



Iowa General Assembly  
Daily Bills, Amendments & Study Bills  
March 04, 2010

**House Amendment 8338**

PAG LIN

1 1 Amend Senate Joint Resolution 2007, as amended,  
1 2 passed, and reprinted by the Senate, as follows:  
1 3 #1. Page 1, line 3, by striking <in California>  
1 4 #2. Title page, line 12, by striking <in the San  
1 5 Francisco Bay area of California>

COMMITTEE ON VETERANS AFFAIRSZIRKELBACH of Jones, Chairperson  
SJR2007.1660 (3) 83  
jr/rj



Iowa General Assembly  
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House Amendment 8339

PAG LIN

1 1 Amend Senate File 2328, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 2, line 1, by striking <The> and inserting:  
1 4 a. Except as provided in paragraph "b", the  
1 5 #2. Page 2, after line 4 by inserting:  
1 6 <b. From each five dollar processing fee charged  
1 7 by a county treasurer pursuant to section 321.40,  
1 8 subsection 6, the county treasurer shall retain  
1 9 two dollars and fifty cents and shall forward the  
1 10 remaining two dollars and fifty cents to the treasurer  
1 11 of state to be used to reimburse the department  
1 12 of transportation for actual costs incurred by the  
1 13 department to implement provisions relating to the  
1 14 collection of tax debt by the county treasurers  
1 15 as provided in section 321.40, subsection 6. The  
1 16 department shall certify its costs to the treasurer of  
1 17 state for approval and payment. The treasurer of state  
1 18 shall notify the county treasurers and the department  
1 19 when the department's costs have been paid in full.  
1 20 Upon such notification, the county treasurers shall  
1 21 retain processing fees as provided in paragraph "a".>  
1 22 #3. Page 4, after line 10 by inserting:  
1 23 <Sec. \_\_\_\_ . EFFECTIVE DATE. The sections of this  
1 24 Act amending sections 321.40, 321.152, 321.153, 421.17,  
1 25 422.20, and 422.72 take effect January 1, 2011.>  
1 26 #4. Title page, lines 4 and 5, by striking <and  
1 27 providing a fee.> and inserting <providing a fee, and  
1 28 including effective date provisions.>  
1 29 #5. By renumbering as necessary.

COMMITTEE ON LOCAL GOVERNMENTGASKILL of Wapello, Chairperson  
SF2328.1738 (3) 83  
dea/nh



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## House Amendment 8340

PAG LIN

1 1 Amend Senate File 2318, as passed by the Senate, as  
1 2 follows:  
1 3 #1. Page 1, by striking lines 16 through 18 and  
1 4 inserting:  
1 5 <Sec. \_\_\_\_ . NEW SECTION. 97A.10A Purchase of  
1 6 service credit for military service.>  
1 7 #2. By renumbering as necessary.

ZIRKELBACH of Jones  
SF2318.1840 (2) 83  
ec/sc



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## House Amendment 8341

PAG LIN

1 1 Amend Senate File 2265, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 1, line 4, by striking <shall consider and  
1 4 may> and inserting <may consider and>  
1 5 #2. Page 2, line 17, by striking <environmentally  
1 6 sensitive land,>  
1 7 #3. Page 3, by striking lines 1 through 11 and  
1 8 inserting:  
1 9 <a. (1) "Development" means any of the following:  
1 10 (a) Construction, reconstruction, renovation,  
1 11 mining, extraction, dredging, filling, excavation, or  
1 12 drilling activity or operation.  
1 13 (b) Man-made changes in the use or appearance of  
1 14 any structure or in the land itself.  
1 15 (c) The division or subdivision of land.  
1 16 (d) Any change in the intensity of use or the use  
1 17 of land.  
1 18 (2) "Development" does not include any of the  
1 19 following:  
1 20 (a) Activities on or uses of agricultural land,  
1 21 farm houses, or agricultural buildings or structures,  
1 22 unless such buildings or structures are located in the  
1 23 flood plain of a river or stream.  
1 24 (b) Installation, operation, and maintenance of  
1 25 soil and water conservation practices.  
1 26 (c) The choice of crops or a change in the choice  
1 27 of crops on agricultural land.>  
1 28 #4. Page 3, line 17, by striking <shall> and  
1 29 inserting <may>  
1 30 #5. By striking page 5, line 34, through page 6,  
1 31 line 4, and inserting <resources.>  
1 32 #6. Page 7, line 30, by striking <shall> and  
1 33 inserting <may>  
1 34 #7. Page 9, line 3, by striking <shall> and  
1 35 inserting <may>  
1 36 #8. Page 9, line 31, by striking <shall> and  
1 37 inserting <may>  
1 38 #9. Page 11, line 30, by striking <shall> and  
1 39 inserting <may>  
1 40 #10. Page 12, line 35, by striking <twenty-seven>  
1 41 and inserting <twenty-nine>  
1 42 #11. Page 13, line 4, by striking <Thirteen> and  
1 43 inserting <Fourteen>  
1 44 #12. Page 13, after line 32 by inserting:  
1 45 <(14) The chairperson of the utilities board within  
1 46 the utilities division of the department of commerce or  
1 47 the chairperson's designee.>  
1 48 #13. Page 14, after line 13 by inserting:  
1 49 <Oj. President of the Iowa association of school  
1 50 boards or the president's designee.>



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House Amendment 8341 continued

2 1 #14. Page 14, line 16, by striking <latest  
2 2 preceding> and inserting <2000>  
2 3 #15. Page 14, line 19, by striking <latest  
2 4 preceding> and inserting <2000>  
2 5 #16. Page 14, line 23, by striking <latest  
2 6 preceding> and inserting <2000>  
2 7 #17. Page 14, line 26, by striking <latest  
2 8 preceding> and inserting <2000>  
2 9 #18. Page 14, line 29, by striking <latest  
2 10 preceding> and inserting <2000>  
2 11 #19. Page 14, line 33, by striking <latest  
2 12 preceding> and inserting <2000>  
2 13 #20. Page 15, line 13, after <governor.> by  
2 14 inserting <For the members of the task force designated  
2 15 in subsection 2, paragraphs "j" through "l", one member  
2 16 shall have experience in real estate, one member shall  
2 17 have experience in land development, and one member  
2 18 shall have experience in residential construction. For  
2 19 the members of the task force designated in subsection  
2 20 2, paragraphs "m" through "o", one member shall have  
2 21 experience in real estate, one member shall have  
2 22 experience in land development, and one member shall  
2 23 have experience in residential construction.>  
2 24 #21. Page 16, line 22, after <conduct> by inserting  
2 25 <local and regional>  
2 26 #22. Page 16, by striking lines 25 through 30 and  
2 27 inserting:  
2 28 <f. Develop a set of recommendations that is  
2 29 consistent with>  
2 30 #23. Page 17, after line 20 by inserting:  
2 31 <12. The task force is dissolved on December 31,  
2 32 2012.>  
2 33 #24. By renumbering, redesignating, and correcting  
2 34 internal references as necessary.

COMMITTEE ON LOCAL GOVERNMENT GASKILL of Wapello, Chairperson  
SF2265.1879 (2) 83  
md/sc



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House Amendment 8342

PAG LIN

1 1 Amend the amendment, H=8328, to the Senate  
1 2 amendment, H=8251, to House File 2456, as amended,  
1 3 passed, and reprinted by the House, as follows:  
1 4 #1. By striking page 1, line 4, through page 2, line  
1 5 30, and inserting:  
1 6 <\_\_\_. Page 1, by striking lines 3 through 10 and  
1 7 inserting:  
1 8 <\_\_\_. By striking everything after the enacting  
1 9 clause and inserting:  
1 10 <Section 1. Section 321.178, subsection 2,  
1 11 paragraph a, Code 2009, is amended to read as follows:  
1 12 a. (1) A person between sixteen and eighteen  
1 13 years of age who has completed an approved driver's  
1 14 education course and is not in attendance at school  
1 15 and has not met the requirements described in section  
1 16 299.2, subsection 1, may be issued a restricted license  
1 17 only for travel to and from work or to transport  
1 18 dependents to and from temporary care facilities,  
1 19 if necessary for the person to maintain the person's  
1 20 present employment. The restricted license shall be  
1 21 issued by the department only upon confirmation of the  
1 22 person's employment and need for a restricted license  
1 23 to travel to and from work or to transport dependents  
1 24 to and from temporary care facilities if necessary to  
1 25 maintain the person's employment. The employer shall  
1 26 notify the department if the employment of the person  
1 27 is terminated before the person attains the age of  
1 28 eighteen.  
1 29 (2) A person issued a restricted license under  
1 30 this section shall not use an electronic communication  
1 31 device or an electronic entertainment device while  
1 32 driving a motor vehicle unless the motor vehicle is  
1 33 at a complete stop off the traveled portion of the  
1 34 roadway. This subparagraph does not apply to the use  
1 35 of electronic equipment which is permanently installed  
1 36 in the motor vehicle or to a portable device which is  
1 37 operated through permanently installed equipment.  
1 38 Sec. 2. Section 321.180B, Code Supplement 2009, is  
1 39 amended by adding the following new subsection:  
1 40 NEW SUBSECTION. 6A. A person issued an instruction  
1 41 permit or intermediate driver's license under this  
1 42 section shall not use an electronic communication  
1 43 device or an electronic entertainment device while  
1 44 driving a motor vehicle unless the motor vehicle is  
1 45 at a complete stop off the traveled portion of the  
1 46 roadway. This subsection does not apply to the use of  
1 47 electronic equipment which is permanently installed  
1 48 in the motor vehicle or to a portable device which is  
1 49 operated through permanently installed equipment.  
1 50 Sec. 3. Section 321.194, subsection 1, Code



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House Amendment 8342 continued

2 1 Supplement 2009, is amended by adding the following new  
2 2 paragraph:  
2 3 NEW PARAGRAPH. c. A person issued a driver's  
2 4 license under this section shall not use an electronic  
2 5 communication device or an electronic entertainment  
2 6 device while driving a motor vehicle unless the motor  
2 7 vehicle is at a complete stop off the traveled portion  
2 8 of the roadway. This paragraph does not apply to  
2 9 the use of electronic equipment which is permanently  
2 10 installed in the motor vehicle or to a portable  
2 11 device which is operated through permanently installed  
2 12 equipment.  
2 13 Sec. 4. NEW SECTION. 321.238 Use of electronic  
2 14 devices while driving == preemption of local  
2 15 legislation.  
2 16 The provisions of sections 321.178, 321.180B, and  
2 17 321.194 restricting the use of electronic communication  
2 18 devices and electronic entertainment devices by certain  
2 19 motor vehicle operators shall be implemented uniformly  
2 20 throughout the state. Such provisions shall preempt  
2 21 any county or municipal ordinance regarding the use  
2 22 of an electronic communication device or electronic  
2 23 entertainment device by a motor vehicle operator. In  
2 24 addition, a county or municipality shall not adopt  
2 25 or continue in effect an ordinance regarding the use  
2 26 of an electronic communication device or electronic  
2 27 entertainment device by a motor vehicle operator.>  
2 28 \_\_\_\_\_. Title page, lines 2 and 3, by striking  
2 29 <driving, including prohibiting a person from writing  
2 30 or sending a text message while>  
2 31 \_\_\_\_\_. Title page, line 4, by striking <providing  
2 32 penalties> and inserting <making penalties applicable>  
2 33 \_\_\_\_\_. By renumbering as necessary.>

R. OLSON of Polk

RAECKER of Polk

WILLEMS of Linn

ZIRKELBACH of Jones

FORD of Polk



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KEARNS of Lee

BERRY of Black Hawk

STRUYK of Pottawattamie

RANTS of Woodbury

COWNIE of Polk

SORENSEN of Warren

PETTENGILL of Benton

SWEENEY of Hardin  
HF2456.1875 (4) 83  
dea/nh



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**House Amendment 8343**

PAG LIN

1 1 Amend Senate File 2235, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 1, line 27, by striking <a one=year period>  
1 4 and inserting <any twelve=month period>  
1 5 #2. Page 2, after line 26 by inserting:  
1 6 <c. The cost of system safety checks and delivery  
1 7 fees or charges required to be paid by a customer  
1 8 pursuant to this subsection shall be remitted by the  
1 9 customer to a deliverable fuel vendor in the form of a  
1 10 prepaid cash payment.>

ANDERSON of Page  
SF2235.1892 (2) 83  
rn/nh



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**House Amendment 8344**

PAG LIN

1 1 Amend Senate File 2215, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 1, line 23, after <analysis,> by inserting  
1 4 <a biopsy, autopsy, or clinical specimen obtained  
1 5 solely for the purpose of conducting an immediate  
1 6 clinical or diagnostic test to detect an existing  
1 7 disease, illness, impairment, or disorder,>

COMMITTEE ON STATE GOVERNMENT  
MASCHER of Johnson, Chairperson  
SF2215.1843 (4) 83  
av/nh



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## House Amendment 8345

PAG LIN

- 1 1 Amend Senate File 2217, as passed by the Senate, as  
1 2 follows:  
1 3 #1. Page 1, line 13, by striking <a.>  
1 4 #2. Page 1, line 16, by striking <credit card,>  
1 5 #3. Page 1, line 20, by striking <section> and  
1 6 inserting <subsection which shall ensure compliance  
1 7 with applicable federal law and>  
1 8 #4. Page 1, by striking lines 27 through 30.  
1 9 #5. By renumbering as necessary.

COMMITTEE ON STATE GOVERNMENT  
MASCHER of Johnson, Chairperson  
SF2217.1878 (3) 83  
ec/nh



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House Amendment 8346

PAG LIN

1 1 Amend House File 2481 as follows:  
1 2 #1. Page 22, after line 1 by inserting:  
1 3 <Sec. \_\_\_\_\_. Section 462A.14, subsection 1, paragraph  
1 4 b, Code 2009, is amended to read as follows:  
1 5 b. While having an alcohol concentration of  
1 6 ~~.10~~ .08 or more.>  
1 7 #2. By renumbering as necessary.

MAY of Dickinson

D. OLSON of Boone  
HF2481.1894 (2) 83  
av/sc



Iowa General Assembly  
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## House Amendment 8347

PAG LIN

1 1 Amend Senate File 2354, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 3, line 22, by striking <publicly traded>  
1 4 #2. Page 4, line 1, by striking <one hundred> and  
1 5 inserting <~~one hundred~~ seven hundred fifty>  
1 6 #3. Page 4, by striking lines 17 through 21 and  
1 7 inserting <statement.>  
1 8 #4. Page 4, line 32, after <certification> by  
1 9 inserting <by an officer of the corporation>  
1 10 #5. Page 5, line 7, after <retained> by inserting  
1 11 <within the prior six months>  
1 12 #6. Page 7, line 31, after <officers,> by inserting  
1 13 <professional employees,>  
1 14 #7. Page 8, by striking lines 27 and 28 and  
1 15 inserting <a newspaper that is published for the  
1 16 primary purpose of evading the requirements of this  
1 17 section or section 68A.404, and "owner" means a person  
1 18 having an ownership>  
1 19 #8. Page 9, by striking lines 4 through 8.  
1 20 #9. By renumbering as necessary.

COMMITTEE ON STATE GOVERNMENT MASCHER of Johnson, Chairperson  
SF2354.1883 (3) 83  
jr/sc



Iowa General Assembly  
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House Amendment 8348

PAG LIN

1 1 Amend Senate File 2354, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 5, after line 14 by inserting:  
1 4 <Sec. \_\_\_\_\_. NEW SECTION. 68A.404A Corporate  
1 5 expenditures == limitations == penalty.  
1 6 1. A corporation shall not be eligible to receive  
1 7 a tax benefit or program incentive offered by the  
1 8 state or any of its political subdivisions that is not  
1 9 available to every other corporation if the corporation  
1 10 has made an independent campaign expenditure within a  
1 11 period of the previous five years, if such expenditure  
1 12 was prohibited by state law in effect on January 1,  
1 13 2010.  
1 14 2. A corporation that is receiving a tax benefit  
1 15 or program incentive offered by the state or any of  
1 16 its political subdivisions that is not available to  
1 17 every other corporation shall be disqualified from  
1 18 receiving any tax benefit or program incentive for  
1 19 five years if the corporation makes an independent  
1 20 campaign expenditure described in subsection 1. If  
1 21 the corporation is currently receiving such a benefit  
1 22 or incentive, the benefit or incentive shall terminate  
1 23 effective the date of the campaign expenditure.  
1 24 3. The board shall post to an internet site, on  
1 25 a quarterly basis, a list of all corporations making  
1 26 independent expenditures and shall provide the list to  
1 27 the secretary of state. The secretary of state shall  
1 28 provide the list to all state and local government  
1 29 bodies for which candidate elections are held.  
1 30 4. A corporation violating the provisions of  
1 31 section 68A.404 or this section shall be fined by  
1 32 the board in an amount equal to the amount of the  
1 33 independent expenditure or equal to the amount of  
1 34 any tax benefit or program incentive realized by the  
1 35 corporation during the previous five years, whichever  
1 36 is higher.>  
1 37 #2. By renumbering as necessary.

ISENHART of Dubuque  
SF2354.1768 (3) 83  
jr/rj



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House Amendment 8349

PAG LIN

1 1 Amend Senate File 2354, as amended, passed, and  
1 2 reprinted by the Senate, as follows:  
1 3 #1. Page 9, after line 3 by inserting:  
1 4 <Sec. \_\_\_\_\_. NEW SECTION. 68A.702 Fee imposed ==  
1 5 board funding.  
1 6 1. a. A fee is imposed on all contributions  
1 7 received from a single source, if the aggregate amount  
1 8 received from that source, in any calendar year,  
1 9 exceeds two hundred fifty dollars, made to a political  
1 10 committee or candidate or candidate's committee.  
1 11 b. A fee is imposed on the entire amount of any  
1 12 independent expenditure made by a candidate or other  
1 13 committee or corporation.  
1 14 2. Fees are due and payable upon filing of a  
1 15 disclosure statement on or after July 1, 2010, by  
1 16 a political committee or candidate's committee and  
1 17 upon disclosure of an independent expenditure by a  
1 18 candidate, candidate's committee, political committee,  
1 19 or a corporation.  
1 20 3. The board shall establish the amount of the fees  
1 21 by rule, with the approval of the administrative rules  
1 22 review committee, in an amount sufficient to fund fifty  
1 23 percent of the board's operating cost.  
1 24 4. Funds raised by the fees imposed under this  
1 25 section shall be retained by the board to pay the  
1 26 expenses associated with the enforcement of this  
1 27 chapter. Any funds remaining at the end of the fiscal  
1 28 year shall revert to the general fund of the state.>  
1 29 #2. By renumbering as necessary.

ISENHART of Dubuque  
SF2354.1834 (2) 83  
jr/sc



Iowa General Assembly  
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**House File 2513 - Introduced**

HOUSE FILE  
BY T. OLSON

**A BILL FOR**

1 An Act relating to the administration of the special  
2 appraiser's fund and the assessment expense fund.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 6048YH (1) 83  
md/sc



Iowa General Assembly  
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House File 2513 - Introduced continued

PAG LIN

1 1 Section 1. Section 421.30, subsection 6, Code 2009, is  
1 2 amended to read as follows:  
1 3 6. Upon the director's approval of the advancement of funds  
1 4 from the reassessment expense fund, the director shall certify  
1 5 to the appropriate conference board and assessor a schedule  
1 6 for disbursing the loan to the assessing jurisdiction's  
1 7 ~~appraiser~~ assessment expense fund authorized by section  
1 8 ~~441.50~~ 441.16. The schedule shall provide for the disbursement  
1 9 of funds over the period of the reassessment project, except  
1 10 that ten percent of the funds shall not be disbursed until the  
1 11 project is completed. The conference board shall at its next  
1 12 opportunity levy pursuant to section ~~441.50~~ 441.16 sufficient  
1 13 funds for purposes of repaying the loan made from the  
1 14 reassessment expense fund. The amount levied shall be  
1 15 sufficient to repay the loan in semiannual installments  
1 16 during the course of the reappraisal project as specified by a  
1 17 repayment schedule established by the director. The repayment  
1 18 schedule shall provide for repayment of the loan not later  
1 19 than one year following the completion of the reassessment.  
1 20 Semiannual repayments of the proceeds of the loan shall be made  
1 21 on or before December 1 and May 1 of each year.  
1 22 Sec. 2. Section 441.16, Code 2009, is amended to read as  
1 23 follows:  
1 24 441.16 Budget.  
1 25 1. All expenditures under this chapter shall be paid as  
1 26 ~~hereinafter~~ provided in this section.  
1 27 2. a. Not later than January 1 of each year the assessor,  
1 28 the examining board, and the board of review, shall each  
1 29 prepare a proposed budget of all expenses for the ensuing  
1 30 fiscal year. The assessor shall include in the proposed budget  
1 31 the probable expenses for defending assessment appeals. Said  
1 32 budgets shall be combined by the assessor and copies ~~thereof~~ of  
1 33 the budgets forthwith filed by the assessor in triplicate with  
1 34 the chairperson of the conference board.  
1 35 b. Such combined budgets shall contain an itemized list



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House File 2513 - Introduced continued

2 1 of the proposed salaries of the assessor and each deputy, the  
2 2 amount required for field personnel and other personnel, their  
2 3 number and their compensation; the estimated amount needed for  
2 4 expenses, printing, mileage, and other expenses necessary to  
2 5 operate the assessor's office, the estimated expenses of the  
2 6 examining board, and the salaries and expenses of the local  
2 7 board of review.

2 8 3. a. Each fiscal year the chairperson of the conference  
2 9 board shall, by written notice, call a meeting of the  
2 10 conference board to consider the proposed budget and to comply  
2 11 with section 24.9.

2 12 b. At such meeting the conference board shall authorize:

2 13 ~~1.~~ (1) The number of deputies, field personnel, and other  
2 14 personnel of the assessor's office.

2 15 ~~2.~~ (2) The salaries and compensation of members of the  
2 16 board of review, the assessor, chief deputy, other deputies,  
2 17 field personnel, and other personnel, and determine the time  
2 18 and manner of payment.

2 19 ~~3.~~ (3) The miscellaneous expenses of the assessor's office,  
2 20 the board of review, and the examining board, including office  
2 21 equipment, records, supplies, and other required items.

2 22 ~~4.~~ (4) The estimated expense of assessment appeals. All  
2 23 such expense items shall be included in the budget adopted for  
2 24 the ensuing year.

2 25 4. All tax levies and expenditures provided for herein shall  
2 26 be subject to the provisions of chapter 24 and the conference  
2 27 board is hereby declared to be the certifying board.

2 28 5. a. Any tax for the maintenance of the office of assessor  
2 29 and other assessment procedure shall be levied only upon the  
2 30 property in the area assessed by ~~said the~~ the assessor, and such  
2 31 tax levy shall not exceed ~~forty and one-half~~ eighty-one cents  
2 32 per thousand dollars of assessed value in assessing areas where  
2 33 the valuation upon which the tax is levied does not exceed  
2 34 ninety-two million, six hundred thousand dollars; ~~thirty-three~~  
~~and three-fourths~~ seventy-four and one-fourth cents per



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House File 2513 - Introduced continued

3 1 thousand dollars of assessed value in assessing areas where  
3 2 the valuation upon which the tax is levied exceeds ninety-two  
3 3 million, six hundred thousand dollars and does not exceed  
3 4 one hundred eleven million, one hundred twenty thousand  
3 5 dollars; ~~twenty-seven~~ sixty-seven and one-half cents per  
3 6 thousand dollars of assessed value in assessing areas where  
3 7 the valuation upon which the tax is levied exceeds one hundred  
3 8 eleven million, one hundred twenty thousand dollars. The  
3 9 county treasurer shall credit the sums received from such levy  
3 10 to a separate fund to be known as the "~~assessment expense~~  
~~3 11 fund~~" assessment expense fund and from which fund all expenses  
3 12 incurred under this chapter shall be paid. In the case of  
3 13 a county where there is more than one assessor the treasurer  
3 14 shall maintain separate assessment expense funds for each  
3 15 assessor.

3 16 b. The county auditor shall keep a complete record of said  
3 17 funds and shall issue warrants thereon only on requisition of  
3 18 the assessor.

3 19 6. The assessor shall not issue requisitions so as to  
3 20 increase the total expenditures budgeted for the operation of  
3 21 the assessor's office. However, for purposes of promoting  
3 22 operational efficiency, the assessor shall have authority to  
3 23 transfer funds budgeted for specific items for the operation of  
3 24 the assessor's office from one unexpended balance to another;  
3 25 such transfer shall not be made so as to increase the total  
3 26 amount budgeted for the operation of the office of assessor,  
3 27 and no funds shall be used to increase the salary of the  
3 28 assessor or the salaries of permanent deputy assessors. The  
3 29 assessor shall issue requisitions for the examining board  
3 30 and for the board of review on order of the chairperson of  
3 31 each board and for costs and expenses incident to assessment  
3 32 appeals, only on order of the city legal department, in the  
3 33 case of cities and of the county attorney in the case of  
3 34 counties.

3 35 7. Unexpended funds remaining in the assessment expense



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House File 2513 - Introduced continued

4 1 fund at the end of a year shall be carried forward into the next  
4 2 year.

4 3 Sec. 3. Section 441.50, Code 2009, is amended to read as  
4 4 follows:

4 5 441.50 Appraisers employed.

4 6 The conference board shall have power to employ appraisers  
4 7 or other technical or expert help to assist in the valuation  
4 8 of property, the cost thereof to be paid in the same manner as  
4 9 other expenses of the assessor's office. ~~The conference board  
4 10 may certify for levy annually an amount not to exceed forty  
4 11 and one-half cents per thousand dollars of assessed value of  
4 12 taxable property for the purpose of establishing a special  
4 13 appraiser's fund, to be used only for such purposes. From  
4 14 time to time the conference board may direct the transfer of  
4 15 any unexpended balance in the special appraiser's fund to the  
4 16 assessment expense fund.~~

4 17 Sec. 4. TRANSFER OF FUNDS. On or within ten days following  
4 18 the effective date of this Act, the conference board of each  
4 19 county and city established pursuant to section 441.2 shall  
4 20 transfer all moneys remaining in the county's or city's special  
4 21 appraiser's fund, as applicable, to that county's or city's  
4 22 assessment expense fund.

4 23 EXPLANATION

4 24 This bill combines the special appraiser's fund, under Code  
4 25 section 441.50, with the assessment expense fund, under Code  
4 26 section 441.16, in the office of local assessor and increases  
4 27 the levy rate limits for the assessment expense fund to include  
4 28 the 40 and 1/2 cents per \$1,000 of assessed value that may  
4 29 currently be levied for the special appraiser's fund.

4 30 The bill also requires remaining moneys in the special  
4 31 appraiser's fund to be transferred to the assessment expense  
4 32 fund.

LSB 6048YH (1) 83  
md/sc



Iowa General Assembly  
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**House File 2514 - Introduced**

HOUSE FILE  
BY T. OLSON

**A BILL FOR**

1 An Act relating to appeals of certain property tax assessments  
2 and including applicability provisions.  
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 6049YH (1) 83  
md/sc



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House File 2514 - Introduced continued

PAG LIN

1 1 Section 1. Section 441.37A, subsection 1, paragraph a, Code  
1 2 2009, is amended to read as follows:

1 3 a. For the assessment year beginning January 1, 2007, and  
1 4 all subsequent assessment years, appeals may be taken from the  
1 5 action of the board of review with reference to protests of  
1 6 assessment, valuation, or application of an equalization order  
1 7 to the property assessment appeal board created in section  
1 8 421.1A. However, a property owner or aggrieved taxpayer or an  
1 9 appellant described in section 441.42 may bypass the property  
1 10 assessment appeal board and appeal the decision of the local  
1 11 board of review to the district court pursuant to section  
1 12 441.38 if the appeal relates to one or more parcels of property  
1 13 each having an assessed valuation of less than one million  
1 14 dollars, as determined by the assessor.

1 15 Sec. 2. Section 441.38, subsection 1, Code 2009, is amended  
1 16 to read as follows:

1 17 1. Appeals may be taken from the action of the local board  
1 18 of review with reference to protests of assessment, to the  
1 19 district court of the county in which the board holds its  
1 20 sessions within twenty days after its adjournment or May 31,  
1 21 whichever date is later. However, an appeal may only be taken  
1 22 from the action of the local board of review directly to the  
1 23 district court if the appeal relates to one or more parcels of  
1 24 property each having an assessed valuation of less than one  
1 25 million dollars, as determined by the assessor. Appeals may be  
1 26 taken from the action of the property assessment appeal board  
1 27 to the district court of the county where the property which  
1 28 is the subject of the appeal is located within twenty days  
1 29 after the letter of disposition of the appeal by the property  
1 30 assessment appeal board is postmarked to the appellant. No  
1 31 new grounds in addition to those set out in the protest to  
1 32 the local board of review as provided in section 441.37, or  
1 33 in addition to those set out in the appeal to the property  
1 34 assessment appeal board, if applicable, can be pleaded.  
1 35 Additional evidence to sustain those grounds may be introduced



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House File 2514 - Introduced continued

2 1 in an appeal from the local board of review to the district  
2 2 court. However, no new evidence to sustain those grounds may  
2 3 be introduced in an appeal from the property assessment appeal  
2 4 board to the district court. The assessor shall have the  
2 5 same right to appeal and in the same manner as an individual  
2 6 taxpayer, public body, or other public officer as provided in  
2 7 section 441.42. Appeals shall be taken by filing a written  
2 8 notice of appeal with the clerk of district court. Filing  
2 9 of the written notice of appeal shall preserve all rights of  
2 10 appeal of the appellant.

2 11 Sec. 3. APPLICABILITY. This Act applies to assessment years  
2 12 beginning on or after January 1, 2011.

2 13 EXPLANATION

2 14 Current Code section 441.37A allows property owners and  
2 15 aggrieved taxpayers to bypass the property assessment appeal  
2 16 board and appeal a decision of the local board of review  
2 17 directly to the district court. This bill allows such persons  
2 18 to bypass the property assessment appeal board only if the  
2 19 appeal relates to one or more parcels of property each having  
2 20 an assessed valuation of less than \$1 million, as determined by  
2 21 the assessor.

2 22 The bill applies to assessment years beginning on or after  
2 23 January 1, 2011.

LSB 6049YH (1) 83

md/sc



Iowa General Assembly  
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**House File 2515 - Introduced**

HOUSE FILE  
BY T. OLSON

**A BILL FOR**

1 An Act authorizing modification of certain ordinances relating  
2 to the division of revenue from taxation in certain  
3 disaster-affected urban renewal areas and including  
4 effective date provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 6050YH (1) 83  
md/sc



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House File 2515 - Introduced continued

PAG LIN

1 1 Section 1. Section 403.19, subsection 1, Code 2009, is  
1 2 amended by adding the following new paragraph:  
1 3 NEW PARAGRAPH. d. (1) Notwithstanding paragraphs "a"  
1 4 and "b", a municipality may amend an ordinance providing  
1 5 for a division of revenue under this section to identify the  
1 6 assessment roll as of January 1, 2009, as the assessment roll  
1 7 used to determine the portion of taxes under this subsection  
1 8 if the applicable urban renewal area contains property or real  
1 9 estate that was destroyed or damaged by a natural disaster  
1 10 during the period of time beginning May 1, 2008, and ending  
1 11 August 1, 2008, and the urban renewal area is located in an  
1 12 area that the governor proclaimed a disaster emergency or the  
1 13 president of the United States declared a major disaster as the  
1 14 result of the natural disaster.

1 15 (2) An amendment to an ordinance under subparagraph (1)  
1 16 shall not relieve, impair, or otherwise alter the obligations  
1 17 of a municipality relating to loans, moneys advanced, bonds  
1 18 issued, or contracts made in connection with the urban renewal  
1 19 area or any urban renewal project within the urban renewal  
1 20 area. An amendment to an ordinance under subparagraph (1)  
1 21 shall not affect any applicable duration limitation imposed on  
1 22 a division of revenue under this chapter.

1 23 Sec. 2. EFFECTIVE UPON ENACTMENT AND APPLICABILITY. This  
1 24 Act, being deemed of immediate importance, takes effect upon  
1 25 enactment and applies to property taxes due and payable in  
1 26 fiscal years beginning on or after the effective date of this  
1 27 Act.

1 28 EXPLANATION

1 29 This bill authorizes a municipality to amend an ordinance  
1 30 that provides for a division of revenue, under Code section  
1 31 403.19, to identify the assessment roll as of January 1, 2009,  
1 32 as the assessment roll used to determine the amount of assessed  
1 33 valuation in the base year if the applicable urban renewal area  
1 34 contains property or real estate that was destroyed or damaged  
1 35 by a natural disaster during the period of time beginning May



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House File 2515 - Introduced continued

2 1 1, 2008, and ending August 1, 2008, and the urban renewal area  
2 2 is located in an area that the governor proclaimed a disaster  
2 3 emergency or the president of the United States declared a  
2 4 major disaster as the result of the natural disaster.  
2 5 An amendment to an ordinance adopted under the bill does  
2 6 not relieve, impair, or otherwise alter the obligations of a  
2 7 municipality relating to loans, moneys advanced, bonds issued,  
2 8 or contracts made in connection with the applicable urban  
2 9 renewal area or any urban renewal project within the applicable  
2 10 urban renewal area. An amendment to an ordinance adopted  
2 11 under the bill also does not affect any applicable duration  
2 12 limitation imposed on a division of revenue under Code chapter  
2 13 403.  
2 14 The bill takes effect upon enactment and applies to property  
2 15 taxes due and payable in fiscal years beginning on or after the  
2 16 effective date of the bill.

LSB 6050YH (1) 83  
md/sc



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## Senate Amendment 5185

PAG LIN

1 1 Amend House File 2229, as passed by the House, as  
1 2 follows:  
1 3 #1. Page 1, by striking lines 10 through 14 and  
1 4 inserting <network to a dental plan that sets fees for  
1 5 dental services that are not covered services.>  
1 6 #2. Page 1, after line 21 by inserting:  
1 7 <4. Nothing in this section shall be construed as  
1 8 limiting the ability of an insurer or a third-party  
1 9 administrator to restrict balance billing, waiting  
1 10 periods, frequency limitations, and deductibles.>

COMMITTEE ON COMMERCESTEVE WARNSTADT, CHAIRPERSON  
HF2229.1886 (4) 83  
av/rj



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## Senate Amendment 5186

PAG LIN

1 1 Amend Senate File 2367 as follows:  
1 2 #1. Page 2, after line 15 by inserting:  
1 3 <3A. For the fiscal year beginning July 1,  
1 4 2010, and ending June 30, 2011, the department of  
1 5 administrative services shall not sell and lease back  
1 6 real property under the control of the department,  
1 7 notwithstanding any provision of law to the contrary.>  
1 8 #2. By renumbering as necessary.

JERRY BEHN  
SF2367.1868 (2) 83  
ec/tm



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## Senate Amendment 5187

PAG LIN

- 1 1 Amend House File 2437, as amended, passed, and
- 1 2 reprinted by the House, as follows:
- 1 3 #1. Page 2, by striking lines 15 through 20.
- 1 4 #2. By renumbering as necessary.

ROBERT M. HOGG  
HF2437.1891 (2) 83  
tm/rj



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## Senate Amendment 5188

PAG LIN

1 1 Amend House File 2478, as passed by the House, as  
1 2 follows:  
1 3 #1. Page 3, by striking lines 16 and 17 and  
1 4 inserting <registered agent and need not be responsive  
1 5 to subsection 1,>  
1 6 #2. Page 3, line 30, by striking <an agency> and  
1 7 inserting <the agent's agency>  
1 8 #3. Page 3, line 35, by striking <registered or>  
1 9 #4. Page 4, line 26, after <perfected> by inserting  
1 10 <under this subsection>  
1 11 #5. Page 7, line 1, by striking <delivered.> and  
1 12 inserting <delivered.>  
1 13 #6. Page 8, line 12, before <489.209> by inserting  
1 14 <section>  
1 15 #7. By renumbering as necessary.

ROBERT M. HOGG  
HF2478.1689 (4) 83  
da/nh



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## Senate Amendment 5189

PAG LIN

1 1 Amend Senate File 2371 as follows:  
1 2 #1. Page 1, line 17, by striking <two hundred> and  
1 3 inserting <one hundred twenty=seven>

WILLIAM DOTZLER  
SF2371.1899 (2) 83  
av/sc



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**Senate File 2371 - Introduced**

SENATE FILE  
BY COMMITTEE ON WAYS AND  
MEANS

(SUCCESSOR TO SF 2336)  
(SUCCESSOR TO SSB  
3169)

**A BILL FOR**

1 An Act relating to royalty fees for removal of sand and gravel  
2 from state-owned lands and waters located on the Cedar river  
3 in certain counties and including effective date provisions.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 5696SZ (1) 83  
av/sc



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Senate File 2371 - Introduced continued

PAG LIN

1 1 Section 1. Section 461A.53, Code 2009, is amended to read  
1 2 as follows:  
1 3 461A.53 Permits.  
1 4 1. The commission may enter into agreements for the removal  
1 5 of ice, sand, gravel, stone, wood, or other natural material  
1 6 from lands or waters under the jurisdiction of the commission  
1 7 if, after investigation, it is determined that such removal  
1 8 will not be detrimental to the state's interest.

1 9 2. The commission may specify the terms and consideration  
1 10 under which such removal is permitted and issue written permits  
1 11 for such removal.

1 12 3. Notwithstanding subsection 2, the commission shall issue  
1 13 written permits with a royalty fee of ten cents per ton for the  
1 14 removal of sand and gravel for the purposes of flood control  
1 15 from state-owned lands and waters under the jurisdiction of  
1 16 the commission located on the Cedar river in a county with a  
1 17 population of more than two hundred thousand. This subsection  
1 18 is repealed on June 30, 2015.

1 19 Sec. 2. EFFECTIVE UPON ENACTMENT. This Act, being deemed of  
1 20 immediate importance, takes effect upon enactment.

1 21 EXPLANATION

1 22 This bill requires the natural resource commission to issue  
1 23 written permits with a royalty fee of 10 cents per ton for the  
1 24 removal of sand and gravel for the purposes of flood control  
1 25 from state-owned lands and waters under the commission's  
1 26 jurisdiction located on the Cedar river in a county with a  
1 27 population of more than 200,000. This provision is repealed  
1 28 on June 30, 2015. The royalty fee for dredging in other areas  
1 29 remains at 25 cents per ton.

LSB 5696SZ (1) 83

av/sc



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**Senate File 2372 - Introduced**

SENATE FILE  
BY COMMITTEE ON WAYS AND  
MEANS

(SUCCESSOR TO SSB  
3237)

**A BILL FOR**

1 An Act relating to enhanced 911 emergency telephone systems  
2 and information required for inclusion in an enhanced 911  
3 service plan.  
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 6240SV (1) 83  
rn/sc



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Senate File 2372 - Introduced continued

PAG LIN

1 1 Section 1. Section 34A.2, subsection 7, paragraph e,  
1 2 subparagraph (1), subparagraph division (b), Code 2009, is  
1 3 amended to read as follows:  
1 4 (b) Recurring costs, including, but not limited to, network  
1 5 access fees and other telephone charges, software, equipment,  
1 6 and database management, and maintenance, including the  
1 7 purchase or lease of subscriber names, addresses, a reverse  
1 8 mass notification system, and telephone information from the  
1 9 local exchange service provider. Recurring costs shall not  
1 10 include personnel costs for a public safety answering point.

1 11 Sec. 2. Section 34A.2, Code 2009, is amended by adding the  
1 12 following new subsection:

1 13 NEW SUBSECTION. 13A. "Reverse mass notification" means  
1 14 the use of computer technology to deliver recorded emergency  
1 15 messages to large numbers of people in a specified geographic  
1 16 area in a short period of time.

1 17 EXPLANATION

1 18 This bill relates to enhanced 911 emergency telephone  
1 19 systems.

1 20 The bill modifies information which is required to be  
1 21 included in an enhanced 911 service plan for providing enhanced  
1 22 911 emergency communications in a specified enhanced 911  
1 23 service area. Currently, one of these requirements includes an  
1 24 estimate of recurring costs. The bill adds costs for a reverse  
1 25 mass notification system for inclusion as a recurring cost.

1 26 The bill defines a reverse mass notification to mean  
1 27 utilizing computerized technology to deliver recorded emergency  
1 28 messages to large numbers of people in a specified geographic  
1 29 area in a short period of time.

LSB 6240SV (1) 83

rn/sc



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**Senate File 2373 - Introduced**

SENATE FILE  
BY COMMITTEE ON WAYS AND  
MEANS

(SUCCESSOR TO SSB  
3226)

**A BILL FOR**

1 An Act relating to the administration of the replacement tax  
2 for new cogeneration facilities, and including effective  
3 date and retroactive applicability provisions.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 6167SV (1) 83

rn/rj



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Senate File 2373 - Introduced continued

PAG LIN

1 1 Section 1. Section 437A.3, subsection 1, Code Supplement  
1 2 2009, is amended by adding the following new unnumbered  
1 3 paragraph:

1 4 NEW UNNUMBERED PARAGRAPH For new cogeneration facilities,  
1 5 the assessed value shall be determined as provided in section  
1 6 437A.16A.

1 7 Sec. 2. Section 437A.3, subsection 4, Code Supplement 2009,  
1 8 is amended to read as follows:

1 9 4. a. "Cogeneration facility" means a facility with a  
1 10 capacity of two hundred megawatts or less that uses the same  
1 11 energy source for the sequential generation of electrical or  
1 12 mechanical power in combination with steam, heat, or other  
1 13 forms of useful energy and, except for ownership, meets the  
1 14 criteria to be a qualifying cogeneration facility as defined in  
1 15 the federal Public Utility Regulatory Policies Act of 1978, 16  
1 16 U.S.C. { 2601 et seq., and related federal regulations.

1 17 b. "New cogeneration facility" means any of the following:

1 18 (1) A cogeneration facility, regardless of capacity, which  
1 19 is first placed into service on or after January 1, 2009, that  
1 20 uses the same energy source for the sequential generation of  
1 21 electrical or mechanical power in combination with steam, heat,  
1 22 or other forms of useful energy and meets the criteria to be  
1 23 a qualifying cogeneration facility as defined in the federal  
1 24 Public Utility Regulatory Policies Act of 1978, 16 U.S.C { 2601  
1 25 et seq., and related federal regulations.

1 26 (2) A cogeneration facility in service prior to January 1,  
1 27 2009, that became subject to the replacement generation tax  
1 28 under section 437A.6 for the first time on or after January 1,  
1 29 2009.

1 30 Sec. 3. Section 437A.3, subsection 11, paragraph b,  
1 31 subparagraphs (1) and (2), Code Supplement 2009, are amended  
1 32 to read as follows:

1 33 (1) An electric power generating plant that is owned  
1 34 by or leased to an electric company, electric cooperative,  
1 35 ~~or~~ municipal utility, or any other taxpayer, and that initially



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Senate File 2373 - Introduced continued

2 1 generates electricity subject to replacement generation tax  
2 2 under section 437A.6 on or after January 1, 2003.  
2 3 (2) An electric power generating plant that is owned  
2 4 by or leased to an electric company, electric cooperative,  
2 5 ~~or~~ municipal utility, or any other taxpayer, that initially  
2 6 generated electricity subject to replacement generation tax  
2 7 under section 437A.6 before January 1, 2003, and that is sold,  
2 8 leased, or transferred, in full or in part, on or after January  
2 9 1, 2003. If any portion of an electric power generating plant  
2 10 is sold, the entire plant shall be treated as if it were a new  
2 11 electric power generating plant.  
2 12 Sec. 4. Section 437A.5, subsection 1, paragraph c,  
2 13 unnumbered paragraph 3, Code 2009, is amended to read as  
2 14 follows:  
2 15 If the new electric power generating plant is part of a  
2 16 cogeneration facility or new cogeneration facility, the natural  
2 17 gas delivery rate for that plant shall be the lesser of the  
2 18 natural gas delivery rate established in this paragraph "c" or  
2 19 the rate per therm of natural gas as in effect at the time of  
2 20 the initial natural gas deliveries to the plant for the natural  
2 21 gas competitive service area where the new electric power  
2 22 generating plant is located.  
2 23 Sec. 5. Section 437A.8, subsection 4, paragraph d, Code  
2 24 2009, is amended by adding the following new unnumbered  
2 25 paragraph:  
2 26 NEW UNNUMBERED PARAGRAPH If a taxpayer has paid an amount  
2 27 of replacement tax, penalty, or interest which was deposited  
2 28 into the property tax relief fund and which was not due, all  
2 29 of the provisions of section 437A.14, subsection 1, paragraph  
2 30 "b", shall apply with regard to any claim for refund or credit  
2 31 filed by the taxpayer. The director shall have sole discretion  
2 32 as to whether the erroneous payment will be refunded to the  
2 33 taxpayer or credited against any replacement tax due, or to  
2 34 become due, from the taxpayer that would be subject to deposit  
2 35 in the property tax relief fund.



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Senate File 2373 - Introduced continued

3 1 Sec. 6. Section 437A.15, subsection 7, paragraph b, Code  
3 2 Supplement 2009, is amended to read as follows:  
3 3 b. The task force shall study the effects of the replacement  
3 4 tax on local taxing authorities, local taxing districts,  
3 5 consumers, and taxpayers through January 1, ~~2010~~ 2013. If the  
3 6 task force recommends modifications to the replacement tax that  
3 7 will further the purposes of tax neutrality for local taxing  
3 8 authorities, local taxing districts, taxpayers, and consumers,  
3 9 consistent with the stated purposes of this chapter, the  
3 10 department of management shall transmit those recommendations  
3 11 to the general assembly.

3 12 Sec. 7. NEW SECTION. 437A.16A New cogeneration facilities.  
3 13 1. a. Except as otherwise provided by this chapter, the  
3 14 property of a new cogeneration facility subject to replacement  
3 15 tax that is primarily and directly used in the production,  
3 16 generation, transmission, or delivery of electricity shall be  
3 17 exempt from taxation by means of applying a credit, as computed  
3 18 in this section, representing the value of this exempt property  
3 19 against the assessed value of the entire new cogeneration  
3 20 facility as determined by the local assessor under the  
3 21 provisions of chapters 427, 427A, 427B, 428, 441, and any other  
3 22 applicable abatement and exemption provisions under this Code.

3 23 b. Following the March 31 due date for the replacement  
3 24 tax return as required by section 437A.8, the director shall  
3 25 annually determine the assessed value of the new cogeneration  
3 26 facility exempt property by dividing the prior year's  
3 27 replacement tax liability attributable to that facility by  
3 28 the current fiscal year's consolidated taxing district rate  
3 29 for the taxing district where the facility is located, then  
3 30 multiplying the quotient by one thousand. The director shall  
3 31 certify this value to the local assessor on or before April 10  
3 32 of the current calendar year. The assessor shall apply this  
3 33 certified value as a credit against the total assessed value of  
3 34 the facility. The allowable credit shall not exceed the total  
3 35 value of the new cogeneration facility as determined by the



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Senate File 2373 - Introduced continued

4 1 local assessor for the assessment year and any excess credits  
4 2 shall not be applied to any other assessment year.  
4 3 c. A credit shall not be applied to a new cogeneration  
4 4 facility for the first year the facility becomes subject to the  
4 5 replacement tax if it first became subject to the replacement  
4 6 tax after January 1 of that year. For the first year in which  
4 7 the new cogeneration facility is subject to the replacement  
4 8 tax as of January 1 of that year, the taxpayer shall estimate  
4 9 the total replacement taxes due for that year and report that  
4 10 estimate to the director by March 31, and the director shall  
4 11 base the determination of assessed value from that estimate.  
4 12 If the estimate varies by more than five percent from the  
4 13 actual replacement tax liability for the year in which the  
4 14 facility was first subject to the replacement tax as of January  
4 15 1, the director shall adjust the next year's assessed value  
4 16 calculation by increasing or decreasing the current replacement  
4 17 tax calculation to reflect the difference between the estimate  
4 18 and the actual replacement tax owed for the year in which the  
4 19 facility was first subject to replacement tax as of January 1.  
4 20 2. The director shall classify each new cogeneration  
4 21 facility as a separate taxpayer for reporting purposes and  
4 22 shall allocate the entire replacement tax attributable to the  
4 23 new cogeneration facility to the local taxing district or  
4 24 districts where that facility is located. The assessed value  
4 25 of the exempt property of the new cogeneration facility shall  
4 26 be the basis for determining the statewide property tax imposed  
4 27 by section 437A.18.  
4 28 3. Any cogeneration facility placed in service prior to  
4 29 January 1, 2009, that did not qualify as a self-generator under  
4 30 subsection 437A.3, subsection 27, as of January 1, 2009, shall  
4 31 be subject exclusively to the replacement tax.  
4 32 Sec. 8. Section 437A.18, Code 2009, is amended to read as  
4 33 follows:  
4 34 437A.18 Tax imposition.  
4 35 An annual statewide property tax of three cents per one



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Senate File 2373 - Introduced continued

5 1 thousand dollars of assessed value is imposed upon all property  
5 2 described in ~~section~~ sections 437A.16 and 437A.16A on the  
5 3 assessment date of January 1.  
5 4 Sec. 9. Section 437A.19, subsection 1, paragraph a, Code  
5 5 Supplement 2009, is amended by adding the following new  
5 6 subparagraph:  
5 7 NEW SUBPARAGRAPH. (8) Any gas or transmission property  
5 8 at acquisition cost of more than one million dollars that was  
5 9 transferred or disposed of in the preceding calendar year by  
5 10 local taxing district.  
5 11 Sec. 10. Section 437A.19, subsection 2, paragraph e, Code  
5 12 Supplement 2009, is amended to read as follows:  
5 13 e. In addition to reporting the assessed values as described  
5 14 in this subsection, the director, on or before October 31 of  
5 15 each assessment year, shall also report to the department  
5 16 of management and to the auditor of each county the taxable  
5 17 value of taxpayer property as of January 1 of such assessment  
5 18 year for each local taxing district. For purposes of this  
5 19 chapter, "taxable value" means the value for all property  
5 20 subject to the replacement tax annually determined by the  
5 21 director, by dividing the estimated annual replacement tax  
5 22 liability for that property by the ~~prior~~ current fiscal year's  
5 23 consolidated taxing district rate for the taxing district  
5 24 where that property is located, then multiplying the quotient  
5 25 by one thousand. A taxpayer who paid more than five hundred  
5 26 thousand dollars in replacement tax in the previous tax year  
5 27 or who believes ~~their~~ the taxpayer's replacement tax liability  
5 28 will vary more than ten percent from the previous tax year  
5 29 shall report to the director by October 1 of the current  
5 30 calendar year, on forms prescribed by the director, the  
5 31 estimated replacement tax liability that will be attributable  
5 32 to all of the taxpayer's property subject to replacement  
5 33 tax for the current tax year. The department shall utilize  
5 34 the estimated replacement tax liability as reported by the  
5 35 taxpayer or the taxpayer's prior year's replacement tax



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6 1 amounts to estimate the current tax year's taxable value for  
6 2 that property. Furthermore, a taxpayer who has a new major  
6 3 addition of operating property which is put into service for  
6 4 the first time in the current calendar year shall report to  
6 5 the director by October 1 of the current calendar year, or at  
6 6 the time the major addition is put into service, whichever  
6 7 time is later, on forms prescribed by the director, the cost  
6 8 of the major addition and, if not previously reported, shall  
6 9 report the estimated replacement taxes which that asset will  
6 10 generate in the current calendar year. For the purposes of  
6 11 computing the taxable value of property in a taxing district,  
6 12 the taxing district's share of the estimated replacement tax  
6 13 liability shall be the taxing district's percentage share of  
6 14 the "assessed value allocated by property tax equivalent"  
6 15 multiplied by the total estimated replacement tax. "Assessed  
6 16 value allocated by property tax equivalent" shall be determined  
6 17 by dividing the taxpayer's current year assessed valuation in a  
6 18 taxing district by one thousand, and then multiplying by the  
6 19 prior year's consolidated tax rate.

6 20 Sec. 11. EFFECTIVE DATE AND RETROACTIVE APPLICABILITY.  
6 21 This Act, being deemed of immediate importance, takes effect  
6 22 upon enactment and applies retroactively to January 1, 2010,  
6 23 for tax years beginning on or after that date.

6 24 EXPLANATION

6 25 This bill modifies provisions relating to the imposition of  
6 26 a replacement tax on electricity and natural gas providers.  
6 27 Code chapter 437A imposes a replacement tax on electric  
6 28 companies, natural gas companies, electric cooperatives, and  
6 29 municipal utilities in lieu of property taxes which would  
6 30 otherwise be payable, which operates to remove tax costs  
6 31 as a factor in a competitive environment by imposing like  
6 32 generation, transmission, and delivery taxes on similarly  
6 33 situated competitors who generate, transmit, or deliver  
6 34 electricity or natural gas in the same competitive service  
6 35 area.



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Senate File 2373 - Introduced continued

7 1 The Code chapter currently defines a cogeneration facility  
7 2 to mean a facility with a capacity of 200 megawatts or less  
7 3 that uses the same energy source for the sequential generation  
7 4 of electrical or mechanical power in combination with  
7 5 steam, heat, or other forms of useful energy and, except for  
7 6 ownership, meets specified federal criteria. The bill adds a  
7 7 definition of new cogeneration facility which conforms to this  
7 8 existing definition, but without limitation as to generation  
7 9 capacity, and is applicable to a facility which is first placed  
7 10 into service on or after January 1, 2009, or to a facility in  
7 11 service prior to January 1, 2009, which first became subject to  
7 12 the replacement generation tax on or after January 1, 2009.  
7 13 The bill provides a means for allocating the assessed value  
7 14 of a new cogeneration facility between property of the facility  
7 15 that is subject to local assessment and the property of the  
7 16 facility that is subject to the replacement tax, and to exempt  
7 17 from property tax the value of the property subject to the  
7 18 replacement tax by applying a credit representing the value of  
7 19 such exempt property against the total value of the facility.  
7 20 The bill modifies provisions relating to determination of the  
7 21 natural gas delivery rate applicable to new electric power  
7 22 generating plants to include a new cogeneration facility, and  
7 23 amends Code section 437A.18 to apply the statewide property tax  
7 24 to property of a new cogeneration facility.  
7 25 Additionally, the bill adds to the definition of an electric  
7 26 power generating plant that such a plant may be owned by or  
7 27 leased to "any other taxpayer", in addition to an electric  
7 28 company, electric cooperative, or municipal utility. The  
7 29 bill provides a mechanism for refunding or crediting excess  
7 30 replacement taxes, penalties, and interest paid into the  
7 31 property tax relief fund established in Code section 426B.1  
7 32 by a new electric power generating plant, applying existing  
7 33 provisions regarding claims for refunds and credits contained  
7 34 in Code section 437A.14 and stating that the director of  
7 35 revenue shall have sole discretion regarding whether a refund



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Senate File 2373 - Introduced continued

8 1 will be paid versus a credit granted.  
8 2     The bill extends the time period during which the utility  
8 3 replacement tax task force is in existence for an additional  
8 4 three years, with the committee continuing to study the effects  
8 5 of the replacement tax on local taxing authorities, local  
8 6 taxing districts, consumers, and taxpayers through January 1,  
8 7 2013. The bill requires taxpayers to report to the director  
8 8 any gas or transmission property that had been acquired at a  
8 9 cost of more than \$1 million and disposed of in the preceding  
8 10 calendar year. The bill also provides, with reference to  
8 11 determining and reporting the taxable value of property subject  
8 12 to the replacement tax, that calculations will utilize the  
8 13 current fiscal year's consolidated taxing district rate for the  
8 14 taxing district where the property is located, rather than the  
8 15 prior fiscal year's rate under current law.  
8 16     The bill takes effect upon enactment and applies  
8 17 retroactively to tax years beginning on or after January 1,  
8 18 2010.

LSB 6167SV (1) 83

rn/rj



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**Senate Study Bill 3246**

SENATE FILE

BY (PROPOSED COMMITTEE ON  
APPROPRIATIONS BILL BY  
CHAIRPERSON DVORSKY)

**A BILL FOR**

1 An Act relating to the state expenditure limitations and  
2 related state budget requirements, making transfers and  
3 revising appropriations, and including applicability  
4 provisions.

5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:  
TLSB 6203XC (1) 83  
jp/mg



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PAG LIN

1 1 Section 1. Section 8.22A, Code 2009, is amended to read as  
1 2 follows:

1 3 8.22A Revenue estimating conference.

1 4 1. The state revenue estimating conference is created  
1 5 consisting of the governor or the governor's designee, the  
1 6 director of the legislative services agency or the director's  
1 7 designee, and a third member agreed to by the other two.

1 8 2. The conference shall meet as often as deemed necessary,  
1 9 but shall meet at least quarterly. The conference may use  
1 10 sources of information deemed appropriate. At each meeting,  
1 11 the conference shall agree to estimates for both the current  
1 12 and succeeding fiscal years for the general fund of the state,  
1 13 lottery revenues to be available for disbursement, and from  
1 14 gambling revenues and from interest earned on the cash reserve  
1 15 fund and the economic emergency fund to be deposited in the  
1 16 rebuild Iowa infrastructure fund.

1 17 3. By For purposes of the state general fund expenditure  
1 18 limitation and other expenditure limitations under section  
1 19 8.54, by December 15 of each fiscal year the conference  
1 20 shall agree to a revenue estimate revenue estimates for the  
1 21 amounts of moneys subject to an expenditure limitation under  
1 22 section 8.54 for the fiscal year beginning the following July

1 23 1. ~~That~~ The estimate amounts shall be used by the governor  
1 24 in the preparation of the budget message under section 8.22  
1 25 and by the general assembly in the budget process. If the  
1 26 conference agrees to a different estimate at a later meeting  
1 27 which projects a greater amount of revenue than the initial  
1 28 estimate amount agreed to by December 15, the governor and the  
1 29 general assembly shall continue to use the initial estimate  
1 30 amount in the budget process for that fiscal year. However,  
1 31 if the conference agrees to a different estimate at a later  
1 32 meeting which projects a lesser amount of revenue than the  
1 33 initial estimate amount, the governor and the general assembly  
1 34 shall use the lesser amount in the budget process for that  
1 35 fiscal year. As used in this subsection, "later meeting"



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2 1 means only those later meetings which are held prior to the  
2 2 conclusion of the regular session of the general assembly and,  
2 3 if the general assembly holds an extraordinary session prior  
2 4 to the commencement of the fiscal year to which the estimate  
2 5 applies, those later meetings which are held before or during  
2 6 the extraordinary session.

2 7 4. At the meeting in which the conference agrees to the  
2 8 revenue estimate for the general fund of the state for the  
2 9 following fiscal year in accordance with the provisions of  
2 10 subsection 3, the conference shall agree to an estimate for tax  
2 11 refunds payable from that estimated revenue. The estimates  
2 12 required by this subsection shall be used in determining the  
2 13 adjusted revenue estimate under section 8.54.

2 14 5. At the meeting in which the conference agrees to the  
2 15 revenue estimate for the general fund of the state for the  
2 16 succeeding fiscal year in accordance with the provisions of  
2 17 subsection 3, the conference shall also agree to the following  
2 18 estimates which shall be used by the governor in preparation of  
2 19 the budget message under section 8.22 and the general assembly  
2 20 in the budget process for the succeeding fiscal year:

2 21 a. The amount of lottery revenues that will be deposited in  
2 22 the general fund for the following fiscal year ~~to be available~~  
2 23 ~~for disbursement~~ following the deductions made pursuant to  
2 24 section 99G.39, subsection 1. This estimate shall be included  
2 25 in the conference's estimate of general fund revenues and shall  
2 26 be calculated as the sum of the following, divided by seven,  
2 27 as agreed to by the conference:

2 28 (1) The conference's estimate of the amount of lottery  
2 29 revenues to be deposited in the general fund for the succeeding  
2 30 fiscal year.

2 31 (2) The conference's estimate of the amount of lottery  
2 32 revenues to be deposited in the general fund for the current  
2 33 fiscal year.

2 34 (3) The actual amount of the lottery revenues deposited in  
2 35 the general fund for the five most recently completed fiscal



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3 1 years, adjusted for inflation through the close of the most  
3 2 recently completed fiscal year.

3 3 b. The amount of revenue for the following fiscal year from  
3 4 gambling revenues and from interest earned on the cash reserve  
3 5 fund and the economic emergency fund to be deposited in the  
3 6 rebuild Iowa infrastructure fund under section 8.57, subsection  
3 7 6, paragraph "e".

3 8 c. The amount of accruals of those revenues collected by or  
3 9 due from entities other than the state on or before June 30 of  
3 10 the fiscal year but not remitted to the state until after June  
3 11 30.

3 12 d. The amount of accrued lottery revenues collected on or  
3 13 before June 30 of the fiscal year but not transferred to the  
3 14 general fund of the state until after June 30.

3 15 6. At the meeting in which the conference agrees to the  
3 16 revenue estimates for the succeeding fiscal year in accordance  
3 17 with subsection 3, the conference shall agree to the amount  
3 18 available in the cash reserve fund as of the close of the  
3 19 previous fiscal year that may be appropriated for nonrecurring  
3 20 emergency expenditures as provided in section 8.56, subsection  
3 21 4.

3 22 Sec. 2. Section 8.31, subsection 5, Code 2009, is amended  
3 23 to read as follows:

3 24 5. If the governor determines that the estimated budget  
3 25 resources during the fiscal year are insufficient to pay all  
3 26 appropriations in full, the reductions shall be uniform and  
3 27 prorated between all departments, agencies, and establishments  
3 28 upon the basis of their respective appropriations. However,  
3 29 this subsection is not applicable to the standing  
3 30 appropriations made for state aid to schools in chapter 257.  
3 31 The appropriations made in chapter 257 for a fiscal year shall  
3 32 only be subject to reduction by enactment of an amendment to  
3 33 the allowable growth amount established for that fiscal year in  
3 34 section 257.8 or by other enactment revising the amount of an  
3 35 appropriation made in chapter 257.



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4 1 Sec. 3. Section 8.54, Code 2009, is amended to read as  
4 2 follows:

4 3 8.54 General fund expenditure limitation and other  
4 4 expenditure limitations.

4 5 1. For the purposes of section 8.22A, this section, and  
4 6 sections 8.55 through 8.57:

4 7 a. "Adjusted revenue estimate" means the appropriate revenue  
4 8 estimate for the general fund for the following fiscal year as  
4 9 determined by the revenue estimating conference under section  
4 10 8.22A, subsection 3, adjusted by subtracting estimated tax  
4 11 refunds payable from that estimated revenue, adding accruals  
4 12 determined in accordance with section 8.22A, subsection 5, and  
4 13 as determined by the conference, adding any new revenues which  
4 14 may be considered to be eligible for deposit in the general  
4 15 fund.

4 16 b. "Inflation" means the percentage change in the consumer  
4 17 price index for all urban consumers, midwest region, published  
4 18 by the United States department of labor, bureau of labor  
4 19 statistics.

4 20 c. "New revenues" means moneys which are received by the  
4 21 general fund of the state due to increased tax rates and fees  
4 22 or newly created taxes and fees over and above those moneys  
4 23 which are received due to state taxes and fees which are in  
4 24 effect as of January 1 following the December state revenue  
4 25 estimating conference. "New revenues" also includes moneys  
4 26 received by the general fund of the state due to new transfers  
4 27 over and above those moneys received by the general fund of  
4 28 the state due to transfers which are in effect as of January  
4 29 1 following the December state revenue estimating conference.  
4 30 The department of management shall obtain concurrence from the  
4 31 revenue estimating conference on the eligibility of transfers  
4 32 to the general fund of the state which are to be considered as  
4 33 new revenue in determining the state general fund expenditure  
4 34 limitation.

4 35 2. a. There is created a state general fund expenditure



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5 1 limitation for each fiscal year calculated as provided in this  
5 2 section.

5 3 b. There is created a gambling revenue expenditure  
5 4 limitation calculated as provided in this section. The  
5 5 limitation applies to revenues received by the state that are  
5 6 attributable to gambling and available for appropriation but  
5 7 are not credited to the general fund of state. The gambling  
5 8 revenue expenditure limitation does not include lottery  
5 9 revenue.

5 10 c. An expenditure limitation shall be used for the portion  
5 11 of the budget process commencing on the date the revenue  
5 12 estimating conference agrees to a revenue estimate for the  
5 13 following fiscal year in accordance with section 8.22A,  
5 14 subsection 3, and ending with the governor's final approval  
5 15 or disapproval of the appropriations bills applicable to that  
5 16 fiscal year that were passed prior to July 1 of that fiscal  
5 17 year in a regular or extraordinary legislative session.

5 18 3. Except as otherwise provided in this section, the state  
5 19 general fund expenditure limitation for a fiscal year shall be  
5 20 ninety-nine percent of the adjusted revenue estimate. of the  
5 21 general fund average, as agreed to by the revenue estimating  
5 22 conference. The general fund average for a fiscal year is the  
5 23 sum of the following, divided by seven:

5 24 a. The adjusted revenue estimate for the succeeding fiscal  
5 25 year.

5 26 b. The revenue estimate for the current fiscal year,  
5 27 adjusted by subtracting estimated tax refunds payable from that  
5 28 estimated revenue and as determined by the conference, adding  
5 29 any new revenues which may be considered to be eligible for  
5 30 deposit in the general fund.

5 31 c. The net revenue for the general fund of the state for  
5 32 the five most recently completed fiscal years, adjusted by  
5 33 subtracting tax refunds paid from the revenue and adjusted for  
5 34 inflation through the close of the most recently completed  
5 35 fiscal year.



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6 1 4. The gambling revenue expenditure limitation for a fiscal  
6 2 year shall be the sum of the following, divided by seven, as  
6 3 agreed to by the revenue estimating conference:  
6 4 a. The gambling revenues estimate for the succeeding fiscal  
6 5 year.  
6 6 b. The gambling revenues estimate for the current fiscal  
6 7 year.  
6 8 c. The net gambling revenues for the five most recently  
6 9 completed fiscal years, adjusted for inflation through the  
6 10 close of the most recently completed fiscal year.  
6 11 4. 5. The state general fund expenditure limitation amount  
6 12 and the gambling revenue expenditure limitation amount provided  
6 13 for in this section shall be used by the governor in the  
6 14 preparation of the budget under section 8.22 and approval of  
6 15 the budget and by the general assembly in the budget process.  
6 16 If a source for new revenues is proposed, the budget revenue  
6 17 projection used for that new revenue source for the period  
6 18 beginning on the effective date of the new revenue source and  
6 19 ending in the fiscal year in which the source is included in  
6 20 the revenue base shall be an amount determined by subtracting  
6 21 estimated tax refunds payable from the projected revenue from  
6 22 that new revenue source, multiplied by ninety=five percent. If  
6 23 a new revenue source is established and implemented that would  
6 24 affect an expenditure limitation amount, the original state  
~~6 25 general fund expenditure limitation amount provided for in~~  
6 26 subsection 3 shall be readjusted to include ninety=five percent  
6 27 of the estimated revenue from the new revenue source.  
~~6 28 5. For fiscal years in which section 8.55, subsection 2,~~  
~~6 29 results in moneys being transferred to the general fund, the~~  
~~6 30 original state general fund expenditure limitation amount~~  
~~6 31 provided for in subsection 3 shall be readjusted to include the~~  
~~6 32 moneys which are so transferred.~~  
6 33 6. The scope of the expenditure limitation limitations  
6 34 under ~~subsection 3~~ this section shall not encompass federal  
6 35 funds, donations, constitutionally dedicated moneys, moneys



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7 1 appropriated from the cash reserve fund, Iowa economic  
7 2 emergency fund, or nonrecurring expenditure fund, and moneys in  
7 3 expenditures from state retirement system moneys.  
7 4 7. The governor shall transmit to the general assembly, in  
7 5 accordance with section 8.21, a budget which does not exceed  
7 6 the ~~state general fund expenditure limitation~~ expenditure  
7 7 limitations under this section. The general assembly  
7 8 shall pass a budget which does not exceed the ~~state general~~  
~~7 9 fund expenditure limitation expenditure limitations.~~ The  
7 10 governor shall not transmit a budget with recommended  
7 11 appropriations in excess of the ~~state general fund expenditure~~  
~~7 12 limitation expenditure limitations~~ and the general assembly  
7 13 shall not pass a budget with appropriations in excess of  
7 14 the ~~state general fund expenditure limitation~~ expenditure  
7 15 limitations. The governor shall not approve or disapprove  
7 16 appropriation bills or items of appropriation bills passed  
7 17 by the general assembly in a manner that would cause the  
7 18 final budget approved by the governor to exceed the ~~state~~  
~~7 19 general fund expenditure limitation expenditure limitations.~~  
7 20 In complying with the requirements of this subsection, the  
7 21 governor and the general assembly shall not rely on any  
7 22 anticipated reversion of appropriations in order to meet ~~the~~  
~~7 23 state general fund any expenditure limitation.~~  
7 24 Sec. 4. Section 8.55, subsection 2, paragraph a, Code 2009,  
7 25 is amended to read as follows:  
7 26 a. The maximum balance of the fund is the amount equal  
7 27 to two and one-half percent of the adjusted revenue estimate  
7 28 for the fiscal year. If the amount of moneys in the Iowa  
7 29 economic emergency fund is equal to the maximum balance, moneys  
7 30 in excess of this amount shall be transferred to the ~~general~~  
~~7 31 fund nonrecurring expenditures fund.~~  
7 32 Sec. 5. Section 8.56, subsections 2 and 3, Code 2009, are  
7 33 amended to read as follows:  
7 34 2.a. Moneys shall be credited to the cash reserve fund  
7 35 from all of the following:



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8 1 (1) Appropriations made to the fund pursuant to section  
8 2 8.57.

8 3 (2) The state's share of the proceeds under chapter 809A.

8 4 (3) Moneys collected in the settlement or prosecution  
8 5 of a claim by the state that are not otherwise specifically  
8 6 allocated in accordance with law to another fund.

8 7 (4) Other moneys designated by law or by the executive  
8 8 council as one-time revenues and which are not otherwise  
8 9 specifically allocated by law to another fund.

8 10 b. The maximum balance of the cash reserve fund is the  
8 11 amount equal to the cash reserve goal percentage, as defined in  
8 12 section 8.57, multiplied by the adjusted revenue estimate for  
8 13 the general fund of the state for the current fiscal year.

8 14 3. The moneys in the cash reserve fund shall only be used  
8 15 pursuant to an appropriation made by the general assembly.

8 16 ~~An~~ Except as provided in subsection 5, an appropriation shall  
8 17 be made in accordance with subsection 4 from the cash reserve  
8 18 fund only for the fiscal year in which the appropriation is  
8 19 made. The moneys shall only be appropriated by the general  
8 20 assembly for nonrecurring emergency expenditures and shall  
8 21 not be appropriated for payment of any collective bargaining  
8 22 agreement or arbitrator's decision negotiated or awarded under  
8 23 chapter 20. Except as provided in section 8.58, the cash  
8 24 reserve fund shall be considered a special account for the  
8 25 purposes of section 8.53 in determining the cash position  
8 26 of the general fund of the state for the payment of state  
8 27 obligations.

8 28 Sec. 6. Section 8.56, Code 2009, is amended by adding the  
8 29 following new subsection:

8 30 NEW SUBSECTION. 5. If the adjusted revenue estimate  
8 31 for the succeeding fiscal year is less than ninety-eight  
8 32 percent of the general fund average for that fiscal year under  
8 33 section 8.54, subsection 3, an appropriation for nonrecurring  
8 34 emergency expenditures from the cash reserve fund may be made  
8 35 to provide additional funding for the succeeding fiscal year.



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9 1 However, the amount of such appropriation shall not exceed  
9 2 the difference of ninety=eight percent of such general fund  
9 3 average minus the adjusted revenue estimate for the succeeding  
9 4 fiscal year. The amount of such appropriation shall not exceed  
9 5 twenty=five percent of the ending balance in the cash reserve  
9 6 fund in the most recently completed fiscal year.

9 7 Sec. 7. NEW SECTION. 8.57E Nonrecurring expenditure fund.

9 8 1. A nonrecurring expenditure fund is created under the  
9 9 authority of the department of management. The fund shall  
9 10 consist of appropriations made to the fund and transfers of  
9 11 interest, earnings, and moneys from other funds as provided by  
9 12 the law. The fund shall be separate from the general fund of  
9 13 the state and the balance in the fund shall not be considered  
9 14 part of the balance of the general fund of the state. However,  
9 15 the fund shall be considered a special account for the purposes  
9 16 of section 8.53, relating to generally accepted accounting  
9 17 principles.

9 18 2. Notwithstanding section 12C.7, subsection 2, interest or  
9 19 earnings on moneys in the fund shall be credited to the fund.

9 20 3. For the purposes of this section, unless the context  
9 21 otherwise requires:

9 22 a. "Vertical infrastructure" includes only land acquisition  
9 23 and construction, major renovation, and major repair of  
9 24 buildings or facilities, all appurtenant structures, utilities,  
9 25 and site development. "Vertical infrastructure" does not  
9 26 include routine, recurring maintenance, debt service, or  
9 27 operational expenses or leasing of a building, appurtenant  
9 28 structure, or utility without a lease=purchase agreement.

9 29 b. "State debt" includes any payment for principal,  
9 30 interest, a sinking fund, purchase price, a redemption premium,  
9 31 or an interest rate exchange on bonds issued and sold by the  
9 32 state.

9 33 4. Moneys in the nonrecurring expenditure fund shall  
9 34 only be appropriated for vertical infrastructure, payment of  
9 35 state debt, tax rebates, maintenance or construction of roads



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10 1 and highways, including bridges, and grants or cost share to  
10 2 establish soil and water conservation practices. Moneys in  
10 3 the fund shall not be appropriated for the costs of any state  
10 4 employee full-time equivalent position, as defined in section  
10 5 8.36A, or related costs.

10 6 Sec. 8. Section 8.58, Code 2009, is amended to read as  
10 7 follows:

10 8 8.58 Exemption from automatic application.

~~10 9 1. To the extent that moneys appropriated under section~~  
~~10 10 8.57 do not result in moneys being credited to the general fund~~  
~~10 11 under section 8.55, subsection 2, moneys~~ Moneys appropriated  
10 12 under section 8.57 and moneys contained in the cash reserve  
10 13 fund, rebuild Iowa infrastructure fund, environment first fund,  
10 14 nonrecurring expenditure fund, and Iowa economic emergency fund  
10 15 shall not be considered in the application of any formula,  
10 16 index, or other statutory triggering mechanism which would  
10 17 affect appropriations, payments, or taxation rates, contrary  
10 18 provisions of the Code notwithstanding.

~~10 19 2. To the extent that moneys appropriated under section~~  
~~10 20 8.57 do not result in moneys being credited to the general fund~~  
~~10 21 under section 8.55, subsection 2, moneys~~ Moneys appropriated  
10 22 under section 8.57 and moneys contained in the cash reserve  
10 23 fund, rebuild Iowa infrastructure fund, environment first fund,  
10 24 nonrecurring expenditure fund, and Iowa economic emergency fund  
10 25 shall not be considered by an arbitrator or in negotiations  
10 26 under chapter 20.

10 27 Sec. 9. Section 809A.17, subsection 3, Code 2009, is amended  
10 28 to read as follows:

10 29 3. The state share of the cash proceeds from forfeited  
~~10 30 property shall be credited to the cash reserve fund. Forfeited~~  
10 31 property that is not cash or sold may be used by the department  
10 32 of justice in the enforcement of the criminal law. The  
10 33 department may give, sell, or trade forfeited property that is  
10 34 not cash or sold to any other state agency or to any other law  
10 35 enforcement agency within the state if, in the opinion of the



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11 1 attorney general, ~~it~~ the forfeited property will enhance law  
11 2 enforcement within the state.

11 3 Sec. 10. APPLICABILITY. This Act applies beginning July 1,  
11 4 2010, for the budget process for the succeeding fiscal year.

11 5 EXPLANATION

11 6 This bill relates to the state general fund expenditure  
11 7 limitation and related state budget requirements.

11 8 Code section 8.22A, relating to the state revenue estimating  
11 9 conference, is amended to require the conference to provide  
11 10 estimates for the current and succeeding fiscal year at each  
11 11 meeting. The conference's estimate of the lottery revenues  
11 12 credited to the general fund for purposes of the estimate used  
11 13 in developing the state general fund expenditure limitation is  
11 14 revised to require the use of an adjusted seven year average.  
11 15 New duties are added to conform with other provisions in the  
11 16 bill.

11 17 The portion of Code section 8.31, relating to the authority  
11 18 of the governor to order uniform reductions in appropriation  
11 19 allocations in the event budget resources are estimated to  
11 20 be insufficient, is amended to exempt from that authority  
11 21 the standing appropriations made for state aid to schools  
11 22 under Code chapter 257. The bill provides that the school aid  
11 23 appropriations are only subject to reduction by enactment of  
11 24 an amendment to the allowable growth amount established for  
11 25 that fiscal year in Code section 257.8 or by other enactment  
11 26 revising the amount of a standing appropriation in Code chapter  
11 27 257.

11 28 Code section 8.54, relating to the state general fund  
11 29 expenditure limitation, is amended in several ways. The  
11 30 list of adjustments in the term "adjusted revenue estimate"  
11 31 augmented to include revenue accruals identified by the revenue  
11 32 estimating conference. The term "inflation" is defined to  
11 33 mean the percentage change in the consumer price index for  
11 34 all urban consumers, midwest region, published by the United  
11 35 States department of labor, bureau of labor statistics. The



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12 1 bill provides that period of inflation addressed is through the  
12 2 close of the most recently completed fiscal year.

12 3 A gambling revenue expenditure limitation is established  
12 4 for the revenues received by the state that are attributable  
12 5 to gambling and available for appropriation but are not  
12 6 credited to the general fund of state. The gambling revenue  
12 7 expenditure limitation does not include lottery revenue.  
12 8 Requirements of the governor and general assembly in the budget  
12 9 and appropriations process are made applicable to the gambling  
12 10 revenue expenditure limitation.

12 11 Under current law, the state general fund expenditure  
12 12 limitation is 99 percent of the adjusted revenue estimate for  
12 13 the succeeding fiscal year. This one-year approach is replaced  
12 14 to utilize an average seven-year period, consisting of net  
12 15 revenues for the current and succeeding fiscal years, plus the  
12 16 net revenues for the five most recently completed fiscal years,  
12 17 as adjusted for inflation, divided by seven.

12 18 Code section 8.55, relating to the Iowa economic emergency  
12 19 fund, is amended to provide that, once the fund reaches its  
12 20 maximum balance, the excess revenues are credited to the  
12 21 nonrecurring expenditure fund created in the bill instead of  
12 22 the general fund.

12 23 Code section 8.56, relating to the cash reserve fund, is  
12 24 amended in several ways. A new listing of funding sources  
12 25 for the fund is added. In addition to the current ending  
12 26 balance and other appropriations in Code section 8.57, the  
12 27 fund is to receive the state's share of proceeds under the  
12 28 forfeiture law in Code chapter 809A, moneys collected in the  
12 29 settlement or prosecution of a claim by the state that are not  
12 30 otherwise allocated, and other moneys designated by law or by  
12 31 the executive council as one-time revenues.

12 32 Under current law, appropriations from the cash reserve fund  
12 33 are only authorized for emergency nonrecurring expenditures to  
12 34 be made for the same fiscal year in which the appropriation  
12 35 is made. The bill authorizes an appropriation for such



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13 1 expenditures for the succeeding fiscal year when a revenue  
13 2 reduction is anticipated for that exceeds a threshold specified  
13 3 in the bill. The amount of such an appropriation is subject to  
13 4 various limitations.

13 5     New Code section 8.57E creates a new nonrecurring  
13 6 expenditure fund under the department of management.  
13 7 Appropriations from the fund are limited to vertical  
13 8 infrastructure and payment of state debt, as these terms are  
13 9 defined by the bill, tax rebates, maintenance or construction  
13 10 of roads and highways, including bridges, and grants or cost  
13 11 share to establish soil and water conservation practices.  
13 12 Appropriations cannot be used for state employee full-time  
13 13 equivalent positions, as this term is defined in Code section  
13 14 8.26A, or related costs.

13 15     Code section 8.58, which exempts consideration of the  
13 16 balances in the cash reserve fund and other enumerated reserve  
13 17 funds that are separate from the general fund for various  
13 18 formulas, triggering mechanisms, and collective bargaining  
13 19 consideration, is amended to include the nonrecurring  
13 20 expenditure fund in the exemption.

13 21     Code section 809A.17, relating to allocation of forfeited  
13 22 property, is amended to provide that cash proceeds are credited  
13 23 to the cash reserve fund.

13 24     An applicability section provides that the changes made in  
13 25 the bill are effective beginning July 1, 2010, for the budget  
13 26 process for the succeeding fiscal year.

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