fund, within thirty months after the
16 growth fund's closing date, has invested one hundred percent
17 of the growth fund's eligible investment authority in growth
18 investments.

19 (2) That the growth fund, after investing one hundred
20 percent of the growth fund's eligible investment authority
21 in growth investments within thirty months after the growth
22 fund's closing date, has maintained growth investments equal to
23 one hundred percent of the growth fund's eligible investment
24 authority at all times up to the fifth anniversary after the
25 growth fund's closing date. For purposes of this subparagraph,
26 a growth investment is maintained even if it is sold or repaid,
27 as long as the growth fund reinvests an amount equal to the
28 growth investment returned or recovered from the original
29 growth investment, exclusive of any profits realized, in other
30 growth investments in this state within the twelve consecutive
31 months immediately after the date of the return or recovery
32 of such growth investment. Amounts received periodically
33 by a growth fund are deemed continuously invested in growth
34 investments if the amounts are reinvested by the growth fund in
35 one or more qualified businesses by the end of the following

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1 calendar year.

2 *b.* The growth fund makes a growth investment in a qualified
3 business that directly, or indirectly through an affiliate,
4 owns, has the right to acquire an ownership interest in, makes
5 a loan to, or makes an investment in, the growth fund, an
6 affiliate of the growth fund, or an investor in the growth
7 fund. This paragraph shall not apply to investments in
8 publicly traded securities by a qualified business, or to an
9 owner or an affiliate of the qualified business. For purposes
10 of this paragraph, a growth fund shall not be considered an
11 affiliate of a qualified business solely because of the growth
12 fund's growth investment in the qualified business.

13 *c.* The growth fund, before exiting the program pursuant to
14 section 15.496, makes a distribution or payment that results
15 in the growth fund having less than one hundred percent of its
16 initial investment authority invested in growth investments in
17 this state, available for growth investments, or held in cash
18 and marketable securities.

19 2. The maximum amount of a growth investment in a qualified
20 business, including any amounts invested in affiliates of the
21 qualified business, that a growth fund may count toward the
22 growth fund's satisfaction of the requirements pursuant to
23 subsection 1, paragraph "a", is the greater of twenty percent of
24 the growth fund's eligible investment authority and two million
25 five hundred thousand dollars, excluding any amounts reinvested
26 in a qualified business.

27 3. Before revoking or recapturing a tax credit, the
28 authority shall provide notice to the growth fund of the reason
29 for the pending revocation or recapture. The growth fund shall
30 have ninety calendar days after the date the authority sends
31 the notice to address to the satisfaction of the authority any
32 issues identified in the notice. Failure of the growth fund to
33 satisfactorily address any issues in the notice shall result in
34 revocation or recapture of the tax credit.

35 4. The authority shall not revoke or recapture a tax credit

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1 for any action of a growth fund that occurs after the growth
2 fund has exited the program pursuant to section 15.496. This
3 subsection shall not prohibit the authority from revoking or
4 recapturing a tax credit due to an action of a growth fund
5 pursuant to subsection 1 that occurs before the date the growth
6 fund exits the program, even if the growth fund's action is
7 discovered after the date the growth fund exits the program.

8 Sec. 6. NEW SECTION. 15.495 Annual report.

9 On or before March 31, unless a growth fund has exited the
10 program pursuant to section 15.496, each growth fund shall
11 submit an annual report to the authority in the form and manner
12 the authority prescribes that covers the preceding calendar
13 year. The report must include each of the growth fund's growth
14 investments and must contain all of the following information:

15 1. Financial statements that provide evidence of each
16 growth investment.

17 2. Evidence that the growth fund is in compliance with
18 applicable investment requirements pursuant to section 15.494,
19 subsection 1, paragraph "a".

20 3. The name, location, and industry for each qualified
21 business that received a growth investment, and evidence that
22 the business met the requirements to be a qualified business at
23 the time the growth investment was made.

24 4. The number of employees at each qualified business on
25 the date of the growth fund's initial growth investment in the
26 qualified business.

27 5. The number of jobs created at each qualified business and
28 the average annual salary for the jobs created.

29 6. The number of jobs retained at each qualified business
30 and the average annual salary for the jobs retained. The
31 number of jobs retained at a qualified business may not exceed
32 the number of jobs retained at the same qualified business on
33 the first annual report submitted by the growth fund.

34 7. Any other information the authority requires.

35 Sec. 7. NEW SECTION. 15.496 Exiting the program.

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1 1. On or after the fifth anniversary of a rural business
2 growth fund's closing date, in the form and manner the
3 authority prescribes, the growth fund may apply to the
4 authority to exit the program. The growth fund's application
5 must include the state reimbursement calculation pursuant to
6 section 15.497.

7 2. The growth fund shall be eligible to exit the program
8 if a tax credit associated with the growth fund has not been
9 revoked or recaptured pursuant to section 15.494.

10 3. Within the time frame adopted by rule by the authority,
11 the authority shall send notice to the growth fund of the
12 authority's determination regarding the growth fund's
13 application and confirmation of the state reimbursement the
14 growth fund owes pursuant to section 15.497. If the authority
15 denies the growth fund's application, the notice shall include
16 the reasons for the denial. If the authority approves the
17 growth fund's application, the growth fund is deemed to have
18 exited the program on the date the authority sends notice
19 to the growth fund. If the growth fund owes the state
20 reimbursement, the growth fund shall be prohibited from making
21 any distributions to any equity holders of the fund until the
22 growth fund has remitted the state reimbursement amount to the
23 authority. All state reimbursement amounts remitted to the
24 authority shall be deposited in the general fund of the state.

25 **Sec. 8. NEW SECTION. 15.497 State reimbursement**
26 **calculation.**

27 1. A state reimbursement shall be calculated any time a
28 rural business growth fund exits the program or any time a
29 rural business growth fund proposes to make a distribution to
30 the growth fund's equity holders. The state reimbursement
31 shall equal the proposed distribution multiplied by one minus a
32 fraction that is composed of the following:

33 a. The numerator shall be the aggregate number of jobs
34 created plus the number of jobs retained as reported pursuant
35 to section 15.495, subsections 5 and 6.

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1 *b.* The denominator shall be the number of jobs created plus
2 the number of jobs retained as stated in the certification
3 pursuant to section 15.492, subsection 7, paragraph “a”,
4 subparagraph (3).

5 2. If the fraction is greater than one hundred percent, the
6 growth fund shall not owe state reimbursement.

7 3. The authority may adopt by rule additional options
8 for the state reimbursement calculation that are equivalent
9 to job creation and job retention to measure a growth fund’s
10 growth investments impact on economic activity at a qualified
11 business.

12 Sec. 9. NEW SECTION. **15.498 Remedies.**

13 The remedies for a breach or default of any of the terms of
14 this part by a rural business growth fund shall be revocation
15 or recapture of tax credits pursuant to section 15.494 and the
16 state reimbursement pursuant to section 15.497.

17 Sec. 10. NEW SECTION. **15.499 Rules.**

18 The authority, in conjunction with the department of
19 revenue, shall adopt rules pursuant to chapter 17A as necessary
20 for the implementation and administration of this part.

21 Sec. 11. Section 422.60, Code 2024, is amended by adding the
22 following new subsection:

23 NEW SUBSECTION. 16. The taxes imposed under this subchapter
24 shall be reduced by a rural development tax credit allowed
25 under section 15.493.

26 Sec. 12. NEW SECTION. **432.12P Rural development tax
27 credits.**

28 The taxes imposed under this chapter shall be reduced by a
29 rural development tax credit allowed under section 15.493 for a
30 credit-eligible capital contribution to a rural business growth
31 fund.

32 Sec. 13. Section 533.329, subsection 2, Code 2024, is
33 amended by adding the following new paragraph:

34 NEW PARAGRAPH. *n.* The moneys and credits tax imposed under
35 this section shall be reduced by a rural development tax credit

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1 under section 15.493.

2

EXPLANATION

3

The inclusion of this explanation does not constitute agreement with
4 the explanation's substance by the members of the general assembly.

4

5 This bill relates to tax credits awarded by the economic
6 development authority for specific capital contributions made
7 to certified rural business growth funds for investment in
8 qualified businesses. The bill defines "qualified business"
9 to mean any business within this state that has fewer than 250
10 employees, including certain subcontractors, and is not located
11 in whole or in part in one or more of the 12 most populous
12 counties in the state.

13 The bill directs the economic development authority
14 (authority) to begin accepting Iowa rural development tax
15 credit program (program) applications beginning January 7,
16 2025.

17 The bill provides that a person seeking certification as
18 a rural business growth fund (growth fund) must apply to the
19 authority and that the application must include the eligible
20 investment authority sought by the applicant, a copy of the
21 applicant's license as a rural business investment company
22 under 7 U.S.C. §2009cc(14) or as a small business investment
23 company under 15 U.S.C. §681, documentation that establishes
24 that at least one principal of the applicant has been an
25 officer or an employee of the rural business investment
26 company, the small business investment company or an affiliate,
27 for a minimum of four years prior to the date of application, a
28 revenue impact assessment for the applicant's proposed growth
29 investments as determined by an econometric analysis conducted
30 by a third-party independent econometric firm, the number
31 of jobs created and the number of jobs retained assumed in
32 the revenue impact assessment, a signed affidavit from each
33 investor that states the amount of the credit-eligible capital
34 contribution that the investor has committed to the applicant's
35 proposed growth fund, and a nonrefundable \$5,000 application

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1 fee. The bill defines "growth investment" to mean any of
2 the following: capital or equity investments in a qualified
3 business, a loan to a qualified business subject to certain
4 conditions, or a senior secured loan under certain conditions.
5 The bill defines "credit-eligible capital contribution"
6 as an investment of cash by a person in a growth fund that
7 is eligible for a tax credit issued by the authority. The
8 investment must be used to purchase either an equity interest
9 in the growth fund or a debt instrument, at par value or
10 premium, issued by the growth fund that has a maturity date
11 at least six years after the growth fund's closing date.
12 "Eligible investment authority" is defined in the bill as the
13 amount of investment authority that the authority certifies for
14 a specific growth fund.

15 The bill requires the authority to review each application
16 on a first-come, first-served basis and to make a determination
17 to approve or deny each application within the time frame
18 adopted by rule by the authority. The authority shall not
19 approve more than \$45 million in eligible investment authority
20 and not more than \$27 million in credit-eligible capital
21 contributions.

22 The authority must reject an application if the applicant
23 fails to submit any of the required information, or if the
24 authority has already approved the maximum eligible investment
25 authority or the maximum credit-eligible capital contributions.
26 If the authority rejects an application, the authority must
27 send a notice of rejection to the applicant, and provide a
28 reason for the rejection. If an application has been rejected
29 because the applicant failed to submit all of the required
30 information, the applicant has 15 days to provide additional
31 information to cure any defects in the application. The
32 authority shall review and reconsider, within the time frame
33 adopted by rule by the authority, any application for which
34 additional information is provided within the 15 business days.
35 If an application is approved by the authority after review and

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1 reconsideration, the application shall be considered complete
2 as of its original date of submission.

3 If the authority approves an application, the authority
4 must send a notice to the applicant certifying the applicant
5 as a rural business growth fund, the growth fund's eligible
6 investment authority, and the required number of jobs created
7 and the required number of jobs retained based on the number
8 submitted in the applicant's application. Within 45 days of
9 the date the authority sent the notice of certification, the
10 growth fund is required to collect all credit-eligible capital
11 contributions from each investor whose affidavit was included
12 in the growth fund's application, collect one or more equity
13 investments contributed directly or indirectly by affiliates
14 of the growth fund, including employees and principals of
15 such affiliates, that equal at least 10 percent of the growth
16 fund's eligible investment authority, and collect one or more
17 investments of cash that when added to the credit-eligible
18 capital contributions and the equity investments equal the
19 growth fund's eligible investment authority. Within 65 days
20 of the date the authority sent the notice of certification,
21 the growth fund must submit documentation to the authority
22 to prove that the appropriate amounts have been collected
23 by the growth fund, and documentation that identifies all
24 affiliates of the investor that may be eligible to claim a
25 tax credit issued by the authority. If the growth fund fails
26 to comply with the collection and documentation requirements,
27 all eligible investment authority and credit-eligible capital
28 contributions lapse. Eligible investment authority and
29 credit-eligible capital contributions that lapse do not count
30 toward the maximum limits on eligible investment authority and
31 credit-eligible capital contributions and may be awarded by the
32 authority as outlined in the bill.

33 If a growth fund successfully complies with the collection
34 and documentation requirements, the growth fund must enter
35 into an agreement with the authority that specifies the

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1 requirements that must be met for successful completion of
2 the program. The agreement must contain, at a minimum, the
3 legal name of the growth fund, the growth fund's closing date,
4 the growth fund's eligible investment authority as certified
5 by the authority, each investor of the growth fund and each
6 investor's credit-eligible capital contribution, the minimum
7 number of jobs that must be created and the minimum number of
8 jobs that must be retained as a result of the growth fund's
9 growth investments to avoid paying state reimbursement, and a
10 provision related to revocation and recapture of tax credits if
11 the growth fund fails to meet the applicable program investment
12 requirements.

13 After the agreement is executed, the authority must issue
14 a tax credit certificate to each investor whose affidavit
15 was included in the growth fund's application and whose
16 credit-eligible capital contribution was collected by the
17 growth fund. The certificate must specify the amount of tax
18 credit allocated to that investor and the amount of the tax
19 credit the eligible taxpayer may claim against the franchise
20 tax imposed in Code section 422.60, the insurance premium tax
21 and insurance retaliatory premium tax imposed in Code chapter
22 432, or the moneys and credits tax imposed in Code section
23 533.329. The tax credit allocated to any one investor is equal
24 to the investor's credit-eligible capital contribution to the
25 growth fund. An investor may use one-third percent of the tax
26 credit in each taxable year beginning in the calendar year
27 following the third, fourth, and fifth anniversaries of the
28 growth fund's closing date. Any tax credit in excess of the
29 taxpayer's tax liability for a tax year may be carried forward
30 to the taxpayer's tax liability for subsequent tax years until
31 the tax credit is depleted.

32 The tax credits are not refundable and cannot be sold,
33 transferred, or allocated by the investor to any person other
34 than an affiliate of the investor. The affiliate must submit
35 the tax credit certificate within 90 days to the department

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1 of revenue (department) along with a statement containing the
2 affiliate's name, tax identification number, address, and any
3 other information required by the department. The department
4 must issue the affiliate a replacement tax credit certificate
5 with the same expiration date that appeared on the original tax
6 credit certificate.

7 The authority shall revoke or recapture a tax credit if,
8 before a growth fund exits the program, the growth fund cannot
9 provide documentation to the authority to substantiate that the
10 growth fund, within 30 months after the growth fund's closing
11 date, has invested 100 percent of the growth fund's investment
12 authority in growth investments; that the growth fund, after
13 investing 100 percent of the growth fund's investment authority
14 in growth investments within 30 months after the growth fund's
15 closing date, has maintained growth investments equal to 100
16 percent of its investment authority at all times up to the
17 fifth anniversary after the growth fund's closing date. The
18 bill specifies that a growth investment is maintained even if
19 it is sold or repaid, as long as the growth fund reinvests an
20 amount equal to the growth investment returned or recovered
21 from the original investment, exclusive of any profits
22 realized, in other growth investments in this state within the
23 12 consecutive months immediately after the date of the return
24 or recovery of such growth investment. The bill also specifies
25 that amounts received periodically by a growth fund are deemed
26 continuously invested in growth investments if the amounts
27 are reinvested by the growth fund in one or more qualified
28 businesses by the end of the following calendar year.

29 The authority must also revoke or recapture a tax credit
30 if, before a growth fund exits the program, the growth
31 fund makes a growth investment in a qualified business that
32 directly, or indirectly through an affiliate, owns, has the
33 right to acquire an ownership interest in, makes a loan to,
34 or makes an investment in, the growth fund, an affiliate of
35 the growth fund, or an investor in the growth fund. This does

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1 not apply to investments in publicly traded securities by a
2 qualified business, or to an owner or an affiliate of the
3 qualified business. Further, a growth fund is not considered
4 an affiliate of a qualified business solely because of its
5 growth investment in the qualified business. The authority
6 is also required to revoke or recapture a tax credit if the
7 growth fund, before it exits the program, makes a distribution
8 or payment that results in the growth fund having less than 100
9 percent of its initial investment authority invested in growth
10 investments in this state, available for growth investments,
11 or held in cash and marketable securities. A growth fund may
12 count the greater of 20 percent of the growth fund's eligible
13 investment authority and \$5 million, excluding any amounts
14 reinvested in a qualified business, toward the growth fund's
15 satisfaction of the investment requirements. Before the
16 authority revokes or recaptures a tax credit, the authority
17 must provide notice to the growth fund of the reason for the
18 pending revocation or recapture and the growth fund has 90 days
19 to address any issues identified in the notice. Failure of the
20 growth fund to address any of the issues in the notice results
21 in revocation or recapture of the tax credit.

22 The bill prohibits the authority from revoking or
23 recapturing a tax credit for any action of a growth fund that
24 occurs after the growth fund has exited the program. The bill
25 does not, however, prohibit the authority from revoking a tax
26 credit due to an action of a growth fund that occurs before the
27 growth fund exits the program, even if the growth fund's action
28 is discovered after the growth fund exits the program.

29 On or after the fifth anniversary of a growth fund's closing
30 date, the growth fund may apply to the authority to exit the
31 program. A growth fund is eligible to exit the program if a
32 tax credit associated with the growth fund has not been revoked
33 or recaptured. The growth fund's application must include the
34 state reimbursement calculation. The state reimbursement owed
35 by a rural business growth fund to the authority is calculated

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1 as detailed in the bill. Within the time frame adopted by rule
2 by the authority, the authority shall send notice to the growth
3 fund of the authority's determination regarding the application
4 and confirmation of the state reimbursement owed by the growth
5 fund. If the authority denies the application, the notice must
6 include the reasons for the denial. If the authority approves
7 the application, the growth fund is deemed to have exited the
8 program on the date the notice is sent by the authority to the
9 growth fund. If the growth fund owes the state reimbursement,
10 the growth fund is prohibited from making any distributions to
11 equity holders of the fund until the state reimbursement amount
12 has been remitted to the authority. "Equity holder" is defined
13 in the bill as a person that makes a credit-eligible capital
14 contribution, an equity investment, or a cash investment in
15 a rural business growth fund. The bill specifies that all
16 state reimbursement amounts remitted to the authority shall be
17 deposited in the general fund of the state.

18 Unless a growth fund has exited the program, the growth
19 fund must submit an annual report to the authority that
20 covers the preceding calendar year. The report must include
21 documentation for each of the growth fund's growth investments
22 and must include financial statements that provide evidence
23 of each growth investment, evidence that the growth fund is
24 in compliance with applicable investment requirements; the
25 name, location, and industry for each qualified business that
26 received a growth investment; evidence that each business met
27 the requirements to be a qualified business at the time the
28 growth investment was made; the number of employees at each
29 qualified business on the date of the growth fund's initial
30 growth investment; the number of jobs created at each qualified
31 business; the average annual salary for the jobs created; the
32 number of jobs retained at each qualified business; and the
33 average annual salary for the jobs retained.

34 The bill provides that the only remedies for a breach or
35 default of any of the terms of the program by a growth fund

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1 are revocation or recapture of tax credits and the state
2 reimbursement as detailed in the bill.

3 The bill requires the authority, in conjunction with the
4 department, to adopt rules as necessary to implement and
5 administer the program.

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Senate File 2285

S-5016

1 Amend Senate File 2285 as follows:

2 1. By striking page 1, line 35, through page 2, line 4, and
3 inserting:

4 <The department shall make reportable information and
5 data publicly available in the most cost-efficient manner
6 including but not limited to through utilization of modernized,
7 interactive displays found on the department's internet
8 site. No later than January 1, 2027, any information and data
9 publicly available within a modernized, interactive display
10 shall be downloadable and contain the date and time of the
11 download.>

DAVID D. ROWLEY

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Senate File 2205

S-5017

1 Amend Senate File 2205 as follows:

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

4 <Section 1. Section 400.8, subsection 2, Code 2024, is
5 amended to read as follows:

6 2. a. The commission shall establish the guidelines for
7 conducting the examinations under subsection 1 of this section.
8 The commission shall hire persons with expertise to prepare
9 and administer the examinations approved by the commission.
10 It may also hire persons with expertise to consult in the
11 preparation of such examinations if the persons so hired are
12 employed to aid personnel of the commission in assuring that
13 a fair examination is conducted. A fair examination shall
14 explore the competence of the applicant in the particular field
15 of examination.

16 b. An applicant who has successfully completed training at
17 the Iowa law enforcement academy or another training facility
18 certified by the director of the Iowa law enforcement academy
19 does not need to retake a civil service examination upon
20 changing employment from one Iowa law enforcement agency to
21 another Iowa law enforcement agency, or upon becoming employed
22 by more than one Iowa law enforcement agency simultaneously, if
23 the applicant has previously passed a civil service examination
24 when the applicant was initially hired as a certified peace
25 officer and if, without a break of not more than one hundred
26 eighty days from prior law enforcement service, the applicant
27 is hired by another Iowa law enforcement agency. However,
28 the applicant shall complete and pass the applicable physical
29 examination provided in subsection 1 prior to beginning the new
30 employment.

31 Sec. 2. NEW SECTION. **400.12A Hiring practices — suspension**
32 **— reinstatement.**

33 1. A city council, by majority vote, may suspend the
34 practices specified in subsection 2 that are generally required
35 pursuant to this chapter for the hiring of an employee of a

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1 department governed by civil service. A suspension shall not
2 be in effect for more than one year, but a city council may
3 immediately vote to implement a new suspension of the required
4 practices upon the expiration of the prior suspension. Upon
5 the expiration of a suspension, hiring practices required under
6 this chapter shall be immediately reinstated for the applicable
7 positions. A city council, by majority vote, may reinstate
8 hiring practices suspended pursuant to this section prior to
9 the expiration of the suspension. A subsequent vote to suspend
10 required hiring practices, even if the vote occurs prior to
11 the original expiration date of the prior suspension, shall be
12 considered a vote for a new suspension.

13 2. The provisions of section 400.11, subsection 1,
14 paragraph "a" may be suspended as provided in subsection 1.

15 3. a. This section does not relieve an employee of a
16 department governed by civil service from the requirements to
17 complete all examinations and tests applicable to those persons
18 for positions subject to the provisions of this chapter.

19 b. This section shall not be construed to preclude an
20 employee of a department governed by civil service from
21 accessing rights, benefits, or privileges provided outside of
22 this chapter.>

23 2. Title page, by striking lines 1 and 2 and inserting <An
24 Act relating to requirements for the hiring of civil service
25 positions.>

SCOTT WEBSTER

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Senate File 2095

S-5018

1 Amend Senate File 2095 as follows:

2 1. Page 3, by striking lines 10 and 11 and inserting
3 <proceeding to which a government is a party and obtain
4 appropriate relief against that government>

5 2. Page 3, line 12, by striking <redress>

6 3. Page 3, after line 15 by inserting:

7 <3. This chapter shall not apply to any of the following:

8 a. Any provision of law or its implementation that provides
9 for or requires:

10 (1) A protection against discrimination or the promotion of
11 equal opportunity, including the Iowa civil rights Act of 1965,
12 chapter 216; the Civil Rights Act of 1964, 42 U.S.C. §2000a et
13 seq.; the Americans with Disabilities Act of 1990, 42 U.S.C.
14 §12101 et seq.; the Family and Medical Leave Act of 1993, 29
15 U.S.C. §2601 et seq.; Executive Order 11246, 42 U.S.C. §2000e
16 note; and the Violence Against Women Act of 1994, 42 U.S.C.
17 §13925 et seq.

18 (2) An employer to provide a wage, other compensation, or a
19 benefit, including leave, or a standard protecting collective
20 activity in the workplace.

21 (3) A protection against child labor, child abuse, or child
22 exploitation.

23 (4) Access to, information about, a referral for, provision
24 of, or coverage for any health care item or service.

25 b. Any term of a government contract, grant, cooperative
26 agreement, or other award that provides funds directly or
27 indirectly, and that requires a good, service, function, or
28 activity to be performed for or provided to a beneficiary of
29 or a participant in a program or activity funded, directly
30 or indirectly, by a government contract, grant, cooperative
31 agreement, or other award.

32 c. The extent that application would result in denying
33 a person the full and equal enjoyment of a good, service,
34 benefit, facility, privilege, advantage, or accommodation
35 provided by the government.>

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JANICE WEINER

Iowa General Assembly
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Senate File 2394 - Introduced

SENATE FILE 2394
BY KOELKER

A BILL FOR

1 An Act relating to economic development by establishing the
2 Iowa major events and tourism program and fund, modifying
3 the sports tourism and marketing infrastructure program, and
4 making appropriations.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

IOWA MAJOR EVENTS AND TOURISM PROGRAM AND FUND

Section 1. NEW SECTION. 15F.410 **Definitions.**

As used in this subchapter, unless the context otherwise requires:

1. "*Entity*" means an Iowa nonprofit organization established to promote economic development and tourism in an area.

2. "*Event*" means a tourism-oriented athletic contest, convention, music festival, or art festival.

3. "*Financial assistance*" means assistance provided only from the funds, rights, and assets legally available to the authority and includes but is not limited to assistance in the form of grants.

4. "*Fund*" means the Iowa major events and tourism fund established in section 15F.413.

5. "*Program*" means the Iowa major events and tourism program established in section 15F.411.

Sec. 2. NEW SECTION. 15F.411 **Iowa major events and tourism program — eligibility.**

1. The authority shall establish, and, at the discretion of the board, administer the Iowa major events and tourism program to provide financial assistance to eligible entities that support events in this state, or support events involving a geographic region that includes this state, and the event generates large attendance, significant publicity, and has a measurable economic impact on this state.

2. *a.* The authority shall establish eligibility criteria for the program by rule. The eligibility criteria must include all of the following:

(1) The entity must currently be involved in the bidding and selection process for the event for which the entity submits an application.

(2) The entity must submit an economic analysis of the event with the entity's application that includes but is not limited to all of the following:

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1 (a) Projected hotel and motel room occupancies during the
2 event.

3 (b) Projected number of event attendees from this state,
4 other states, and other countries.

5 b. Notwithstanding paragraph `a`, an entity shall be deemed
6 eligible for the program if any of the following apply:

7 (1) After a highly competitive bidding and selection
8 process involving potential sites not located in this state, a
9 location in Iowa has been selected for the entity's event.

10 (2) This state serves as the sole site for the entity's
11 event.

12 (3) The sole site for the entity's event is a geographical
13 region that includes this state and one or more contiguous
14 states.

15 3. The program shall be administered for the purpose of
16 awarding financial assistance to an eligible entity for any of
17 the following purposes:

18 a. To pay for or reimburse the costs incurred by the entity
19 to apply or bid for selection as the site for the event.

20 b. To pay for or reimburse the costs incurred by the
21 entity to plan or to conduct the event, including any of the
22 following:

23 (1) Fees charged by a site selection organization as a
24 prerequisite to hosting the event, including but not limited
25 to hosting fees, sanctioning fees, participation fees, or bid
26 fees.

27 (2) Costs for performance bonds or insurance required of the
28 host for hosting the event.

29 (3) Public safety and security expenses.

30 (4) Advertising expenses.

31 (5) Costs to prepare the economic analysis required under
32 subsection 2, paragraph `a`.

33 (6) Costs incurred for transportation and parking services
34 that exceed the revenue generated from providing such services
35 during the event.

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1 (7) Other costs incurred by the entity that are required to
2 host the event.

3 Sec. 3. NEW SECTION. 15F.412 Program — application,
4 review, and funding.

5 1. An application for financial assistance under the
6 program shall be submitted to the authority. For each
7 application that meets the eligibility criteria under section
8 15F.411, subsection 2, the authority shall conduct a staff
9 evaluation of the application and forward the application and
10 staff evaluation to the board.

11 2. When evaluating an application, the authority shall
12 consider, at a minimum, all of the following:

13 a. The potential impact of the event on the local, regional,
14 and state economies.

15 b. The event's potential to attract visitors from this
16 state, other states, and other countries.

17 c. The amount of positive advertising or media coverage the
18 event may generate.

19 d. The quality, size, and scope of the event.

20 e. The ratio of public-to-private investment required for
21 the event.

22 3. a. (1) Upon review of the staff evaluation, the board
23 shall make the final funding decision on each application
24 and may approve, deny, defer, or modify each application, in
25 the board's discretion, to fund as many events as possible
26 with the moneys available. The board and the authority may
27 negotiate with an eligible applicant regarding the details of
28 the applicant's proposed event and the amount and terms of
29 any financial assistance. In making final funding decisions
30 pursuant to this subsection, the board and the authority shall
31 be exempt from chapter 17A.

32 (2) An application and staff evaluation forwarded to
33 the board under subsection 1 shall remain eligible for
34 consideration by the board under subparagraph (1) for up to two
35 years from the date of receipt of the application by the board.

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1 *b.* In order to be awarded financial assistance under the
2 program, an applicant must demonstrate the ability to provide
3 matching funds for the event that equal at least fifty percent
4 of the award of financial assistance.

5 Sec. 4. NEW SECTION. 15F.413 Iowa major events and tourism
6 fund.

7 1. *a.* The authority shall establish an Iowa major events
8 and tourism fund pursuant to section 15.106A, subsection 1,
9 paragraph "o", for purposes of providing financial assistance
10 as described in this subchapter. The fund may be administered
11 as a revolving fund and shall consist of any moneys transferred
12 to the fund and any moneys appropriated by the general assembly
13 for purposes of this subchapter.

14 *b.* (1) Notwithstanding section 8.33, moneys appropriated
15 in this section that remain unencumbered or unobligated at the
16 close of the fiscal year shall not revert but shall remain
17 available for expenditure for the purposes designated until the
18 close of the fiscal year following the succeeding fiscal year.

19 (2) Moneys encumbered or obligated pursuant to financial
20 assistance awarded under section 15F.412, subsection 3, shall
21 be disbursed by the authority within five calendar years from
22 the date of encumbrance or obligation, or the moneys shall
23 revert to the state treasury and shall be credited to the funds
24 from which the appropriations were made as provided in section
25 8.33.

26 *c.* Notwithstanding section 12C.7, subsection 2, interest or
27 earnings on moneys deposited in the fund shall be credited to
28 the fund.

29 2. *a.* Moneys in the fund are appropriated to the authority
30 for purposes of providing financial assistance under the
31 program. The authority may not use more than five percent of
32 the moneys in the fund at the beginning of each fiscal year for
33 purposes of administrative costs, technical assistance, and
34 other program support.

35 *b.* An entity that is awarded financial assistance pursuant

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1 to this subchapter is not eligible to receive financial
2 assistance under the sports tourism infrastructure program
3 pursuant to subchapter IV.

4 Sec. 5. CODE EDITOR DIRECTIVE. The Code editor shall
5 designate sections 15F.410 through 15F.413, as enacted in this
6 division of this Act, as subchapter V entitled, "Iowa Major
7 Events and Tourism Program".

8 DIVISION II

9 APPROPRIATIONS FROM SPORTS WAGERING RECEIPTS FUND

10 Sec. 6. APPROPRIATIONS — SPORTS WAGERING RECEIPTS
11 FUND. There is appropriated from the sports wagering receipts
12 fund created in section 8.57 to the authority for the fiscal
13 year beginning July 1, 2024, and ending June 30, 2025, the
14 following amount, or so much thereof as is necessary, to be
15 used for the purposes designated:

16 For deposit into the Iowa major events and tourism fund
17 established in section 15F.413, as enacted in division I of
18 this Act:

19 \$ 15,000,000

20 DIVISION III

21 SPORTS TOURISM MARKETING PROGRAM AND FUND — REPEAL

22 Sec. 7. Section 15F.401, subsection 1, paragraph a, Code
23 2024, is amended to read as follows:

24 a. The authority shall establish, and, at the direction
25 of the board, shall administer a sports tourism ~~marketing and~~
26 infrastructure program to provide financial assistance ~~for~~
27 ~~projects that promote sporting events or~~ for infrastructure
28 projects supporting sporting events for organizations of
29 accredited colleges and universities, professional sporting
30 events, and other sporting events in the state.

31 Sec. 8. Section 15F.401, subsection 1, paragraph b, Code
32 2024, is amended by adding the following new subparagraph:

33 NEW SUBPARAGRAPH. (03) "*Fund*" means the sports tourism
34 infrastructure program fund established in section 15F.404.

35 Sec. 9. Section 15F.401, subsection 2, paragraph a,

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1 subparagraph (1), Code 2024, is amended by striking the
2 subparagraph.

3 Sec. 10. Section 15F.401, subsection 2, paragraph a,
4 subparagraph (2), Code 2024, is amended to read as follows:

5 ~~(2)~~ A city or county in the state or a public entity that
6 is a convention and visitors bureau or a district may apply to
7 the authority for financial assistance from the ~~sports tourism~~
8 ~~infrastructure program fund created in section 15F.404~~ fund for
9 an infrastructure project that actively and directly supports
10 sporting events for accredited colleges and universities,
11 professional sporting events, and other sporting events in the
12 area served by the city, county, or public entity. However,
13 financial assistance shall not be provided to an applicant
14 from the ~~sports tourism infrastructure program fund created in~~
15 ~~section 15F.404~~ fund for infrastructure projects located in a
16 reinvestment district as defined and approved by the authority
17 pursuant to [section 15J.4](#) or to applicants that have received a
18 rebate of sales tax imposed and collected by retailers pursuant
19 to [section 423.4, subsection 5](#).

20 Sec. 11. Section 15F.401, subsection 4, paragraph b, Code
21 2024, is amended to read as follows:

22 *b.* An applicant under the program shall not receive
23 financial assistance from the ~~sports tourism marketing~~
24 ~~program fund created in section 15F.403~~ or the ~~sports tourism~~
25 ~~infrastructure program fund created in section 15F.404~~ fund
26 in an amount exceeding fifty percent of the total cost of the
27 project.

28 Sec. 12. Section 15F.401, subsection 5, Code 2024, is
29 amended to read as follows:

30 5. The board shall make final funding decisions on
31 each application and may approve, deny, defer, or modify
32 applications for financial assistance under the sports tourism
33 ~~marketing and~~ infrastructure program, in its discretion, in
34 order to fund as many projects with the moneys available as
35 possible. The board and the authority may negotiate with

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1 applicants regarding the details of projects and the amount and
2 terms of any award. ~~The total amount of financial assistance~~
3 ~~provided to an applicant from the sports tourism marketing~~
4 ~~program fund created in [section 15F.403](#) in any one fiscal year~~
5 ~~shall not exceed five hundred thousand dollars.~~ In making
6 final funding decisions pursuant to [this subsection](#), the board
7 and the authority are exempt from [chapter 17A](#).

8 Sec. 13. Section 15F.401, subsection 6, Code 2024, is
9 amended by striking the subsection and inserting in lieu
10 thereof the following:

11 6. A city, county, or public entity shall not use financial
12 assistance received under the program from the fund as
13 reimbursement for completed projects.

14 Sec. 14. Section 15F.402, subsections 1 and 2, Code 2024,
15 are amended to read as follows:

16 1. Applications for assistance under the sports tourism
17 ~~marketing and~~ infrastructure program established in section
18 15F.401 shall be submitted to the authority. For those
19 applications that meet the eligibility criteria, the authority
20 shall forward the applications to the board and provide a staff
21 review analysis and evaluation to the sports tourism program
22 review committee referred to in [subsection 2](#) and to the board.

23 2. A review committee composed of five members of the
24 board shall review sports tourism ~~marketing and~~ infrastructure
25 program applications forwarded to the board and make
26 recommendations regarding the applications to the authority.
27 The review committee shall consist of members of the board,
28 with one member from each congressional district under section
29 15F.102, subsection 2, paragraph "a", and one member from the
30 state at large under [section 15F.102, subsection 2](#), paragraph
31 "b".

32 Sec. 15. Section 15F.404, subsection 2, paragraph a, Code
33 2024, is amended to read as follows:

34 a. Moneys in the fund are appropriated to the authority for
35 purposes of providing financial assistance to cities, counties,

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1 and eligible public entities under the sports tourism marketing
2 and infrastructure program established and administered
3 pursuant to [this subchapter](#).

4 Sec. 16. REPEAL. Section 15F.403, Code 2024, is repealed.

5 Sec. 17. TRANSFER OF MONEYS. On the effective date of
6 this division of this Act, any moneys remaining in the sports
7 tourism marketing program fund in section 15F.403, Code 2024,
8 shall be transferred to the Iowa major events tourism fund
9 established in section 15F.413, as enacted in division I of
10 this Act.

11 EXPLANATION

12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 This bill relates to economic development by establishing
15 the Iowa major events and tourism program and fund modifying
16 the sports tourism and marketing infrastructure program, and
17 making appropriations.

18 DIVISION I — IOWA MAJOR EVENTS AND TOURISM PROGRAM AND
19 FUND. The bill requires the economic development authority
20 (authority) to establish an Iowa major events and tourism
21 program (program) and an Iowa major events and tourism fund
22 (fund), and at the discretion of the enhance Iowa board (board)
23 the authority shall administer the program.

24 The purpose of the program is to provide financial
25 assistance including but not limited to grants to an entity
26 supporting an event in this state, or an event involving a
27 geographic region that includes this state, and the event
28 generates large attendance, significant publicity, and
29 measurable economic impact on this state.

30 The bill defines "entity" to mean an Iowa nonprofit
31 organization established to promote economic development
32 and tourism in an area. The bill defines "event" to mean a
33 tourism-oriented athletic contest, convention, music festival,
34 or art festival.

35 The bill requires the authority to establish eligibility

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1 criteria for the program by rule. The eligibility criteria
2 must include the requirement that the entity be currently
3 involved in the bidding and selection process for the event the
4 application is based upon; and that the entity must submit an
5 economic analysis of the event with the entity's application
6 that includes but is not limited to projected hotel and motel
7 room occupancies, and the projected number of visitors to the
8 event.

9 An application is deemed to meet all eligibility criteria
10 if the state is selected as the event site after a highly
11 competitive bidding and selection process involving sites
12 in other states, if this state serves as the sole site for
13 the event, or if the sole site for the event involves a
14 geographical region that includes this state and contiguous
15 states.

16 The authority shall administer the program for the purpose
17 of awarding financial assistance to an eligible entity
18 to pay for or reimburse costs associated with the event
19 including costs to apply or bid for the site of the event,
20 planning costs, fees, insurance, public safety and security,
21 advertising, preparation of the economic analysis, and
22 transportation and parking services during the event.

23 If an entity's application meets the eligibility criteria
24 established in the bill, the staff of the authority must
25 perform an evaluation of the application and forward the
26 application and evaluation to the board. In evaluating an
27 application, the bill requires the authority to consider the
28 impact on the economy, the potential to attract visitors,
29 advertising and media coverage, public-to-private investment
30 ratios, and the quality, size, and scope of the event.

31 Upon review of the staff evaluation, the bill specifies the
32 board may approve, deny, defer, or modify the application. The
33 bill allows the board and the authority to negotiate with the
34 entity regarding the details of the event and the amount and
35 terms of the financial assistance.

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1 An application submitted to the authority under the bill
2 remains eligible for consideration by the board for up to two
3 years from the date of receipt of the application by the board.

4 The bill requires applicants to demonstrate the ability to
5 provide matching funds equal to at least 50 percent of the
6 financial assistance awarded to the applicant.

7 The bill requires the authority to establish a fund for
8 the purposes of providing financial assistance under the
9 program. The bill specifies that the authority may administer
10 the fund as a revolving fund. Moneys in the fund that remain
11 unencumbered or unobligated at the close of the fiscal year do
12 not revert and remain available until the close of the fiscal
13 year following the succeeding fiscal year. Moneys in the
14 fund that are encumbered or obligated pursuant to financial
15 assistance awarded under the program shall be disbursed by
16 the authority within five years of the date of encumbrance or
17 obligation, or the moneys shall revert to the state treasury.
18 Moneys in the fund are appropriated to the authority to provide
19 financial assistance to an entity under the program.

20 An entity that is awarded financial assistance pursuant to
21 the bill is not eligible to receive financial assistance under
22 the sports tourism infrastructure program.

23 DIVISION II — APPROPRIATIONS FROM SPORTS WAGERING RECEIPTS
24 FUND. In FY 2024-2025, the bill appropriates \$15 million from
25 the sports receipts wagering fund to the Iowa major tourism
26 events and tourism fund for the purpose of providing financial
27 assistance to an eligible applicant as described in the bill.

28 DIVISION III — SPORTS TOURISM MARKETING PROGRAM AND FUND
29 — REPEAL. The bill modifies the sports tourism marketing
30 and infrastructure program by repealing the sports tourism
31 marketing program and fund. The bill retains the sports
32 tourism infrastructure program and fund. Upon the effective
33 date of the division, the bill transfers the remaining moneys
34 in the sports tourism marketing program fund to the Iowa major
35 events and tourism program fund established in the bill for the

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1 uses described in the bill.

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Senate Study Bill 3183 - Introduced

SENATE FILE _____

BY (PROPOSED COMMITTEE ON
APPROPRIATIONS BILL BY
CHAIRPERSON KRAAYENBRINK)

A BILL FOR

1 An Act relating to the maximum amount of available resources
2 disregarded under the Medicaid for employed people with
3 disabilities program.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. Section 249A.3, subsection 2, paragraph a,
2 subparagraph (1), subparagraph division (a), Code 2024, is
3 amended to read as follows:

4 (a) As allowed under 42 U.S.C. §1396a(a)(10)(A)(ii)(XIII),
5 individuals with disabilities, who are less than sixty-five
6 years of age, who are members of families whose income is
7 less than two hundred fifty percent of the most recently
8 revised official poverty guidelines published by the United
9 States department of health and human services for the family,
10 who have earned income and who are eligible for mandatory
11 medical assistance or optional medical assistance under this
12 section if earnings are disregarded. As allowed by 42 U.S.C.
13 §1396a(r)(2), unearned income shall also be disregarded in
14 determining whether an individual is eligible for assistance
15 under this subparagraph. For the purposes of determining the
16 amount of an individual's resources under this subparagraph and
17 as allowed by 42 U.S.C. §1396a(r)(2), a maximum of ten thousand
18 dollars of available resources for an individual and twenty-one
19 thousand dollars of available resources for a couple shall be
20 disregarded, and any additional resources held in a retirement
21 account, in a medical savings account, or in any other account
22 approved under rules adopted by the department shall also be
23 disregarded.

24

EXPLANATION

25 The inclusion of this explanation does not constitute agreement with
26 the explanation's substance by the members of the general assembly.

27 This bill relates to the Medicaid for employed people with
28 disabilities (MEPD) program. Currently, for the purposes
29 of determining the resources of an individual to meet the
30 eligibility requirements for the MEPD program, a maximum of
31 \$10,000 of available resources is disregarded, in addition
32 to any additional resources held in a retirement account, in
33 a medical savings account, or in any other account approved
34 under rules adopted by the department of health and human
35 services (HHS). The bill maintains the maximum amount of

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1 \$10,000 in available resources disregarded for an individual,
2 but provides that for the purposes of determining the resources
3 of a couple, a maximum amount of \$21,000 of available resources
4 is disregarded in addition to additional resources held in a
5 retirement account, in a medical savings account, or in any
6 other account approved under rules adopted by HHS.

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Senate Study Bill 3184 - Introduced

SENATE/HOUSE FILE _____
BY (PROPOSED GOVERNOR BUDGET
BILL)

A BILL FOR

1 An Act relating to transportation and other
2 infrastructure-related appropriations to the department of
3 transportation, including allocation and use of moneys from
4 the road use tax fund and the primary road fund.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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1 Section 1. ROAD USE TAX FUND — FY 2024-2025. There is
2 appropriated from the road use tax fund created in section
3 312.1 to the department of transportation for the fiscal year
4 beginning July 1, 2024, and ending June 30, 2025, the following
5 amounts, or so much thereof as is necessary, to be used for the
6 purposes designated:

7 1. For the payment of costs associated with the production
8 of driver's licenses, as defined in section 321.1, subsection
9 20A:

10 \$ 1,600,000

11 Notwithstanding section 8.33, moneys appropriated in this
12 subsection that remain unencumbered or unobligated at the close
13 of the fiscal year shall not revert but shall remain available
14 for expenditure for the purposes specified in this subsection
15 until the close of the succeeding fiscal year.

16 2. For salaries, support, maintenance, and miscellaneous
17 purposes:

18 a. Transportation operations:

19 \$ 16,976,308

20 b. Motor vehicles:

21 \$ 30,542,265

22 3. For payments to the department of administrative
23 services and the office of the chief information officer for
24 utility services:

25 \$ 455,647

26 4. For unemployment compensation:

27 \$ 7,000

28 5. For payments to the department of administrative
29 services for paying workers' compensation claims under chapter
30 85 on behalf of employees of the department of transportation:

31 \$ 141,577

32 6. For payment to the general fund of the state for indirect
33 cost recoveries:

34 \$ 90,000

35 7. For reimbursement to the auditor of state for audit

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1 expenses as provided in [section 11.5B](#):

2 \$ 107,884

3 8. For automation, telecommunications, and related costs
4 associated with the county issuance of driver's licenses and
5 vehicle registrations and titles:

6 \$ 1,406,000

7 9. For costs associated with participation in the
8 Mississippi river parkway commission:

9 \$ 40,000

10 10. For costs associated with the traffic and criminal
11 software program and the mobile architecture and communications
12 handling program:

13 \$ 300,000

14 11. For motor vehicle division field facility maintenance
15 projects at various locations:

16 \$ 400,000

17 For purposes of [section 8.33](#), unless specifically provided
18 otherwise, moneys appropriated in subsection 11 that remain
19 unencumbered or unobligated shall not revert but shall remain
20 available for expenditure for the purposes designated until
21 the close of the fiscal year that ends three years after the
22 end of the fiscal year for which the appropriation was made.
23 However, if the project or projects for which the appropriation
24 was made are completed in an earlier fiscal year, unencumbered
25 or unobligated moneys shall revert at the close of that same
26 fiscal year.

27 Sec. 2. PRIMARY ROAD FUND — FY 2024-2025. There is
28 appropriated from the primary road fund created in section
29 313.3 to the department of transportation for the fiscal year
30 beginning July 1, 2024, and ending June 30, 2025, the following
31 amounts, or so much thereof as is necessary, to be used for the
32 purposes designated:

33 1. For transportation operations salaries, support,
34 maintenance, and miscellaneous purposes:

35 \$333,994,227

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1 2. For payments to the department of administrative
2 services and the office of the chief information officer for
3 utility services:
4 \$ 2,798,974
5 3. For unemployment compensation:
6 \$ 138,000
7 4. For payments to the department of administrative
8 services for paying workers' compensation claims under
9 chapter 85 on behalf of the employees of the department of
10 transportation:
11 \$ 3,432,963
12 5. For disposal of hazardous wastes from field locations and
13 the central complex:
14 \$ 1,000,000
15 6. For payment to the general fund of the state for indirect
16 cost recoveries:
17 \$ 660,000
18 7. For reimbursement to the auditor of state for audit
19 expenses as provided in [section 11.5B](#):
20 \$ 662,716
21 8. For costs associated with producing transportation maps:
22 \$ 195,000
23 9. For inventory and equipment replacement:
24 \$ 29,626,000
25 10. For costs associated with the statewide
26 interoperability network:
27 \$ 442,162
28 11. For facility major maintenance and enhancement:
29 \$ 6,300,000
30 12. For facility routine maintenance and preservation:
31 \$ 5,200,000
32 13. For the renovation of the Albia maintenance garage:
33 \$ 7,291,067
34 14. For the renovation of the Jefferson maintenance garage:
35 \$ 6,999,292

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1 For purposes of section 8.33, unless specifically provided
2 otherwise, moneys appropriated in subsections 11 through 14
3 that remain unencumbered or unobligated shall not revert
4 but shall remain available for expenditure for the purposes
5 designated until the close of the fiscal year that ends
6 three years after the end of the fiscal year for which the
7 appropriation was made. However, if the project or projects
8 for which such appropriation was made are completed in an
9 earlier fiscal year, unencumbered or unobligated moneys shall
10 revert at the close of that same fiscal year.

11

EXPLANATION

12 The inclusion of this explanation does not constitute agreement with
13 the explanation's substance by the members of the general assembly.

14 This bill makes appropriations from the road use tax fund and
15 the primary road fund to the department of transportation.

16 Appropriations for FY 2024-2025 from the road use tax
17 fund include appropriations for driver's license production,
18 transportation operations, motor vehicles, utility services,
19 unemployment and workers' compensation, indirect cost
20 recoveries, audits, county issuance of driver's licenses
21 and vehicle registration and titling, participation in the
22 Mississippi river parkway commission, the traffic and criminal
23 software program and the mobile architecture and communications
24 handling program, and motor vehicle division field facility
25 maintenance projects.

26 Appropriations for FY 2024-2025 from the primary road fund
27 include appropriations for transportation operations, utility
28 services, unemployment and workers' compensation, hazardous
29 waste disposal, indirect cost recoveries, audits, production of
30 transportation maps, inventory and equipment replacement, the
31 statewide interoperability network, major facility maintenance
32 and enhancement, routine facility maintenance and preservation,
33 and renovation of the maintenance garages in Albia and
34 Jefferson.