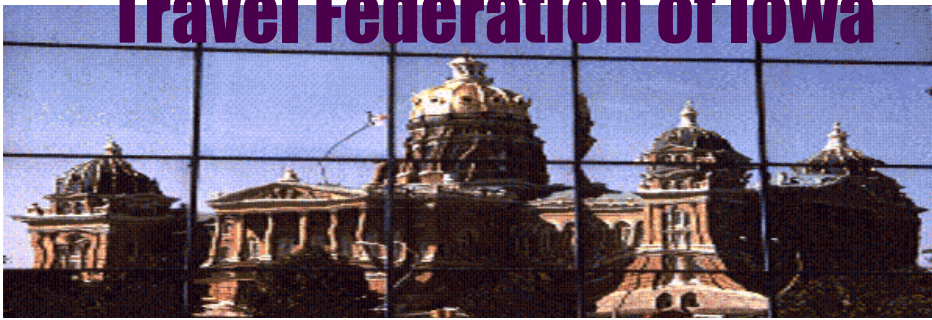


Travel Federation of Iowa



LET'S TALK
TOURISM

BILLS OF INTEREST (3/2/2007)

FINAL STATUS

HF 1 - Minimum Wage Increase (Bill Status: Signed) - Increases the state minimum wage from \$5.15/hour to \$6.20/hour on April 1, 2007 and to \$7.25/hour on January 1, 2008. Requires yearly increases in this minimum wage based on the consumer price index. Effective immediately.

HOUSE BILLS

HF 11 - Public Land in Voluntary Annexation (Subcommittee: Rep. D. Olson, Kaufmann, and Whitead) (Bill Status: House Local Government Committee) - Currently, written consent of the agency having jurisdiction over public land may be used to determine the percentage of territory included with the consent of owners and without the consent of owners. Under this bill, public land cannot be used to determine such percentage regardless of whether the agency having jurisdiction over the public land consents or not.

HF 48 - Brownfield Appropriation (Subcommittee: Rep. Kuhn, Lukan, and Wenthe) (Bill Status: House Appropriations Committee) - This bill appropriates \$3 million from the general fund to the DED for deposit in the brownfield redevelopment fund to be used to provide financial assistance under the brownfield redevelopment program.

HF 72 - County Endowment Fund Increase (Subcommittee: Rep. Quirk, Greiner, Jacoby, Jochum, Raecker, Roberts, and Shomshor) (Bill Status: House State Government Committee) - Increases the amount of gaming money going into the county endowment fund (where tourism will begin receiving funds in FY08) from .8% to 1.1% beginning July 1, 2007. This should double the amount of funding dedicated to tourism in FY08.

HF 104 - Iowa Wine Designation (Subcommittee: Rep. Lensing, L. Miller, and Pettengill) (Bill Status: House State Government Committee) - This bill establishes that "native wine", for purposes of alcoholic beverage control, means wine of which at least 51 percent by volume is derived from wine manufactured in this state. Current law provides that native wine means wine manufactured entirely in this state.

HF 106 - Gambling License Moratorium (Subcommittee: Rep. Quirk, Greiner, Jacoby, Jochum, Raecker, Roberts, and Shomshor) (Bill Status: House State Government Committee) - This bill imposes a moratorium on the issuance of any new licenses to conduct gambling games on an excursion boat. In addition, the bill prohibits a licensee from moving the location of a boat or racetrack after the effective date of the bill. The bill takes effect upon enactment.

HF 130 - Historic and Cultural Tax Credit Increase (Subcommittee: Rep. Thomas, T. Olson, and Van Fossen) (Bill Status: House Ways & Means Committee) - This bill increases the amount of historic preservation and cultural and entertainment district tax credits that may be authorized in a fiscal year from \$2.4 million to \$20 million. In addition, the bill requires that at least \$2 million of the tax credits be dedicated for awarding to projects under \$200,000. The bill would take effect upon enactment and apply retroactively to January 1, 2006, for fiscal years beginning after that date.

HF 131 - Property Tax Reform Proposal (Subcommittee: Rep. Shomshor, Reasoner, and Van Fossen) (Bill Status: House Ways & Means Committee) - This bill is similar to [HF 847](#) from the last General Assembly. This bill would require a city council or county board of supervisors to adopt a resolution and to hold public hearings before they could increase property taxes. The bill would lower the requirement on the number of signatures to protest a county budget. The bill would tie commercial and industrial property taxes into the rollback that affects residential and farmland property. The bill would also require cities and counties, when faced with reduced revenue, to first reduce funding for services that are not essential services. The bill defines essential services as police and fire protection, emergency management, street

lights, water and sewage, snow and garbage removal, roads, streets, bridges and sidewalks. Contains related provisions.

[HF 132](#) - Sales Tax TIF (Subcommittee: Rep. D. Olson, Hoffman, and D. Taylor) (Bill Status: House Local Government Committee) - This bill authorizes a city with a local option sales and services tax to establish by ordinance a sales tax increment financing district for the purpose of dedicating and using the revenues it receives from retail establishments in the district to pay the loans, advances, indebtedness, and bonds used to assist in the development, redevelopment, improvement, or rehabilitation of an athletic, cultural, or entertainment facility or complex project located within such district.

[HF 138](#) - Road Use Tax Fund Allocations (Subcommittee: Rep. Dandekar, Cohoon, Gipp, Huser, and Tjepkes) (Bill Status: House Transportation Committee) - This bill would change Road Use Tax Fund (RUTF) allocations so that 50% of the money would go to the primary road fund, 25% to the secondary road fund and 25% to the street construction fund of cities. Appropriations to the secondary road fund to counties would be made on a per-capita basis.

[HF 142](#) - School Funding Changes (Subcommittee: Not yet assigned) (Bill Status: House Education Committee) - Increases the state's share of school funding to 100% (from 87.5%), by making school funding consist of two funding mechanisms instead of three. Funding would start with the \$5.40 levy and then be supplemented by the state general fund, instead of being supplemented up to 87.5 % and having the local property taxes fill in the last 12.5% of school funding. The increase would be gradually phased in over a seven-year period in equal annual increments.

[HF 170](#) - Income Tax Checkoff for Zoos (Subcommittee: Rep. Davitt, Huser, and Jacobs) (Bill Status: House Ways & Means Committee) - Allows a voluntary \$1 income tax checkoff for qualified Iowa zoos (through an Iowa Zoo Fund created in the Department of Cultural Affairs). Requires placement on the tax form by January 1, 2008.

[HF 219](#) & [SF 105](#) & [SF 172](#) & [SF 245](#) - Recreational Property Tax Exemption (Subcommittee: Reps. Huser, Struyk, and Wise; Sens. Quirmbach, Connolly, and Putney) (Bill Status: House Ways & Means Committee, Companion Status: Senate Ways & Means Committee) - This bill provides a property tax exemption for recreational property equal to 75 percent of the property's actual value. "Recreational property" is defined as a golf course, downhill skiing area, amusement park, outdoor volleyball park, softball park, or water theme park, if such property is operated as a commercial enterprise and otherwise subject to taxation.

[HF 235](#) & [SF 302](#) (Successor to [SF 158](#)) - Tourism Funding Change (Subcommittee: Reps. May, Dandekar, and H. Miller) (Bill Status: House Floor, Companion Status: Senate Floor) - This bill would alter legislation last year that provided more gaming dollars to tourism. The legislation set up the tourism office funding to be distributed every year. This bill would change the distribution to every quarter.

[HF 259](#) - Help Inner City Vitality & Economic Growth Fund (Subcommittee: Rep. Staed, May, and Schueller) (Bill Status: House Economic Growth Committee) - The bill would create a help inner city vitality and economic growth (HICVEG) fund under the authority of the department of economic development to provide financial assistance for physical infrastructure purposes in the form of grants, loans, forgivable loans, loan guarantees, and other forms of assistance to cities meeting the distress criteria for cities under the enterprise zone program. The bill appropriates from the rebuild Iowa infrastructure fund to the help HICVEG fund \$5 million each fiscal year for the fiscal period beginning July 1, 2007, and ending June 30, 2016.

[HF 261](#) - Endow Iowa Grants Distribution & Reporting (Subcommittee: Rep. T. Olson, Anderson, and Wenthe) (Bill Status: House Economic Growth Committee) - Requires all organizations receiving Endow Iowa grants to use at least 15% of the funds to benefit census tracts where 10% or more of the population is living at or below the poverty level (or if no such census tract exists, use it to benefit the area with the highest poverty level). Requires annual compliance reporting.

[HF 326](#) & [SSB 1242](#) - Combined Corporate Income Reporting (Subcommittee: Rep. Wise, Deyoe, T. Olson, Quirk, Reasoner, Struyk, and Van Fossen; Not yet assigned) (Bill Status: House Ways & Means Committee, Companion Status: Senate Ways & Means Committee) - This bill requires that the net income of affiliated groups of corporations engaged in a unitary business be computed on a combined return basis for corporate tax purposes if the group meets the requirements for filing a consolidated return for federal tax purposes. The bill applies retroactively to January 1, 2007, for tax years beginning on or after that date.

[HF 328](#) - REAP Distribution (Subcommittee: Rep. D. Taylor, Arnold, and Shomshor) (Bill Status: House Natural Resources Committee) - Currently, counties that levy at least 22 cents per \$1,000 of assessed value for county conservation are eligible for the county conservation funds distributed from the REAP program. This bill makes any county that dedicates the equivalent of 22 cents per \$1,000 of assessed value from any revenue source to county conservation eligible for these funds. This allows counties to use other revenue sources to come up with their local match (the equivalent of a 22-cent levy rate) and still be eligible for state REAP dollars.

[HF 348 - Business Property Tax Credit](#) (Subcommittee: Rep. Wise, Deyoe, T. Olson, Quirk, Reasoner, Struyk, and Van Fossen) (Bill Status: House Ways & Means Committee) - This bill provides business property with a property tax credit. Business property is defined as commercial and industrial property, except for property used for human habitation. The credit is equal to the entire amount of the property tax levied on the property. However, if the appropriations provided are insufficient to pay the full amount of the credit, a pro rata amount will be granted to the owner of the business property. The bill appropriates \$50 million for FY 2007-2008 and \$200 million for each of the next five fiscal years until FY 2012-2013. The bill takes effect upon enactment and applies to property taxes due and payable in fiscal years beginning on or after July 1, 2007.

[HF 388 - Generation Iowa Commission](#) (Subcommittee: Rep. Wenthe, Bailey, Clute, T. Olson and Wiencek) (Bill Status: House Economic Growth Committee) - The bill establishes a 15-member generation Iowa commission within the department of economic development for purposes of advising and assisting in the retention and attraction of the young adult population in the state in both urban and rural areas.

[HF 411 & SF 183 - Film, Television & Video Promotion Program](#) (Subcommittee: Reps. T. Olson, H. Miller, and Wiencek; Sens. Dotzler, Rielly, and Zaun) (Bill Status: House Economic Growth Committee, Companion Status: Senate Economic Growth Committee) - This bill creates a film, television, and video project promotion program and fund and an Iowa film advisory board to assist in the production of film, television, and video projects in the state and to increase the fiscal impact on the state's economy of film, television, and video projects produced in the state.

[HF 456 - SSMID Expansion to CEDs](#) (Subcommittee: Rep. Wenthe, H. Miller, and Wiencek) (Bill Status: House Economic Growth Committee) - This bill contains several provisions that enable the expanded use of self-supported municipal improvement districts (SSMIDs), by allowing them in cultural and entertainment districts.

[HF 461 - Regional Sports Authorities](#) (Subcommittee: Rep. D. Olson, Clute, and Thomas) (Bill Status: House Economic Growth Committee) - The bill requires the DED to request the convention and visitors bureau in each of the 10 largest cities in the state to establish a regional sports authority for its community. Each authority shall be governed by a seven-member board and shall actively promote youth sports, high school athletic activities, the special olympics, and other nonprofessional sporting events in the local area. The DED would be appropriated \$2 million that could be distributed to all regional sports authorities operating qualifying programs on an equal basis.

[HF 482 - School Start Date](#) (Subcommittee: Rep. Mascher, Abdul-Samad, and May) (Bill Status: House Education Committee) - This bill eliminates the department of education's authority to waive the earliest school start date requirement for school districts.

[HF 494 - Hotel/Motel Tax](#) (Bill Status: House Ways & Means Committee) - This bill authorizes a city or county that has imposed, after favorable election, a local hotel and motel tax at the maximum rate of 7 percent to impose an additional 2 percent without holding an election. This additional tax would be repealed when the original 7 percent tax is repealed or reduced. The bill also directs the city or county when spending revenue derived from the local hotel and motel tax to comply with the Iowa targeted small business procurement Act. A targeted small business is a business located in the state that is 51 percent owned, operated, and actively managed by women, minorities, or disabled persons and has annual gross income of less than \$3 million computed as an average of the three previous years.

[HF 537 - State Historian](#) (Subcommittee: Rep. H. Miller, Clute, and Schueller.) (Bill Status: House Economic Growth Committee) - This bill creates the position of state historian to encourage Iowans to understand and celebrate the history of the state. The bill contains several related provisions.

[HF 558 - SSMID Expansion](#) (Bill Status: House Ways & Means Committee) - Successor to [HF 171](#). This bill contains several provisions that enable the expanded use of self-supported municipal improvement districts (SSMIDs). Among the changes this bill would allow any combination of residential, commercial, or industrial properties to comprise a SSMID.

[HSB 229 - Endow Iowa Planned Gift Tax Credit](#) (Bill Status: House Economic Growth Committee) - This bill creates an Endow Iowa planned gift tax credit equal to 20 percent of the present value of the aggregate amount of the charitable gift portion of a taxpayer's Endow Iowa planned gift, as determined by applicable provisions of the Internal Revenue Code, to an endow Iowa qualified community foundation. The bill contains several related provisions.

[HSB 239 - CED & Great Places Enterprise Zones](#) (Subcommittee: Rep. Thomas, Bailey & Anderson) (Bill Status: House Economic Growth Committee) - This bill would allow a city or county to designate an area of up to four square miles to be an enterprise zone if an Iowa great places project is located in the proposed enterprise zone or if a certified cultural and entertainment district is located in the proposed enterprise zone. These new enterprise zones will not be included in determining the land area limits for enterprise zones.

SENATE BILLS

SF 20 - Condemnation by Consent (Subcommittee: Sen. Kreiman, Hogg, and Zieman) (Bill Status: Senate Judiciary Committee) - Strikes from Iowa Code written last year a provision that allows land to be condemned if the owner consents. This provision is being stricken because it may not be constitutional (i.e. if the owner consents, why did they not simply sell the property.)

SF 26 - Art Sales Tax Exemption (Subcommittee: Sen. Quirnbach, Angelo, and Connolly) (Bill Status: Senate Ways & Means Committee) - Exempts the sale of materials and services used in operating a non-profit private performing arts center from the sales tax. The bill is retroactive to July 2006, and authorizes refunds. The estimated FY 2008 impact to the state would be \$160,000.

SF 29 - Cultural Economic Development (Subcommittee: Sen. Stewart, Dotzler, Hahn, Houser, and Olive) (Bill Status: Senate Economic Growth Committee) - This bill increases from \$2.4M to \$12.4 million the amount of historic preservation and cultural and entertainment district tax credits that may be approved each year. The bill expands self-supported municipal improvement district eligibility. The bill also makes it easier to condemn land solely for the purpose of connecting recreational trails and sets up a trail connectivity fund in DED. The bill provides for tuition assistance for workforce training programs at community colleges and moves the Main Street program from DED to the Department of Cultural Affairs. *Amendment: In subcommittee, Senators struck the trail condemnation section (but kept the rest of the trail connectivity incentive section.) They also stated their intentions to amend the historic tax credit provision to mirror similar freestanding legislation that would increase the cap to \$20 million.*

SF 54 & HF 559 (Successor to HF 278) - Midwest Rail Compact (Subcommittee: Sens. Beall, Rielly, and Zieman) (Bill Status: Senate Transportation Committee, Companion Status: House Floor) - Enacts the Midwest Interstate Passenger Rail Compact to promote development and implementation of intercity passenger rail service in the Midwest. Other midwestern states would also need to join the compact in substantially the same form.

SF 90 - Local Emergency Management (Subcommittee: Sen. Rielly, Hartsuch, and Heckroth) (Bill Status: Senate Floor) - This bill allows local emergency management commissions to provide joint emergency response communications services.

SF 98 & HF 360 (Successor to HSB 146) - Historic & Cultural Tax Credits (Subcommittee: Sens. Dotzler, Putney, and Stewart; Reps. Wenthe, T. Olson, Schickel) (Bill Status: Senate Ways & Means Committee, Companion Status: House Appropriations Committee) - Successor to [SSB 1082](#). Eliminates the discounting of the value of a historic preservation tax credits and allows the entire tax credit to be refunded, or to be carried over for succeeding tax years, until depleted. The bill increases the amount of tax credits that may be approved each fiscal year to \$20 million less the cost for administration. Reserves \$2 million for projects with qualified costs of \$500,000 or less, and \$6 million of tax credits for projects in cultural and entertainment districts or in Iowa Great Places. Allows any of these unused reserve credits to be applied to reserved tax credits in order of original reservation. Appropriates \$150,000 annually to the DCA for administering this program. Applies to cultural districts created before July, 2007.

SF 120 - Whitewater Park Appropriation (Subcommittee: Sen. Dvorsky and Angelo) (Bill Status: Senate Appropriations Committee) - The bill appropriates \$300,000 to the state DOT for assistance in the construction of a whitewater park on a river that flows through two adjacent cities with a combined population of not less than 95,000 but not more than 110,000, and who reside in a county whose name begins with a "B" and ends with the word "hawk."

SF 121 - County Fair Infrastructure (Subcommittee: Sen. Dvorsky and Angelo) (Bill Status: Senate Appropriations Committee) - This bill appropriates \$3.18 million from the rebuild Iowa infrastructure fund for county fair infrastructure improvements to qualified fairs which belong to the association of Iowa fairs.

SF 136 - Truck Registration Fees (Subcommittee: Sen. Putney, Danielson, and McCoy) (Bill Status: Senate Transportation Committee) - The bill requires that 2009 and subsequent model year motor trucks with an unladen weight of 7,500 pounds or less be registered under the weight and value system that applies to most passenger vehicles.

SF 160 & HF 193 & SF 24 - County & District Fair Funding (Subcommittee: Sens. Dvorsky & Angelo; Reps. Cohoon, Huseman, and Reichert) (Bill Status: Senate Appropriations Committee, Companion Status: House Appropriations Committee) - Dedicates \$1.59 million of gambling revenues to fund county and district fairs that are members of the Association of Iowa Fairs. Requires gambling funds first go to fund the Vertical Infrastructure Fund, then go to provide general state support for fairs (effectively placing fair funding in front of other infrastructure budget projects).

SF 177 & HF 490 - Tourism Appropriations (Subcommittee: Sens. Dvorsky and Angelo; Reps. Dandekar, Cohoon, and

Schickel) (Bill Status: Senate Appropriations Committee, Companion Status: House Appropriations Committee) - This bill would appropriate \$8.3 million to the Department of Economic Development for Tourism, bringing the Iowa Tourism Office budget up to the Midwest regional average (not including Illinois).

SF 205 & HSB 102 - Iowa Cultural Trust Grant Fund Use (Subcommittee: Not yet assigned; [HSB 102](#): Bukta (C), Kelley & May) (Bill Status: House Economic Growth Committee, Companion Status: House Education Committee) - Successor to [SSB 1017](#). During state fiscal years 2004 & 2005, the Iowa Cultural Trust Board was allowed to use funds in the Iowa Cultural Trust to implement a statewide educational program to promote Iowa nonprofit arts, history, and sciences and humanities organizations. This bill allows for this to continue once the Trust balance exceeds \$3 million.

SF 306 & HSB 149 - Iowa Great Places Limitation (Bill Status: Senate Floor, Companion Status: House Economic Growth Committee) - Successor to [SSB 1016](#). Lifts the limitation on the number of Iowa Great Places (currently capped at six) and allows the Iowa Great Places Board to designate as many as they want, as long as the sites "demonstrate a readiness to participate." Requires state agencies to give extra points to grant or loan applications from communities with a Great Places designation, but only for a period of three years following the designation.

SSB 1179 & HSB 180 - Federal Block Grant Bill (Subcommittee: Sen. Ragan (Chair), Hatch & Seymour; Reps. Gayman (C), Foege, Chambers) (Bill Status: Senate Appropriations Committee, Companion Status: House Appropriations Committee) - Appropriates federal block grants for the federal fiscal year beginning October 1, 2007. Makes \$26.5 million available for Community Development Block Grant (CDBG) programs, a cut of \$2,758,000. Also decreases DED administrative expenses available under CDBG by \$10,320. Congress is responsible for the reduction in available funds; state lawmakers can only change language about how funds are used by agencies. No language changes are made, other than the reduction in administrative expenses.

SSB 1181 & SSB 1263 & HSB 202 - Transportation Appropriations (Subcommittee: McCoy (C), Warnstadt, Dvorsky, Angelo & Putney) (Bill Status: Senate Appropriations Committee, Companion Status: Senate Appropriations Committee) - This bill makes numerous appropriations for the 2007-2008 fiscal year from the road use tax fund and the primary road fund to the department of transportation. The House and Senate Appropriations Committees will likely generate their own bills as well.