

**NINETYETH GENERAL ASSEMBLY
2024 REGULAR SESSION
DAILY
HOUSE CLIP SHEET
February 28, 2024**

Clip Sheet Summary

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

Bill	Amendment	Action	Sponsor
HF 2250	H-8073	Adopted	NORDMAN of Guthrie
HF 2393	H-8074	Filed	BRADLEY of Jones
HF 2465	H-8075	Filed	INGELS of Fayette
HF 2543	H-8080	Filed	STECKMAN of Cerro Gordo
HF 2544	H-8077	Filed	MATSON of Polk
HF 2544	H-8079	Filed	WHEELER of Sioux
HF 2545	H-8081	Filed	WHEELER of Sioux
HF 2545	H-8082	Filed	BUCK of Polk
HF 2558	H-8078	Filed	COLLINS of Des Moines
HF 2618	H-8076	Filed	STECKMAN of Cerro Gordo

Fiscal Notes

[HF 2134](#) — [Juvenile Consent Decrees, Supervised Adult Living Programs \(LSB5439HV\)](#)

[HF 2302](#) — [Assaults, Persons Engaged in Certain Occupations and by Inmates \(LSB5387HV\)](#)

[HF 2391](#) — [Health Care Employment Agencies, Nursing Services Charges \(LSB5265HV\)](#)

[HF 2569](#) — [Highway 30](#) (LSB1865HZ)

[HF 2569](#) — [Highway 30](#) (LSB1865HZ.1)

[HF 2594](#) — [Organized Retail Theft, Penalties](#) (LSB6329HV)

[HF 2625](#) — [Tax, Amusement Devices](#) (LSB1042HZ)

[HF 2626](#) — [Capital Gains Tax, Exemption for Bullion, Coins, and Currency](#)
(LSB1638HZ)

HOUSE FILE 2250

H-8073

1 Amend the amendment, H-8046, to House File 2250, as follows:

2 1. Page 1, line 6, after <offense,> by inserting <not to
3 exceed a class "C" felony,>

By NORDMAN of Guthrie

H-8073 FILED FEBRUARY 27, 2024

ADOPTED

HOUSE FILE 2393

H-8074

1 Amend House File 2393 as follows:

2 1. Page 1, line 4, after <vision> by inserting <screening

3 or>

By BRADLEY of Jones

H-8074 FILED FEBRUARY 27, 2024

HOUSE FILE 2465

H-8075

1 Amend House File 2465 as follows:

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

3 <Section 1. Section 256.11, subsection 5, paragraphs a and
4 e, Code 2024, are amended to read as follows:>

5 2. Page 1, line 7, after <include> by inserting <not more
6 than two units of>

7 3. Page 1, after line 13 by inserting:

8 <e. Two additional units of mathematics. The two additional
9 units of mathematics may include instruction related to applied
10 sciences, technology, engineering, or manufacturing, including
11 transportation, distribution, logistics, architecture, and
12 construction, which may be offered and taught through dedicated
13 units of coursework or through units of coursework that
14 also meet the requirements of the coursework required under
15 paragraph "h", subparagraph (1), subparagraph division (c).
16 The state board shall adopt rules pursuant to chapter 17A to
17 implement this paragraph.>

18 4. Page 1, by striking lines 19 through 23 and inserting
19 <the application process; provided, however, that the state
20 board shall not waive any of the following educational
21 standards:

22 (1) The educational standards established in section
23 256.11, subsection 5, paragraph "a", related to the use of
24 instruction related to agriculture to fulfill a portion of the
25 unit requirements related to science.

26 (2) The educational standards established in section
27 256.11, subsection 5, paragraph "e", related to the use
28 of instruction related to applied sciences, technology,
29 engineering, or manufacturing to fulfill a portion of the unit
30 requirements related to mathematics.>

31 5. Page 1, line 25, by striking <paragraph> and inserting
32 <paragraphs>

33 6. Page 1, line 29, after <fulfill> by inserting <a portion
34 of the>

35 7. Page 1, after line 30 by inserting:

H-8075 (Continued)

1 <NEW PARAGRAPH. *g*. Be subject to and comply with the
2 requirements of section 256.11, subsection 5, paragraph "e",
3 relating to the use of instruction related to applied sciences,
4 technology, engineering, or manufacturing to fulfill a portion
5 of the unit requirements related to mathematics in the same
6 manner as a school district.>
7 8. Title page, line 4, after <science> by inserting <and
8 allowing instruction related to applied sciences, technology,
9 engineering, or manufacturing to meet a portion of the unit
10 requirements related to mathematics>

By INGELS of Fayette

[H-8075](#) FILED FEBRUARY 27, 2024

HOUSE FILE 2543

H-8080

1 Amend House File 2543 as follows:

2 1. Page 5, by striking lines 9 through 17.

3 2. Title page, by striking lines 1 through 5 and inserting
4 <An Act relating to education, including by establishing a
5 right of first refusal for charter schools to purchase or lease
6 school district property and modifying charter school open
7 enrollment funding.>

By STECKMAN of Cerro Gordo

H-8080 FILED FEBRUARY 27, 2024

HOUSE FILE 2544

H-8077

- 1 Amend House File 2544 as follows:
- 2 1. Page 7, by striking lines 8 through 17 and inserting:
- 3 <(2) The one unit of civics shall not>
- 4 2. Page 9, by striking lines 15 and 16 and inserting:
- 5 <(3) The two units of United States history shall include
- 6 instruction related to important historical>
- 7 3. By striking page 12, line 22, through page 13, line 14.
- 8 4. Page 13, by striking lines 17 through 21.
- 9 5. Title page, by striking lines 3 through 5 and inserting
- 10 <students enrolled in grades one through twelve.>
- 11 6. By renumbering as necessary.

By MATSON of Polk

H-8077 FILED FEBRUARY 27, 2024

HOUSE FILE 2544

H-8079

1 Amend House File 2544 as follows:

2 1. Page 13, after line 14 by inserting:

3 <Sec. ____ . NEW SECTION. 280.36 Education on the holocaust.

4 1. The general assembly finds all of the following:

5 a. Recent studies have shown there to be a severe lack
6 of awareness in the state of Iowa regarding historical facts
7 about the holocaust and antisemitism, and the causes and
8 ramifications thereof.

9 b. Antisemitism remains a persistent, pervasive, and
10 disturbing problem in contemporary American society.

11 c. In order to provide students with an understanding of the
12 importance of the protection of human rights and the potential
13 consequences of discrimination against and persecution of
14 Jewish people, it is a matter of high priority that students in
15 this state be educated concerning the holocaust.

16 d. Sources of free curricula and instructional materials for
17 education on the holocaust include but are not limited to the
18 United States holocaust memorial museum; yad vashem: the world
19 holocaust remembrance center; the Illinois holocaust museum and
20 education center; and echoes and reflections, a partnership of
21 the anti-defamation league, yad vashem, and the university of
22 southern California shoah foundation.

23 2. For purposes of this section, unless the context
24 otherwise requires:

25 a. "Antisemitism" means the same as defined in section
26 216F.1.

27 b. "Holocaust" means the systematic, bureaucratic,
28 state-sponsored persecution and murder of approximately
29 six million Jews by the Nazi regime and its allies and
30 collaborators.

31 c. "Nazi" means the abbreviation for the national socialist
32 German workers' party, a political party of the mass movement
33 known as national socialism under which its leader, Adolf
34 Hitler, came to power in 1933 and governed by totalitarian
35 methods until 1945.

1 *d.* "Organization" means one or more of the following
2 organizations:

3 (1) The United States holocaust memorial museum.

4 (2) Yad vashem: the world holocaust remembrance center.

5 (3) The Illinois holocaust museum and education center.

6 (4) Echoes and reflections, a partnership of the
7 anti-defamation league, yad vashem, and the university of
8 southern California shoah foundation.

9 (5) Any other entity approved for education on the holocaust
10 by the department of education.

11 3. *a.* No later than the school year beginning July 1, 2024,
12 the board of directors of a school district shall incorporate
13 age-appropriate and grade-appropriate instruction regarding
14 the holocaust for students in middle and high school into the
15 school district's educational program. Such instruction shall
16 be incorporated into existing required courses and include, at
17 minimum, the following:

18 (1) The causes and ramifications of the holocaust.

19 (2) The breadth of the history of antisemitism and
20 the holocaust, including the third reich dictatorship,
21 concentration camp system, persecution of Jews and non-Jews,
22 Jewish and non-Jewish resistance, and post-World War II trials.

23 (3) The impact of personal responsibility, civic
24 engagement, and societal response in the context of the
25 holocaust.

26 (4) The connection between national, ethnic, racial,
27 or religious intolerance and the subjects described in
28 subparagraphs (1) and (2).

29 (5) The leading role played by the United States and
30 the United States armed forces, including African American
31 soldiers, including but not limited to the Tuskegee airmen,
32 as well as Native American and Asian American soldiers, in
33 defeating the third reich and its allies and liberating Nazi
34 concentration camps.

35 (6) The definition, history, and actions taken in the face

1 of the holocaust.

2 *b.* School districts shall utilize appropriate public or
3 private materials, personnel, and other resources in developing
4 and implementing education on the holocaust in accordance with
5 this section.

6 4. No later than the school year beginning July 1, 2024,
7 the board of directors of a school district shall incorporate
8 education on the holocaust for teachers into the district
9 professional development plan developed pursuant to section
10 284.6 for teachers who provide instruction in courses into
11 which student instruction in accordance with subsection 3 is
12 incorporated. Such training shall cover the topics required
13 by subsection 3. School districts shall utilize appropriate
14 programs provided by an organization for such training.
15 Education on the holocaust provided to teachers in accordance
16 with this section shall be credited toward a teacher's
17 individual professional development plan under section 284.6.

18 5. Annually by October 1, the department of education
19 shall submit a report to the governor and the general assembly
20 addressing the number of school districts offering education
21 on the holocaust to students and teachers in accordance with
22 this section. The department shall publish the report on the
23 department's internet site.

24 6. This section shall not be construed to diminish or
25 infringe upon any right protected under the Constitution of
26 the State of Iowa or the first amendment to the Constitution
27 of the United States. This section shall not be construed to
28 conflict with any local, state, or federal law relating to
29 discrimination.>

30 2. Title page, line 5, after <regents> by inserting <, and
31 requiring education related to the holocaust for students and
32 teachers in school districts>

33 3. By renumbering as necessary.

By WHEELER of Sioux

H-8079 (Continued)

H-8079 FILED FEBRUARY 27, 2024

HOUSE FILE 2545

H-8081

1 Amend House File 2545 as follows:

2 1. Page 1, by striking lines 13 through 15 and inserting:

3 <a. A plan to regularly review and revise the core content
4 standards focused on English language arts, mathematics,
5 science, and social studies, with a focus on United States
6 history, western civilization, and civics.>

7 2. Page 1, by striking line 22 and inserting:

8 <e. A plan to maximize local flexibility in graduation
9 requirements and course offerings while maintaining a goal that
10 all high school graduates have necessary skills at graduation.>

11 3. Page 1, by striking lines 29 through 34 and inserting:

12 <g. A statewide literacy plan to increase student
13 proficiency using systematic and sequential approaches to
14 teaching phonetic awareness, phonics, vocabulary, fluency, and
15 text comprehension.>

16 4. Page 1, before line 35 by inserting:

17 <2. The director of the department of education shall ensure
18 that the core curriculum established pursuant to section 256.7,
19 subsection 26, the core content standards established pursuant
20 to section 256.7, subsection 28, and the educational standards
21 established in section 256.11, comply with section 279.74.>

22 5. Page 1, line 35, by striking <2.> and inserting <3.>

23 6. Page 2, by striking lines 2 through 7 and inserting:

24 <a. Providing the opportunity for the public and interested
25 stakeholders to provide comments related to the comprehensive
26 review, including comments related to each graduation
27 requirement, core content standard, and educational requirement
28 by grade level, at each committee meeting convened pursuant to
29 this subsection.>

30 7. Page 2, by striking lines 21 through 24 and inserting:

31 <4. a. The director of the department of education shall
32 submit an initial report, including initial findings and
33 recommendations for policy changes, to the governor and the
34 general assembly on or before December 31, 2024.

35 b. The director of the department of education shall submit

H-8081 (Continued)

1 a final report, including findings and recommendations for
2 policy changes, to the governor and the general assembly on or
3 before July 1, 2025.>

By WHEELER of Sioux

H-8081 FILED FEBRUARY 27, 2024

HOUSE FILE 2545

H-8082

1 Amend House File 2545 as follows:

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

4 <Section 1. TASK FORCE — IOWA CORE REVIEW.

5 1. The legislative council shall establish a task force to
6 meet during the 2024 legislative interim to review, study, and
7 make recommendations related to the core curriculum established
8 pursuant to section 256.7, subsection 26, the core content
9 standards established pursuant to section 256.7, subsection 28,
10 and the success the instruction related to skills and knowledge
11 students need to be successful in the twenty-first century has
12 had in preparing students to participate in the twenty-first
13 century workforce.

14 2. a. The task force shall include the following voting
15 members:

16 (1) One representative of an employee organization that
17 represents teachers licensed by the board of educational
18 examiners.

19 (2) One representative of an employee organization that
20 represents administrators licensed by the board of educational
21 examiners.

22 (3) One representative of a statewide organization that
23 represents members of the boards of directors of school
24 districts.

25 (4) One representative of a statewide organization that
26 represents schools located in rural areas.

27 b. The task force shall include the following ex officio,
28 nonvoting legislative members:

29 (1) One member designated by the president of the senate.

30 (2) One member designated by the minority leader of the
31 senate.

32 (3) One member designated by the speaker of the house of
33 representatives.

34 (4) One member designated by the minority leader of the
35 house of representatives.

H-8082 (Continued)

1 3. The task force shall submit a report with its findings
2 and recommendations to the general assembly on or before
3 December 31, 2024.>

4 2. Title page, by striking lines 1 through 5 and inserting
5 <An Act relating to the establishment of a task force to
6 review, study, and make recommendations related to this state's
7 educational requirements and standards.>

By BUCK of Polk

H-8082 FILED FEBRUARY 27, 2024

HOUSE FILE 2558

H-8078

1 Amend House File 2558 as follows:

2 1. Page 1, line 9, by striking <On or before December 31,
3 2024> and inserting <Prior to the beginning of the 2025-2026
4 academic year>

5 2. Page 1, by striking lines 29 through 33.

6 3. Page 1, line 34, by striking <27.> and inserting <26.>

7 4. Page 2, by striking lines 2 through 5.

8 5. Page 2, line 6, by striking <29.> and inserting <27.>

9 6. Page 2, line 15, by striking <30.> and inserting <28.>

10 7. Page 2, after line 20 by inserting:

11 <NEW SUBSECTION. ____. Adopt policies and procedures that
12 prohibit the community college from discriminating against
13 faculty, staff, or students who do not ascribe to diversity,
14 equity, and inclusion ideologies. The policies and procedures
15 adopted pursuant to this subsection shall also prohibit the
16 board of directors of the community college from discriminating
17 against the president of the community college, or a chancellor
18 who serves as the chief executive officer of the community
19 college, who does not ascribe to diversity, equity, and
20 inclusion ideologies.>

21 8. Page 4, after line 29 by inserting:

22 <Sec. ____. Section 262.9, subsection 1, Code 2024, is
23 amended to read as follows:

24 1. a. Each even-numbered year ~~elect~~ nominate, from
25 its members, a president of the board, who is subject to
26 confirmation by the senate and who shall serve for two years
27 and until a successor is ~~elected~~ nominated and ~~qualified~~
28 confirmed.

29 b. Notwithstanding paragraph "a", an individual who has been
30 nominated by the board and confirmed by the senate pursuant
31 to paragraph "a" shall not be required to be confirmed by the
32 senate subsequent to the expiration of the individual's term
33 as president if the board nominates the individual to serve as
34 president of the board subsequent to the expiration of such
35 term.>

1 9. Page 4, after line 35 by inserting:

2 <Sec. _____. APPLICABILITY. The following applies upon the
3 expiration of the term of the president of the state board of
4 regents as provided in section 262.9, subsection 1:

5 The section of this division of this Act amending section
6 262.9, subsection 1.>

7 10. Page 5, line 4, by striking <subsections 2 and 22> and
8 inserting <subsections 2, 3, and 22>

9 11. Page 5, line 29, after <chapter 22> by inserting <,
10 unless the identity of the candidate is revealed pursuant to
11 the terms of a written agreement entered into between all
12 members of the presidential selection committee>

13 12. Page 5, after line 29 by inserting:

14 <3. Make rules for admission to and for the government of
15 said institutions, not inconsistent with law. The rules shall
16 require the institutions of higher learning under its control
17 to incorporate the classic learning test, developed by classic
18 learning initiatives, into the regent admission index prior to
19 the beginning of the 2025-2026 academic year.>

20 13. By striking page 5, line 33, through page 6, line 4, and
21 inserting:

22 <b. The rules shall provide that the amount of resident
23 tuition and mandatory fees charged by an institution of higher
24 education under the board's control to an undergraduate student
25 who began the baccalaureate program on or after the 2025-2026
26 academic year shall not increase during the student's first
27 four full academic years of participation in the baccalaureate
28 program. This paragraph shall not be construed to prohibit
29 the board from increasing the amount of resident tuition and
30 mandatory fees for incoming classes.>

31 <c. Notwithstanding paragraph "b", the rules developed by the
32 board shall authorize institutions of higher education under
33 the board's control to increase the total amount of resident
34 tuition and mandatory fees associated with the baccalaureate
35 program by less than three percent of the total amount of>

1 resident tuition and mandatory fees the institution charged
2 to undergraduate students during the immediately preceding
3 academic year for all of the following students:

4 (1) Students who take more than four full academic years to
5 complete the baccalaureate program.

6 (2) Students who have attained a sufficient amount of
7 semester hours of undergraduate credits prior to the student's
8 date of admission such that the student is able to complete
9 the remaining semester hours of credits associated with the
10 baccalaureate program in less than four full academic years,
11 but the student fails to do so.>

12 14. Page 6, by striking lines 7 through 11 and inserting:

13 <NEW SUBSECTION. 39. a. Direct the institutions of higher
14 education under its control to adopt policies and procedures
15 that prohibit the institutions from creating any new position
16 for an administrator, unless the board approves the creation of
17 the new position.>

18 15. Page 6, by striking lines 17 through 21 and inserting:

19 <c. For purposes of this subsection, "administrator" means
20 an employee who serves in the role of vice president, assistant
21 vice president, or associate vice president.>

22 16. Page 6, lines 23 and 24, by striking <on or before
23 December 31, 2024> and inserting <prior to the beginning of the
24 2025-2026 academic year>

25 17. Page 7, line 10, by striking <eliminate> and inserting
26 <prohibit>

27 18. Page 7, line 14, by striking <were> and inserting <are>

28 19. Page 8, by striking lines 26 through 30.

29 20. Page 9, line 1, by striking <2024-2025> and inserting
30 <2025-2026>

31 21. Page 9, after line 10 by inserting:

32 <c. Direct the institutions of higher education under
33 its control to develop policies that allow undergraduate
34 students to fulfill the requirements described in paragraph "a"
35 through semester hours of credit attained at other educational

1 institutions.>

2 22. Page 10, after line 4 by inserting:

3 <NEW SUBSECTION. _____. Direct the institutions of higher
4 education under its control to adopt policies and procedures
5 that prohibit the institutions from discriminating against
6 faculty, staff, or students who do not ascribe to diversity,
7 equity, and inclusion ideologies.>

8 23. Page 11, line 2, after <work.> by inserting <This
9 section shall not be construed to require an institution of
10 higher education governed by the state board of regents to
11 implement the proposed baccalaureate degree program.>

12 24. Page 11, line 9, by striking <institution's annual
13 budget> and inserting <average annual total of the moneys
14 appropriated to the institution by the general assembly and the
15 institution's revenue generated by tuition and mandatory fees>

16 25. By striking page 11, line 16, through page 12, line 12.

17 26. Page 12, line 20, by striking <center, institute, or
18 initiative> and inserting <center or institute>

19 27. Page 12, line 31, by striking <three> and inserting
20 <five business>

21 28. Page 13, line 4, by striking <list of students> and
22 inserting <student directory>

23 29. Page 13, by striking lines 14 through 26.

24 30. By renumbering, redesignating, and correcting internal
25 references as necessary.

By COLLINS of Des Moines

H-8078 FILED FEBRUARY 27, 2024

HOUSE FILE 2618

H-8076

1 Amend House File 2618 as follows:

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

3 <Sec. ____ . DEPARTMENT OF EDUCATION — EVIDENCE-BASED
4 READING INSTRUCTION TASK FORCE.

5 1. The department of education shall convene and provide
6 administrative support to an evidence-based reading instruction
7 task force that shall study and make recommendations related
8 to best practices associated with implementing evidence-based
9 reading instruction in schools in this state.

10 2. Any expense incurred by a member of the task force
11 shall be the responsibility of the individual member or the
12 respective entity represented by the member.

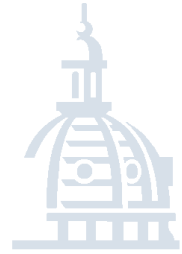
13 3. The task force shall submit its findings and
14 recommendations to the general assembly on or before December
15 31, 2024.>

16 2. Title page, line 3, after <students,> by inserting
17 <directing the department of education to convene a task force
18 to study evidence-based reading instruction,>

19 3. By renumbering as necessary.

By STECKMAN of Cerro Gordo

H-8076 FILED FEBRUARY 27, 2024



[HF 2134](#) – Juvenile Consent Decrees, Supervised Adult Living Programs (LSB5439HV)
 Staff Contact: Molly Kilker (515.725.1286) molly.kilker@legis.iowa.gov
 Fiscal Note Version – New

Description

[House File 2134](#) provides that pursuant to a consent decree, a child who is the subject of a petition alleging that the child has committed a delinquent act may be placed in a supervised apartment living arrangement if the court determines that such a placement is the least restrictive option for the child. Placement is paid by the Department of Health and Human Services (HHS).

Background

Under Iowa Code section [232.46](#), after a petition has been filed that alleges a child has committed a delinquent act and prior to an entry of adjudication on the matter, a court may suspend the proceedings on motion of the child’s counsel and enter a consent decree. Once the consent decree has been entered, the case can be continued under the terms and conditions determined by the court. Under a consent decree, the court may place the child in a group or family foster care setting funded by the HHS, if the court determines that to be the least restrictive option.

Assumptions

- Five newly eligible juveniles will participate in supervised apartment living per year.
- The annual cost per individual in the first year of supervised apartment living is \$38,600 and the recurring annual cost is \$1,600 per individual for the State cost of Medicaid. The HHS will pay the State Medicaid cost per individual for five fiscal years after the participation in the supervised apartment living arrangement.
- Juveniles who enter supervised apartment living will become eligible for Iowa aftercare services and the Education and Training Voucher program upon turning 18 years of age.
- A juvenile who is placed in a supervised living arrangement will “age out” after one year.
- The HHS assumes that after one year in the supervised apartment living, the juvenile will qualify for additional programs under the HHS’s purview, including aftercare and the Education and Training Voucher program. Participation in these programs may create additional costs to the HHS.

Fiscal Impact

At a rate of five newly eligible juveniles per fiscal year, the HHS estimates an FY 2025 fiscal impact of \$193,000. If the rate of newly eligible juveniles remains constant, costs to the State are anticipated to increase every year until the Program is fully implemented in year six (FY 2030). **Figure 1** shows the estimated fiscal impact to the HHS in the next six fiscal years.

Figure 1 — Estimated State Costs Under HF 2134

	FY 2025	FY 2026	FY 2027	FY 2028	FY 2029	FY 2030
State Cost	\$ 193,000	\$ 201,000	\$ 209,000	\$ 217,000	\$ 225,000	\$ 233,000

Sources

Department of Health and Human Services
Legislative Services Agency

/s/ Jennifer Acton

February 26, 2024

Doc ID 1445099

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

www.legis.iowa.gov



[HF 2302](#) – Assaults, Persons Engaged in Certain Occupations and by Inmates (LSB5387HV)
Staff Contact: Molly Kilker (515.725.1286) molly.kilker@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2302](#) expands occupations under Iowa Code section [708.3A](#) related to assault against certain occupations to include employees of the Department of Inspections, Appeals, and Licensing (DIAL). The Bill elevates the penalties for assault from a Class D felony to a Class C felony and from an aggravated misdemeanor to a Class D felony.

The Bill also provides that a person who, while confined in a jail, institution, or facility under the control of the Department of Corrections (DOC), ejects saliva in a manner intending to cause pain or injury, or to be insulting or offensive, commits an act of assault.

Background

Assault as it relates to the Bill is defined in Iowa Code section [708.1](#). To commit assault under Iowa Code section 708.3A, the person committing the assault must know that the person against whom the assault is committed is engaged in an occupation detailed in that Iowa Code section.

Iowa Code sections 708.3A(1) through 708.3A(4) relate to assault against persons engaged in certain occupations as follows:

- Iowa Code section 708.3A(1) relates to assaults with the intent to inflict a serious injury and establishes such assaults as a Class D felony under current law.
- Iowa Code section 708.3A(2) relates to assaults with the use or display of a dangerous weapon in connection with an assault and establishes such assaults as a Class D felony under current law.
- Iowa Code section 708.3A(3) relates to assault causing bodily injury or mental illness and establishes such assaults as an aggravated misdemeanor under current law.
- Iowa Code section 708.3A(4) relates to all other forms of assault and establishes such assaults as a serious misdemeanor under current law.

Under the Bill, the penalties under Iowa Code sections 708.3A(1) through 708.3A(4) would be enhanced as follows:

- Assaults under Iowa Code section 708.3A(1) would become a Class C felony.
- Assaults under Iowa Code section 708.3A(2) would become a Class C felony.
- Assaults under Iowa Code section 708.3A(3) would become a Class D felony.
- Assaults under Iowa Code section 708.3A(4) would become an aggravated misdemeanor. A person who violates the section would be required to serve a minimum term of seven days of the sentence imposed by law and would not be eligible for suspension of the minimum sentence.

Under Iowa Code section [708.3B](#), a person who, while confined in a jail, institution, or facility under the control of the DOC, assaults or commits an act that is intended to cause pain or injury, or be insulting or offensive, to an employee of the jail, institution, or facility, and that

results in the employee coming into contact with blood, seminal fluid, urine, or feces, commits a Class D felony. The Bill adds saliva to these bodily excretions.

A Class C felony is punishable by confinement for up to 10 years and a fine of at least \$1,375 but no more than \$13,660. A Class D felony is punishable by confinement for up to five years and a fine of at least \$1,025 but no more than \$10,245. An aggravated misdemeanor is punishable by confinement for up to two years and a fine of at least \$855 but no more than \$8,540.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- A delay of six months is assumed from the effective date of this Bill to the date of first entry of affected offenders into the correctional system.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.
- The expansion of the definition of assault will increase the number of prosecutions.
- If the average cost per claim of the increased level of offense remains, there will be a 20.0% increase in the average claim cost under Iowa Code sections 708.3A(1) through 708.3A(4) to the Office of the State Public Defender (SPD).
- Contract attorney pay will be the same as current hourly rates.

Correctional Impact

House File 2302 enhances various crimes under Iowa Code section 708.3A and expands definitions to include assaults in which a person employed in certain occupations comes into contact with saliva. It is not known how many additional convictions under Iowa Code section 708.3A or 708.3B would result from the expanded definitions; therefore, the correctional impact cannot be estimated for that provision of the Bill.

House File 2302 is estimated to increase the LOS for individuals admitted to prison and Community-Based Corrections (CBC). In FY 2023, there were 27 individuals admitted to prison, 10 individuals admitted to parole, and 101 individuals admitted to probation for a most serious offense under Iowa Code section 708.3A. Under the Bill, the DOC estimates that prison and parole admissions would be enhanced. The probation counts would be redistributed given the enhancements, since some individuals would be ordered to prison under the Bill. Due to increased LOS and additional individuals admitted to prison, the Bill is estimated to increase the prison population.

Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 16, 2024, for information related to the correctional system.

Minority Impact

House File 2302 increases the penalties for assaults on persons in certain occupations. Criminal and Juvenile Justice Planning (CJJP) of the Department of Management (DOM) estimates that the increased penalties would result in an increase in prison admissions. Of the 627 individuals convicted under Iowa Code section 708.3A in FY 2023, 66.5% were White, 23.5% were Black, and 9.9% were other races. Iowa's population is 89.8% White, 4.4% Black, and 5.8% other races. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 16, 2024, for information related to minorities in the criminal justice system.

Fiscal Impact

House File 2302 is anticipated to increase prison admissions and LOS, which would increase costs to the DOC by approximately \$1.1 million. **Figure 1** represents the cost of all individuals admitted to DOC supervision in one year under Iowa Code sections 708.3A(1) through 708.3A(4) and under HF 2302. This cost would recur for each annual group of admissions.

Figure 1 — Fiscal Impact to the DOC Under HF 2302

Iowa Code Section	Current Cost	Cost Under HF 2302	Fiscal Impact
708.3A(1)	\$ 158,990	\$ 407,361	\$ 248,371
708.3A(2)	191,031	511,370	320,339
708.3A(3)	309,555	701,032	391,477
708.3A(4)	250,702	350,378	99,676
Total Fiscal Impact			\$ 1,059,863

House File 2302 enforces a minimum sentence and increases the level of offense, which is anticipated to create costs to the SPD. In FY 2023, there were 570 claims under Iowa Code sections 708.3A(1) through 708.3A(4) paid from the Indigent Defense Fund, totaling \$392,000. The increased level of offense would increase the estimated claim cost to the SPD by \$131,000. The addition of the excretion of saliva as a form of assault is also estimated to increase the claims to the SPD, causing an increased cost of approximately \$4,000. These changes would result in a total estimated fiscal impact to the Indigent Defense Fund of \$135,000.

Figure 2 shows the total estimated fiscal impact of House File 2302.

Figure 2 — Total Fiscal Impact Under HF 2302

State Agency	Fiscal Impact
DOC	\$ 1,059,863
SPD	134,524
Total Fiscal Impact	\$ 1,194,387

Sources

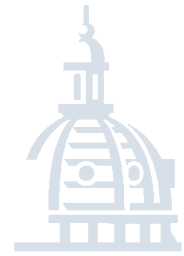
Department of Corrections
Criminal and Juvenile Justice Planning, Department of Management
Office of the State Public Defender
Legislative Services Agency

/s/ Jennifer Acton

February 26, 2024

Doc ID 1447332

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



[HF 2391](#) – Health Care Employment Agencies, Nursing Services Charges (LSB5265HV)
Staff Contact: Louie Hoehle (515.281.6561) louie.hoehle@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2391](#) makes the following changes to health care employment agencies as described in Iowa Code chapter [135Q](#):

- Prohibits a health care employment agency from contracting with a health care entity if the health care employment agency has not registered with the Department of Inspections, Appeals, and Licensing (DIAL).
- Requires the Department of Health and Human Services (HHS) to annually establish and publish a maximum allowable charges schedule for nursing services provided by health care employment agency workers. The amounts established in the charges schedule must be no greater than 150.0% of the statewide average wage paid in the most recently preceding cost report year by a specific type of health care entity.
- Modifies the current civil penalty structure and adds new civil penalties for health care employment agencies that fail to comply with the Iowa Code.
- Requires the DIAL to submit an annual report to the General Assembly that includes information on health care employment agency registrations, registration fees collected, violations of Iowa Code chapter 135Q, monetary penalties collected, registration revocations and denials, the statewide maximum allowable charges schedule, and recommendations for changes to the Iowa Code chapter.

Background

Currently, there is no maximum allowable charges schedule for nursing services provided by health care employment agency workers.

The DIAL receives quarterly reports from health care employment agencies that include the average amount charged to the health care entity for each individual agency worker category and the average amount paid by the agency to workers in each individual agency worker category. The DIAL is responsible for reviewing agency reports and investigating agencies that are noncompliant.

Assumptions

- House File 2391 may require an additional Executive Officer, a Management Analyst, and a Statistical Research Analyst for a total of 3.0 new full-time equivalent (FTE) positions for the HHS.
- According to the Department of Management (DOM), the starting costs for an Executive Officer 3 is approximately \$98,000, for a Management Analyst 3 is approximately \$79,000, and for a Statistical Research Analyst 3 is approximately \$77,000.
- The HHS anticipates one-time support costs (phone, equipment, etc.) of approximately \$10,000 in FY 2025 and approximately \$3,000 in FY 2026 for the 3.0 FTE positions.
- Federal funds will cover half of the costs for FTEs needed by the HHS, while the State will cover the remainder.
- The Bill may require 1.0 new Administrative Assistant FTE position for the DIAL.

- According to the DOM, the starting costs for an Administrative Assistant 2 is approximately \$65,000. The DIAL anticipates one-time support costs of approximately \$2,000 for a new FTE position in FY 2025.
- Revenues could potentially increase for the DIAL if a health care employment agency is noncompliant, but the amount of the increase cannot be estimated.

Fiscal Impact

House File 2391 is estimated to cost the State \$200,000 in FY 2025 and \$195,000 in FY 2026 as shown in **Figure 1**. Federal funds are estimated to cover half of the costs for FTEs needed by the HHS.

Figure 1 — Costs Per Year Under HF 2391

Estimated Costs	FY 2025		FY 2026	
	Total	State	Total	State
1.0 Administrative Assistant 2 FTE Position for DIAL	\$ 67,000	\$ 67,000	\$ 65,000	\$ 65,000
1.0 Executive Officer 3 FTE Position for HHS	98,000	49,000	98,000	49,000
1.0 Management Analyst 3 FTE Position for HHS	79,000	40,000	79,000	40,000
1.0 Statistical Research Analyst 3 Position for HHS	77,000	39,000	77,000	39,000
Support Costs for HHS FTE Positions	10,000	5,000	3,000	2,000
Total Costs	\$ 331,000	\$ 200,000	\$ 322,000	\$ 195,000

Sources

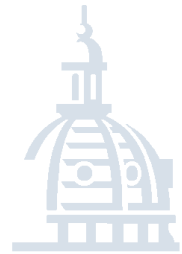
Department of Health and Human Services
 Department of Inspections, Appeals, and Licensing
 Department of Management

/s/ Jennifer Acton

February 27, 2024

Doc ID 1447284

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



[HF 2569](#) – Highway 30 (LSB1865HZ)
Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2569](#) requires the State Transportation Commission to prioritize the improvement of United States Highway 30. The Commission is required to include in its long-range program plans to expand all roadways to four-lane divided roadways until the entire highway is comprised of four-lane divided roadways.

Background

United States Highway 30 is a roadway that goes east to west across the continental United States, with approximately 160 miles running through Iowa.

The State Transportation Commission consists of seven members appointed by the Governor and confirmed by the Senate. The State Transportation Commission is responsible for developing, coordinating, and annually updating a comprehensive transportation policy and plan for the State, including preparing, adopting, and publishing a long-range program for the primary road system. The program is required to be prepared for a period of at least five years and is required to be revised, updated, and republished at least once every year to maintain a continuing five-year program. Currently, the State Transportation Commission's long-range plan does not include plans for Highway 30. The 2022 State Transportation Plan can be found [here](#).

In most cases, the Iowa Department of Transportation (DOT) allocates around 80.0% of federal highway funding to larger projects. However, federal funding is between 50.0% and 60.0% of annual funding available for construction projects. Iowa is allocated a fixed amount of federal highway formula funding each year, and funding for Highway 30 expansion will use the same resources.

Assumptions

- Two lanes will need to be added to approximately 120 miles, costing an estimated \$6.7 million per mile.
- Four-lane bypasses will need to be constructed for approximately 39.5 miles, costing an estimated \$10.0 million per mile.
- An estimated 16 interchanges will be needed, costing approximately \$16.1 million each.
- Construction costs are based on the current bid prices for the types of improvements listed above.
- Construction costs will be funded by a combination of federal funds and the Primary Road Fund (PRF). Federal funding for Highway 30 expansion may pay for up to 80.0% of the construction costs. However, this will depend on the timing of the project.
- Operations and maintenance will be funded primarily by the PRF and will cost approximately \$1.7 million annually.

Fiscal Impact

The expansion of Highway 30 is estimated to cost \$1.5 billion throughout the course of construction. Federal funding could be up to 80.0% of the total cost, but this will depend on future budgeting decisions made by the State Transportation Commission. All State funding for construction will be provided by the PRF. Annual maintenance costs for the full 120 miles will be funded by the PRF and are estimated to be approximately \$1.7 million per year.

Source

Department of Transportation

/s/ Jennifer Acton

February 26, 2024

Doc ID 1447298

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

www.legis.iowa.gov



[HF 2569](#) – Highway 30 (LSB1865HZ.1)
Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov
Fiscal Note Version – Revised (Background)

Description

[House File 2569](#) requires the State Transportation Commission to prioritize the improvement of United States Highway 30. The Commission is required to include in its long-range program plans to expand all roadways to four-lane divided roadways until the entire highway is comprised of four-lane divided roadways.

Background

United States Highway 30 is a roadway that goes east to west across the continental United States, with approximately 331 miles running through Iowa.

The State Transportation Commission consists of seven members appointed by the Governor and confirmed by the Senate. The State Transportation Commission is responsible for developing, coordinating, and annually updating a comprehensive transportation policy and plan for the State, including preparing, adopting, and publishing a long-range program for the primary road system. The program is required to be prepared for a period of at least five years and is required to be revised, updated, and republished at least once every year to maintain a continuing five-year program. Currently, the State Transportation Commission's long-range plan does not include plans for Highway 30. The 2022 State Transportation Plan can be found [here](#).

In most cases, the Iowa Department of Transportation (DOT) allocates approximately 80.0% of federal highway funding to larger projects. However, federal funding is between 50.0% and 60.0% of annual funding available for construction projects. Iowa is allocated a fixed amount of federal highway formula funding each year, and funding for Highway 30 expansion will use the same resources.

Assumptions

- Two lanes will need to be added to approximately 120 miles, costing an estimated \$6.7 million per mile.
- Four-lane bypasses will need to be constructed for approximately 39.5 miles, costing an estimated \$10.0 million per mile.
- An estimated 16 interchanges will be needed, costing approximately \$16.1 million each.
- Construction costs are based on the current bid prices for the types of improvements listed above.
- Construction costs will be funded by a combination of federal funds and the Primary Road Fund (PRF). Federal funding for Highway 30 expansion may pay for up to 80.0% of the construction costs. However, this will depend on the timing of the project.
- Operations and maintenance will be funded primarily by the PRF and will cost approximately \$1.7 million annually.

Fiscal Impact

The expansion of Highway 30 is estimated to cost \$1.5 billion throughout the course of construction. Federal funding could cover up to 80.0% of the total cost, but this will depend on future budgeting decisions made by the State Transportation Commission. All State funding for construction will be provided by the PRF. Annual maintenance costs for the full 120 miles will be funded by the PRF and are estimated to be approximately \$1.7 million per year.

Source

Department of Transportation

/s/ Jennifer Acton

February 27, 2024

Doc ID 1447343

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

www.legis.iowa.gov



[HF 2594](#) – Organized Retail Theft, Penalties (LSB6329HV)
Staff Contact: Molly Kilker (515.725.1286) molly.kilker@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2594](#) establishes organized retail theft as a new criminal offense and provides definitions and penalties. Under the Bill, a person commits organized retail theft when all of the following occur:

- The person is employed by or associated with a retail theft enterprise.
- The person has previously engaged in a pattern of retail theft and intentionally commits an act or directs another member of the retail theft enterprise to act in a violation of Iowa Code section [713.1](#) (burglary); Iowa Code section [714.1](#)(1), 714.1(3), 714.1(4), or 714.1(6) (theft); Iowa Code section [714.7B](#) (theft detection devices); or Iowa Code section [714.7C](#) (theft of pseudoephedrine).
- The person or another member of the retail theft enterprise sells or intends to sell the stolen retail merchandise, advertises or displays any item of the stolen retail merchandise for sale, or returns any item of the stolen retail merchandise to a retailer for anything of value.

House File 2594 includes the following penalties for crimes of organized retail theft:

- A Class C felony if the value of the property stolen exceeds \$5,000.
- A Class D felony if the value of the property stolen is more than \$1,000 but not more than \$5,000.
- A Class D felony if the value of the property is more than \$500 but not more than \$1,000 and the person has been previously convicted two or more times for a violation of organized retail theft; Iowa Code section 713.1, 714.1(1), 714.1(3), 714.1(4), 714.1(6), 714.7B, or 714.7C; or a statute from another state, the United States, or a foreign jurisdiction, in conformity with any of those sections, and the person received a felony or an aggravated misdemeanor sentence for the offense, and at least two of the prior convictions occurred in the previous 10 years.
- An aggravated misdemeanor if the value of the property stolen is more than \$500 but not more than \$1,000.
- An aggravated misdemeanor if the value of the property is \$500 or less and the person commits the offense within 10 years of a previous conviction of organized retail theft; Iowa Code section 713.1, 714.1(1), 714.1(3), 714.1(4), 714.1(6), 714.7B, or 714.7C; or a statute from another state, the United States, or a foreign jurisdiction, in conformity with any of those sections, and the person received a felony or an aggravated misdemeanor sentence for the offense.
- A serious misdemeanor if the value of the property is \$500 or less.

If a violation of organized retail theft creates a reasonably foreseeable risk of bodily harm to another person, the penalties are enhanced to be one degree higher than the underlying offense.

The Bill takes effect upon enactment.

Background

In FY 2023, there were 203 convictions for burglary under Iowa Code sections 713.3 through 713.6 and 8,466 convictions for theft under the other relevant criminal statutes addressed in the Bill.

A habitual offender (any person who has been convicted of a Class C or Class D felony who has twice before been convicted of any felony in any court in the United States) may be confined for no more than 15 years.

A Class C felony is punishable by confinement for up to 10 years and a fine of at least \$1,370 but no more than \$13,660. A Class D felony is punishable by confinement for up to five years and a fine of at least \$1,025 but no more than \$10,245. An aggravated misdemeanor is punishable by confinement for up to two years and a fine of at least \$855 but no more than \$8,540. A serious misdemeanor is punishable by confinement for up to one year and a fine of at least \$430 but no more than \$2,560.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and other criminal justice system policies and practices.
- A delay of six months is assumed from the effective date of this Bill to the date of first entry of affected offenders into the correctional system.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.

Correctional Impact

House File 2594 creates new criminal offenses, and the correctional impact cannot be estimated due to a lack of existing conviction data. **Figure 1** shows estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS in months under those supervisions; and supervision marginal costs per day for Class C felonies, Class D felonies, aggravated misdemeanors, and serious misdemeanors. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 16, 2024, for information related to the correctional system.

Figure 1 — Sentencing Estimate and Length of Stay (LOS)

Conviction Offense Class	Percent Ordered to State Prison	FY 2023 Avg LOS in Prison (All Releases)	Marginal Cost Per Day Prison	Percent Ordered to Probation	FY23 Field Avg LOS on Probation	Avg Cost Per Day on Probation	Percent Sentenced to CBC Residential Facility	Marginal Cost Per Day CBC	Percent Ordered to County Jail	Marginal Cost Per Day Jail	FY23 Field Avg LOS on Parole	Marginal Cost Per Day Parole
C Felony (Persons)	89.9%	50.3	\$24.94	27.2%	41.3	\$ 7.67	4.3%	\$ 20.00	52.0%	\$ 50.00	22.3	\$ 7.67
C Felony (Non-Persons)	86.0%	19.4	\$24.94	64.2%	42.2	\$ 7.67	13.0%	\$ 20.00	34.0%	\$ 50.00	21.3	\$ 7.67
D Felony (Persons)	82.6%	20.5	\$24.94	53.9%	35.3	\$ 7.67	9.8%	\$ 20.00	36.9%	\$ 50.00	15.6	\$ 7.67
D Felony (Non-Persons)	84.4%	13.0	\$24.94	69.8%	39.5	\$ 7.67	14.5%	\$ 20.00	32.2%	\$ 50.00	15.7	\$ 7.67
Aggravated Misdemeanor (Persons)	47.6%	10.6	\$24.94	67.6%	25.1	\$ 7.67	5.2%	\$ 20.00	55.9%	\$ 50.00	6.7	\$ 7.67
Aggravated Misdemeanor (Non-Persons)	30.4%	7.5	\$24.94	45.0%	25.1	\$ 7.67	3.6%	\$ 20.00	71.7%	\$ 50.00	11.9	\$ 7.67
Serious Misdemeanor	1.7%	6.6	\$24.94	53.0%	19.2	\$ 7.67	1.2%	\$ 20.00	74.2%	\$ 50.00	N/A	\$ 7.67

Minority Impact

House File 2594 creates new criminal offenses. As a result, Criminal and Juvenile Justice Planning (CJJP) of the Department of Management (DOM) cannot use existing data to estimate the minority impact of the Bill. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 16, 2024, for information related to minorities in the criminal justice system.

Fiscal Impact

House File 2594 creates new criminal offenses, and the fiscal impact cannot be estimated due to a lack of existing conviction data. **Figure 2** shows the average State cost per offense for a Class C felony, a Class D felony, an aggravated misdemeanor, and a serious misdemeanor. The estimated impact to the State General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the Department of Corrections (DOC). The cost would be incurred across multiple fiscal years for prison and parole supervision.

Figure 2 — Average State Cost Per Offense

Offense Class	Average Cost
Class C Felony	\$14,300 to \$27,500
Class D Felony	\$12,600 to \$18,200
Aggravated Misdemeanor	\$7,500 to \$10,800
Serious Misdemeanor	\$400 to \$6,900

Sources

Department of Corrections
Criminal and Juvenile Justice Planning, Department of Management
Legislative Services Agency

/s/ Jennifer Acton

February 26, 2024

Doc ID 1447282

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



[HF 2625](#) – Tax, Amusement Devices (LSB1042HZ)

Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov

Fiscal Note Version – New

Description

[House File 2625](#) provides for an exemption of sales tax on the sales price from the operation of amusement devices less prizes paid during the operation of such devices. Under current law, sales tax is imposed on the entirety of sales prices derived from the operation of amusement devices. This Bill imposes a sales tax only on the net revenue from the operation of amusement devices.

Background

The Iowa Department of Inspections, Appeals, and Licensing (DIAL) regulates the registration of all electrical and mechanical amusement devices. Under Iowa Code chapter [99B](#), an electrical or mechanical amusement device that awards a prize where the outcome is not primarily determined by the skill or knowledge of the operator must be registered by the DIAL. An amusement device must meet the following requirements:

- A prize of merchandise may not exceed \$50.
- A cash prize may not be awarded.
- A device may not be designed or adapted to cause or to enable a person to cause the release of free games or portions of games when designated as a potential award for use of the device.
- A device may not be designed or adapted to enable a person to increase the chances of winning free games or portions of games by paying more than is ordinarily required to play the game.
- Awards must only be redeemed on the premises where the device is located and only for merchandise sold in the normal course of business for the premises.

The total number of electrical or mechanical amusement devices registered in the State may not exceed 6,928. For FY 2022, the Department of Inspections and Appeals (now the DIAL) reported in the Legislative Services Agency (LSA) [Fee Project](#) that there were 5,566 devices registered, 14 device manufacturers registered, 43 device distributors registered, and 10 device owners registered.

[481 IAC 104](#) and [481 IAC 105](#) establish additional provisions regulating amusement devices and registered amusement devices.

Assumptions

- The Bill is effective July 1, 2024 (FY 2025).
- Current average annual sales collected from amusement devices are estimated to equal approximately \$82,000 per company.
- An estimated 75.0% of current taxable sales are paid out in prizes. Therefore, net revenue from the operation of amusement devices is estimated to be 25.0% of sales.
- It is estimated that there are approximately 40 vendors that make taxable sales in Iowa.
- Growth trends are based on Consumer Price Index (CPI-U) less food and energy average estimated increases of 2.0% from FY 2023 to FY 2029.

- Secure an Advanced Vision for Education (SAVE) refunds are 1.0% of taxable expenditures. Local Option Sales Tax (LOST) distributions are estimated to be 0.97% of taxable expenditures.

Fiscal Impact

House File 2625 is estimated to reduce annual revenues to the General Fund, the SAVE Fund, and the LOST by the amounts in **Figure 1**.

Figure 1 — Fiscal Impact of HF 2625 (in Millions)

	General Fund	SAVE	LOST
FY 2025	\$ -2.1	\$ -0.4	\$ -0.4
FY 2026	-2.2	-0.4	-0.4
FY 2027	-2.2	-0.4	-0.4
FY 2028	-2.3	-0.5	-0.4
FY 2029	-2.3	-0.5	-0.5

Sources

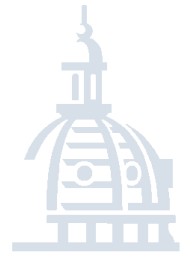
Department of Revenue
Iowa Department of Inspections, Appeals, and Licensing
Legislative Services Agency calculations

/s/ Jennifer Acton

February 27, 2024

Doc ID 1447238

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



[HF 2626](#) – Capital Gains Tax, Exemption for Bullion, Coins, and Currency (LSB1638HZ)
Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov
Fiscal Note Version – New

Description

[House File 2626](#) exempts capital gains and losses that are the result of buying and selling bullion, coins, and currency from the State income tax.

The term “bullion” means bars, ingots, or commemorative medallions of gold, silver, platinum, palladium, or a combination of these where the value of the metal depends on its content and not the form. As defined in Iowa Code section [423.3\(91\)](#), the term “coins” or “currency” means a coin or currency made of gold, silver, or other metal or paper that is or has been used as legal tender.

The change is effective for tax year (TY) 2025 and after.

Background

The federal Internal Revenue Service (IRS) regards the items defined as bullion, coins, and currency in the Bill as “collectibles” and provides federal Form 1040, [Schedule D](#) (part II, line 18), and the associated [28% Rate Gain Worksheet](#) (see page D-12) for the taxation of capital gains and losses that occur through the buying and selling of collectibles.

For purposes of the taxation of capital gains, the IRS considers investments in exchange-traded funds (ETFs) that hold physical gold and other metals for the benefit of the ETF owners and that are organized as trusts to be, for the ETF shareholders, the same as owning the physical metal itself.

Assumptions

- The proposed capital gains income tax exemption applies not only to transactions where the purchaser takes and maintains actual possession of the item, but also applies to situations where the purchaser owns the items as a member of a collection of owners through financial structures such as the SPDR Gold Shares (ticker [GLD](#)).
- The value of an ounce of gold has generally increased over the past 20 years, so over that time period, positive capital gains would have been likely. In March 2003, the price of an ounce of gold was approximately \$335; for March 2013, the price was approximately \$1,590; and for March 2023, the price was approximately \$1,910. This calculates to an average annual increase over the first 10-year period of 16.9% per year and 1.9% per year over the most recent 10-year period.
- Capital gains from buying and selling gold and similar items are reported on IRS Schedule D (Capital Gains and Losses). For TY 2020, the IRS [reports](#) that all federal individual income taxpayers reported net capital gains on Schedule D totaling \$1,121.2 million and that Iowa taxpayers reported a total of \$5,754.9 million (0.5% of the U.S. total).
- Gold and other items are considered collectibles for federal taxation purposes and are reported on Schedule D, part II, line 18. For TY 2020, the IRS [reports](#) that all federal individual income taxpayers reported a total of positive \$5,165.7 million on part II, line 18.

- The percentage of part II, line 18, personal income that is the result of gold and similar items covered by the capital gains exemption proposed in the Bill is not known. For this **Fiscal Note**, the percentage is assumed to be 30.0%. Applying that percentage to the \$5,165.7 million in part II, line 18, income results in \$1,549.7 million in federal capital gains from gold and similar items. Applying the assumed 0.5% Iowa income share to the \$1,549.7 million yields \$8.0 million in capital gains income that is subject to Iowa income tax.
- Iowa's top individual income tax rate is 4.82% for TY 2025 and 3.90% for TY 2026 and after.
- The tax and surtax reductions estimated for a tax year are assumed to result in reduced final income tax payments or increased income tax refunds when the tax return is due (the TY 2025 estimated income tax reduction occurs in FY 2026).
- The income surtax to local governments is estimated at 2.4% of the individual income tax.

Fiscal Impact

The capital gains income tax exemption for the buying and selling of bullion, coins, and currency is projected to decrease State General Fund revenue by the following amounts:

- FY 2026 — \$0.4 million
- FY 2027 and after — \$0.3 million

The Bill is expected to reduce income surtax to local governments by the following amounts:

- FY 2026 — \$9,000
- FY 2027 and after — \$7,000

Sources

Internal Revenue Statistics of Income
 Legislative Services Agency
 SPDR Gold Shares Exchange-Traded Fund

/s/ Jennifer Acton

February 27, 2024

Doc ID 1447240

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