

educational materials, and any other reports or materials deemed appropriate by the board. The board shall annually provide all officials and state employees with notification of the contents of this chapter and chapter 68A by distributing copies of educational materials to associations that represent the interests of the various governmental entities for dissemination to their membership each agency of state government under the board's jurisdiction.

11. Establish a procedure for requesting and issuing board advisory opinions to persons subject to the authority of the board under this chapter or chapter 68A. Local officials and local employees may also seek an advisory opinion concerning the application of the applicable provisions of this chapter. Advice contained in board advisory opinions shall, if followed, constitute a defense to a complaint filed with the board alleging a violation of this chapter, chapter 68A, or rules of the board that is based on the same facts and circumstances.

12. Establish rules relating to ethical conduct for ~~persons holding a state office in the executive branch of state government, including candidates, and for employees of the executive branch of state government~~ officials and state employees, including candidates for statewide office, and regulations governing the conduct of lobbyists of the executive branch of state government, including but not limited to conflicts of interest, abuse of office, misuse of public property, use of confidential information, participation in matters in which an official or state employee has a financial interest, and rejection of improper offers.

Approved April 29, 2005

CHAPTER 77

SALES AND USE TAX — INDUSTRIAL PROCESSING EXEMPTION STUDY

H.F. 313

AN ACT relating to the establishment of an industrial processing exemption study committee and including an effective date.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. INDUSTRIAL PROCESSING EXEMPTION STUDY COMMITTEE. Upon enactment of this Act, the department of revenue shall initiate and coordinate the establishment of an industrial processing exemption study committee and provide staffing assistance to the committee. It is the intent of the general assembly that the committee shall include representatives of the department of revenue, department of management, industrial producers including manufacturers, fabricators, printers and publishers, and an association that specifically represents business tax issues, and other stakeholders.

The industrial processing exemption under the sales and use tax is a significant exemption for business. The committee shall study and make legislative and administrative recommendations relating to Iowa's processing exemption to ensure maximum utilization by Iowa's industries.

The committee shall study and make recommendations regarding all of the following:

1. The current sales and use tax industrial processing exemption.
2. The corresponding administrative rules, including a review and recommendation of an administrative rules process relating to the industrial processing exemption prior to filing with the administrative rules review committee.
3. Other states' industrial processing exemptions.

4. Recommendations for change for issues including effectiveness and competitiveness.
5. Development of additional publications to improve compliance.

The committee shall annually report to the general assembly by January 1 of each year through January 1, 2013.

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

Approved April 29, 2005

CHAPTER 78

REGISTRATION OF POSTSECONDARY SCHOOLS — COLLEGES AND UNIVERSITIES ESTABLISHED BY CITY ORDINANCE

H.F. 398

AN ACT adding an exemption for colleges and universities established by city ordinance to the requirements relating to the registration of postsecondary schools.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 261B.11, Code 2005, is amended by adding the following new subsection:

NEW SUBSECTION. 12. Not-for-profit colleges and universities established and authorized by city ordinance to grant degrees.

Approved April 29, 2005

CHAPTER 79

STUDENT PARTICIPATION IN EXTRACURRICULAR INTERSCHOLASTIC ACTIVITIES

H.F. 423

AN ACT relating to participation in secondary school interscholastic sports at the varsity and inferior levels.

Be It Enacted by the General Assembly of the State of Iowa:

Section 1. Section 256.46, Code 2005, is amended to read as follows:

256.46 RULES FOR PARTICIPATION IN EXTRACURRICULAR ACTIVITIES BY CERTAIN CHILDREN.

The state board shall adopt rules that permit a child who does not meet the residence