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**2010 SUMMARY  
OF LEGISLATION**  
**IOWA GENERAL ASSEMBLY**  
**LEGISLATIVE SERVICES AGENCY**  
**REGULAR SESSION**

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**SUMMARY OF LEGISLATION  
ENACTED IN THE YEAR 2010 BY THE SECOND REGULAR SESSION  
OF THE EIGHTY-THIRD GENERAL ASSEMBLY**

**Prepared by the Legislative Services Agency**

**PURPOSE**

This summary of legislation enacted by the 2010 General Assembly has been prepared for the use of legislators and other interested parties. The summary of each legislative enactment has been assigned to a major subject category. This compilation provides interested persons with quick reference to legislation enacted in specific areas and generally informs persons of the contents and effective date of the legislation.

**HOW TO FIND A SUMMARY**

If you know the original file number of a particular bill, you may refer to the charts on pages v through x to locate the category in which the summary will be found. Otherwise, each subject category begins with a table of contents listing the file number and the chapter title from the 2010 Iowa Acts and a listing of related legislation directing the reader to the category in which the summary is located and briefly explaining how the category at hand is related.

**EFFECTIVE DATE**

The effective date of the legislative enactments is July 1, 2010, unless otherwise specified in an individual summary.

**FISCAL ANALYSIS**

The Internet version of this summary of legislation provides links to fiscal information for certain legislation. Legislation linked to such information contains the words "Fiscal Analysis" following the title of the legislation.

**FISCAL YEAR**

For purposes of this summary of legislation, "fiscal year 2010-2011," "FY 2010-2011," and "FY 2011" for example, all describe the fiscal year beginning July 1, 2010, and ending June 30, 2011.

**VETOED BILLS**

Bills vetoed by the Governor are included and noted in this summary. Item vetoes by the Governor are specified in their particular summary.



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#### [Sections Amended, Added, or Repealed](#)

#### [Iowa Acts Amended](#)

<p>The following is a list of acronyms used:</p> <p>AEA - Area education agency          CSRU - Child Support Recovery Unit          DALs - Department of Agriculture and Land Stewardship          DAS - Department of Administrative Services          DE - Department of Education          DED - Department of Economic Development</p>	<p>DHS - Department of Human Services          DNR - Department of Natural Resources          DOC - Department of Corrections          DOM - Department of Management          DOT - Department of Transportation          DPH - Department of Public Health          DPS - Department of Public Safety          FIP - Family Investment Program</p>	<p>IDA – Iowa Department on Aging          IWD - Iowa Workforce Development          LSA - Legislative Services Agency          MH/MR/DD - Mental Health/Mental Retardation/ Developmental Disabilities          RIIF - Rebuild Iowa Infrastructure Fund          TANF - Temporary Assistance for Needy Families</p>
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## LOCATION OF SUMMARIES BY FILE NUMBER Senate Files

<u>Number</u>	<u>Major Subject</u>
<a href="#">SF 153</a>	Health and Safety
<a href="#">SF 205</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 285</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 358</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 393</a>	Children and Youth
<a href="#">SF 431</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 434</a>	Local Government
<a href="#">SF 2033</a>	Education
<a href="#">SF 2045</a>	Education
<a href="#">SF 2046</a>	Education
<a href="#">SF 2062</a>	State Government
<a href="#">SF 2067</a>	Elections, Ethics, and Campaign Finance
<a href="#">SF 2073</a>	Business, Banking, and Insurance
<a href="#">SF 2075</a>	Business, Banking, and Insurance
<a href="#">SF 2076</a>	Economic Development
<a href="#">SF 2088</a>	State Government
<a href="#">SF 2095</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 2108</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2117</a>	Health and Safety
<a href="#">SF 2128</a>	Elections, Ethics, and Campaign Finance
<a href="#">SF 2138</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2146</a>	Business, Banking, and Insurance
<a href="#">SF 2149</a>	Health and Safety
<a href="#">SF 2151</a>	Appropriations
<a href="#">SF 2156</a>	Human Services
<a href="#">SF 2157</a>	Business, Banking, and Insurance
<a href="#">SF 2158</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2175</a>	Public Defense and Veterans
<a href="#">SF 2178</a>	Education
<a href="#">SF 2181</a>	Labor and Employment
<a href="#">SF 2190</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2191</a>	Business, Banking, and Insurance
<a href="#">SF 2192</a>	Business, Banking, and Insurance
<a href="#">SF 2194</a>	Elections, Ethics, and Campaign Finance
<a href="#">SF 2195</a>	Elections, Ethics, and Campaign Finance
<a href="#">SF 2196</a>	Elections, Ethics, and Campaign Finance
<a href="#">SF 2197</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 2199</a>	Taxation
<a href="#">SF 2200</a>	Children and Youth
<a href="#">SF 2201</a>	Business, Banking, and Insurance
<a href="#">SF 2202</a>	State Government
<a href="#">SF 2215</a>	Business, Banking, and Insurance
<a href="#">SF 2216</a>	Natural Resources and Outdoor Recreation
<a href="#">SF 2218</a>	Elections, Ethics, and Campaign Finance
<a href="#">SF 2220</a>	Transportation
<a href="#">SF 2224</a>	Local Government
<a href="#">SF 2226</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2234</a>	Business, Banking, and Insurance
<a href="#">SF 2237</a>	State Government
<a href="#">SF 2243</a>	Environmental Protection
<a href="#">SF 2246</a>	Transportation
<a href="#">SF 2247</a>	State Government
<a href="#">SF 2248</a>	Environmental Protection
<a href="#">SF 2250</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 2254</a>	Local Government
<a href="#">SF 2263</a>	Health and Safety

LOCATION OF SUMMARIES BY FILE NUMBER

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<b><u>Number</u></b>	<b><u>Major Subject</u></b>
<a href="#">SF 2264</a>	Local Government
<a href="#">SF 2266</a>	Health and Safety
<a href="#">SF 2267</a>	Human Services
<a href="#">SF 2272</a>	Business, Banking, and Insurance
<a href="#">SF 2273</a>	Transportation
<a href="#">SF 2274</a>	Public Defense and Veterans
<a href="#">SF 2279</a>	Labor and Employment
<a href="#">SF 2286</a>	Labor and Employment
<a href="#">SF 2289</a>	Education
<a href="#">SF 2291</a>	Education
<a href="#">SF 2297</a>	Public Defense and Veterans
<a href="#">SF 2298</a>	Children and Youth
<a href="#">SF 2299</a>	Agriculture
<a href="#">SF 2300</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2303</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 2304</a>	Transportation
<a href="#">SF 2305</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 2310</a>	Natural Resources and Outdoor Recreation
<a href="#">SF 2313</a>	Energy and Public Utilities
<a href="#">SF 2318</a>	Public Defense and Veterans
<a href="#">SF 2324</a>	Business, Banking, and Insurance
<a href="#">SF 2325</a>	Business, Banking, and Insurance
<a href="#">SF 2326</a>	Business, Banking, and Insurance
<a href="#">SF 2331</a>	Business, Banking, and Insurance
<a href="#">SF 2333</a>	Human Services
<a href="#">SF 2340</a>	State Government
<a href="#">SF 2343</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2344</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 2345</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2348</a>	Business, Banking, and Insurance
<a href="#">SF 2350</a>	Local Government
<a href="#">SF 2352</a>	Health and Safety
<a href="#">SF 2354</a>	Elections, Ethics, and Campaign Finance
<a href="#">SF 2355</a>	State Government
<a href="#">SF 2356</a>	Health and Safety
<a href="#">SF 2357</a>	Criminal Law, Procedure, and Corrections
<a href="#">SF 2366</a>	Appropriations
<a href="#">SF 2367</a>	Appropriations
<a href="#">SF 2371</a>	Natural Resources and Outdoor Recreation
<a href="#">SF 2373</a>	Taxation
<a href="#">SF 2375</a>	Taxation
<a href="#">SF 2376</a>	Appropriations
<a href="#">SF 2377</a>	Appropriations
<a href="#">SF 2378</a>	Appropriations
<a href="#">SF 2379</a>	Civil Law, Procedure, and Court Administration
<a href="#">SF 2380</a>	Taxation
<a href="#">SF 2381</a>	Appropriations
<a href="#">SF 2383</a>	State Government
<a href="#">SF 2384</a>	Health and Safety
<a href="#">SF 2387</a>	Taxation
<a href="#">SF 2388</a>	Health and Safety
<a href="#">SF 2389</a>	Appropriations

### Senate Joint Resolutions

<b><u>Number</u></b>	<b><u>Major Subject</u></b>
<a href="#">SJR 2007</a>	Public Defense and Veterans
<a href="#">SJR 2009</a>	Health and Safety



## LOCATION OF SUMMARIES BY FILE NUMBER

### House Files

<u>Number</u>	<u>Major Subject</u>
<a href="#">HF 426</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 674</a>	Health and Safety
<a href="#">HF 681</a>	Labor and Employment
<a href="#">HF 726</a>	Business, Banking, and Insurance
<a href="#">HF 734</a>	Civil Law, Procedure, and Court Administration
<a href="#">HF 755</a>	Public Defense and Veterans
<a href="#">HF 788</a>	Alcohol Regulation and Substance Abuse
<a href="#">HF 823</a>	Environmental Protection
<a href="#">HF 2030</a>	Education
<a href="#">HF 2075</a>	Business, Banking, and Insurance
<a href="#">HF 2076</a>	Economic Development
<a href="#">HF 2109</a>	Elections, Ethics, and Campaign Finance
<a href="#">HF 2110</a>	Labor and Employment
<a href="#">HF 2111</a>	Labor and Employment
<a href="#">HF 2131</a>	Business, Banking, and Insurance
<a href="#">HF 2137</a>	Public Defense and Veterans
<a href="#">HF 2144</a>	Health and Safety
<a href="#">HF 2148</a>	Public Defense and Veterans
<a href="#">HF 2183</a>	State Government
<a href="#">HF 2193</a>	Health and Safety
<a href="#">HF 2195</a>	State Government
<a href="#">HF 2197</a>	Public Defense and Veterans
<a href="#">HF 2200</a>	Civil Law, Procedure, and Court Administration
<a href="#">HF 2229</a>	Business, Banking, and Insurance
<a href="#">HF 2233</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 2253</a>	Civil Law, Procedure, and Court Administration
<a href="#">HF 2273</a>	Agriculture
<a href="#">HF 2280</a>	Agriculture
<a href="#">HF 2282</a>	Civil Law, Procedure, and Court Administration
<a href="#">HF 2283</a>	Children and Youth
<a href="#">HF 2284</a>	Health and Safety
<a href="#">HF 2286</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 2287</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 2288</a>	Transportation
<a href="#">HF 2294</a>	Human Services
<a href="#">HF 2295</a>	Education
<a href="#">HF 2307</a>	Human Services
<a href="#">HF 2310</a>	Natural Resources and Outdoor Recreation
<a href="#">HF 2318</a>	Local Government
<a href="#">HF 2319</a>	Environmental Protection
<a href="#">HF 2321</a>	Local Government
<a href="#">HF 2370</a>	Economic Development
<a href="#">HF 2372</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 2374</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 2376</a>	Local Government
<a href="#">HF 2377</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 2380</a>	Agriculture
<a href="#">HF 2384</a>	Public Defense and Veterans
<a href="#">HF 2392</a>	Criminal Law, Procedure, and Corrections
<a href="#">HF 2399</a>	Energy and Public Utilities
<a href="#">HF 2402</a>	Health and Safety
<a href="#">HF 2403</a>	Health and Safety
<a href="#">HF 2406</a>	Public Defense and Veterans
<a href="#">HF 2407</a>	Local Government
<a href="#">HF 2409</a>	Business, Banking, and Insurance

LOCATION OF SUMMARIES BY FILE NUMBER

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<b><u>Number</u></b>	<b><u>Major Subject</u></b>
<a href="#"><u>HF 2414</u></a>	Public Defense and Veterans
<a href="#"><u>HF 2418</u></a>	Environmental Protection
<a href="#"><u>HF 2422</u></a>	Human Services
<a href="#"><u>HF 2432</u></a>	Education
<a href="#"><u>HF 2437</u></a>	Environmental Protection
<a href="#"><u>HF 2438</u></a>	Criminal Law, Procedure, and Corrections
<a href="#"><u>HF 2449</u></a>	Economic Development
<a href="#"><u>HF 2452</u></a>	Transportation
<a href="#"><u>HF 2454</u></a>	Public Defense and Veterans
<a href="#"><u>HF 2456</u></a>	Transportation
<a href="#"><u>HF 2458</u></a>	Natural Resources and Outdoor Recreation
<a href="#"><u>HF 2459</u></a>	Environmental Protection
<a href="#"><u>HF 2460</u></a>	Transportation
<a href="#"><u>HF 2461</u></a>	Education
<a href="#"><u>HF 2466</u></a>	Transportation
<a href="#"><u>HF 2473</u></a>	Criminal Law, Procedure, and Corrections
<a href="#"><u>HF 2478</u></a>	Business, Banking, and Insurance
<a href="#"><u>HF 2483</u></a>	Civil Law, Procedure, and Court Administration
<a href="#"><u>HF 2484</u></a>	Natural Resources and Outdoor Recreation
<a href="#"><u>HF 2485</u></a>	Labor and Employment
<a href="#"><u>HF 2487</u></a>	Economic Development
<a href="#"><u>HF 2488</u></a>	State Government
<a href="#"><u>HF 2496</u></a>	Environmental Protection
<a href="#"><u>HF 2512</u></a>	Transportation
<a href="#"><u>HF 2518</u></a>	State Government
<a href="#"><u>HF 2519</u></a>	Appropriations
<a href="#"><u>HF 2522</u></a>	Appropriations
<a href="#"><u>HF 2525</u></a>	Appropriations
<a href="#"><u>HF 2526</u></a>	Appropriations
<a href="#"><u>HF 2531</u></a>	Appropriations
<a href="#"><u>HF 2532</u></a>	Taxation

## AGRICULTURE

- [SENATE FILE 2299](#) - Regulation of Grain Transactions
- [HOUSE FILE 2273](#) - Drainage District Improvements and Bid Requirements
- [HOUSE FILE 2280](#) - Regulation of Commercial Establishments for Nonagricultural Animals
- [HOUSE FILE 2380](#) - Taking of Crops on Farm Tenancies

### RELATED LEGISLATION

- [SENATE FILE 2088](#) - State Government Reorganization  
*SEE STATE GOVERNMENT.* Division XVIII of this Act eliminates two entities associated with the Department of Agriculture and Land Stewardship: the Renewable Fuels and Coproducts Advisory Committee and the Grape and Wine Development Commission. The division also eliminates the department's authority to promote grape and wine development, and transfers moneys collected by the department and used to support promotional programs. The division authorizes the department to increase fees that it collects from persons certified under the National Organic Program.
- [SENATE FILE 2248](#) - National Pollutant Discharge Elimination System Permits  
*SEE ENVIRONMENTAL PROTECTION.* This Act provides that a confinement feeding operation that is classified as a concentrated animal feeding operation under the federal National Pollutant Discharge Elimination System permit program must comply with applicable federal permit requirements pursuant to rules adopted by the Environmental Protection Commission.
- [SENATE FILE 2254](#) - Taxes and Assessments Against Property — Records — Collection  
*SEE LOCAL GOVERNMENT.* This Act in part amends provisions which authorize a county to collect the costs resulting from constructing or maintaining a fence as requested by a local authority or a neighboring landowner in order to restrain livestock or by a neighboring landowner desiring a secure partition fence.
- [SENATE FILE 2310](#) - Natural Resources and Outdoor Recreation Trust Fund  
*SEE NATURAL RESOURCES AND OUTDOOR RECREATION.* This Act implements a proposed amendment to the Constitution of the State of Iowa, on the ballot for public ratification on November 2, 2010, to dedicate a portion of state revenue from an increase in the state's sales tax for deposit into a Natural Resources and Outdoor Recreation Trust Fund. The Act establishes the fund to support various initiatives to be carried out by the departments of Natural Resources, Agriculture and Land Stewardship, and Transportation. The initiatives include supporting soil conservation and watershed protection; the conservation of highly erodible land; crop management practices; and the protection, restoration, or enhancement of water quality in the state.
- [SENATE FILE 2340](#) - Substantive Code Corrections  
*SEE STATE GOVERNMENT.* This Act contains statutory corrections that adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities in provisions relating to leases on agricultural land; movement of swine; appointment of the State Fair Secretary; county agricultural extension education tax levy and revenue limits; and vocational agricultural education.
- [SENATE FILE 2381](#) - Appropriations — Transportation  
*SEE APPROPRIATIONS.* This Act contains provisions for the operation of all-terrain vehicles and off-road utility vehicles on a highway.
- [HOUSE FILE 2459](#) - Watershed Management and Planning  
*SEE ENVIRONMENTAL PROTECTION.* This Act relates to watersheds.
- [HOUSE FILE 2512](#) - Commercial Motor Vehicle Weight Limits  
*SEE TRANSPORTATION.* This Act establishes new weight limits for commercial motor vehicles, other than special trucks, with six or seven axles.

[HOUSE FILE 2525](#) - Appropriations — Agriculture and Natural Resources  
**SEE APPROPRIATIONS.** This Act relates to agriculture and natural resources, including by making appropriations to the Department of Agriculture and Land Stewardship from a number of sources for fiscal year 2010-2011. It creates a Mississippi River Basin Healthy Watersheds Initiative administered by the department for purposes of improving the health of the Mississippi River basin, including water quality and wildlife habitat. It also establishes a Commercial Establishment Fund for use by the department in regulating commercial establishments providing for the care of nonagricultural animals as provided in H.F. 2280.

[HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to a program for farmers with disabilities. Division IX relates to education, promotion, and advertising relating to renewable fuels and coproducts.

## AGRICULTURE

### **SENATE FILE 2299 - Regulation of Grain Transactions**

BY COMMITTEE ON AGRICULTURE. This Act amends provisions in three Code chapters relating to grain transactions involving grain dealers and grain warehouse operators licensed by the Department of Agriculture and Land Stewardship (DALS) and the administration of the Grain Depositors and Sellers Indemnity Fund by DALS and the Iowa Grain Indemnity Fund Board. Code Chapter 203 regulates grain dealers, Code Chapter 203C regulates warehouse operators, and Code Chapter 203D provides for the fund. The purpose of the fund is to reimburse depositors or sellers of grain who may file claims for losses incurred by the failure of a grain dealer or warehouse operator to honor a contractual payment obligation (Code Section 203D.6).

*LICENSEES.* Currently, a person applying for a warehouse license must state whether the applicant is an individual, partnership, or corporation (Code Section 203C.7). The Act requires a license by other business entities, such as limited partnerships, limited liability partnerships, limited liability companies, or cooperative associations. The Act provides that a warehouse license expires at the end of the third calendar month following the close of the warehouse operator's fiscal year according to current practice. It also expressly provides for the issuance, suspension, or revocation of a license by a grain dealer or warehouse operator for failing to pay a fee, and for the refund of fees when a license is canceled or otherwise terminated.

*FEES.* The Act replaces an annual fee required to be paid by both grain dealers and warehouse operators with a participation fee and moves an existing provision establishing a per-bushel fee of one-quarter cent assessed once on all purchased grain by a grain dealer and payable on a quarterly basis (Code Section 203D.3 and new Code Section 203D.3A). A licensee must pay the new participation fee on the last date of the fund's fiscal quarter after the licensee's anniversary date. However, the licensee may elect to pay the participation fee in four successive installments, with each installment date occurring on the last date of the fund's fiscal quarter. The fund's fiscal year is the same as the state's fiscal year (from July 1 to June 30) with fiscal quarters beginning on July 1, October 1, January 1, and April 1. A person applying for the issuance of a new license must pay DALS an initial participation fee as part of the application, and then recalculate the participation fee when making the first required payment as a licensee. The participation fee, like the per-bushel fee, takes effect on July 1. A licensed grain dealer must pay not more than fourteen thousandths of a cent per bushel assessed on all purchased grain and a licensed warehouse operator must pay not more than fourteen thousandths of a cent per bushel of bulk grain storage capacity or \$500, whichever is less. However, the minimum payment for a licensee is \$50.

*FUND.* The Act does not alter the right and duty of the board to impose, waive, or adjust the fees as necessary to maintain the fund's solvency. The board must continue to meet on May 1 to impose, adjust, or waive the fees (Code Section 203D.5). However, if at the end of any three-month period the fund exceeds \$8 million, the fees are waived and no longer owing, except for outstanding participation fees (Code Section 203D.5). The board may reinstate the fees if its assets are more than \$3 million but less than \$8 million. The board must reinstate the fees if the assets are less than \$3 million.

### **HOUSE FILE 2273 - Drainage District Improvements and Bid Requirements**

BY MERTZ. This Act amends a provision in Code Chapter 468 which authorizes a governing board, usually a county board of supervisors and sometimes a joint board of supervisors or a board of trustees, to establish and administer a drainage district or districts and to locate and establish levees. This includes the authority to maintain improvements to a levee, ditch, drain, watercourse, or settling basin (Code Section 468.1).

The Act amends Code Sections 468.34 and 468.35, which provide for the letting of bids by the board to make improvements to the drainage district. A bidder must submit a bid security which is a bond or other proof of financial responsibility to the county auditor in an amount equal to 10 percent of the bid amount or \$10,000, whichever is less. The Act reduces the percentage of the bid amount required to be pledged from 10 percent to 5 percent and eliminates the \$10,000 ceiling.

The Act also amends Code Sections 468.34 and 468.66, which establish a threshold dollar amount before a board must let bids for a contract to construct an improvement. The Act increases the threshold from \$15,000 to \$20,000.

The Act takes effect March 22, 2010.

**HOUSE FILE 2280 - Regulation of Commercial Establishments for Nonagricultural Animals**

BY COMMITTEE ON PUBLIC SAFETY. This Act amends Code Chapter 162 by providing for the regulation of commercial establishments that possess or control animals, other than animals used for an agricultural purpose, by the Department of Agriculture and Land Stewardship (DALs).

*SCOPE.* Under the Code chapter as it existed prior to this Act, an animal shelter, pound, or research facility must have obtained a certificate of registration; a pet shop, boarding kennel, or commercial kennel must have obtained a license; and a commercial breeder, dealer, or public auction must have obtained a certificate of registration because they were federally licensed by the U.S. Department of Agriculture (USDA). The Act provides that a commercial breeder, dealer, or public auction must obtain a license or permit instead of a certificate of registration. All of these documents are referred to as authorizations (Code Section 162.2A).

*FEES.* The Act provides that a commercial establishment must pay a fee for being issued or renewed an authorization. The Act increases fees required to be paid for the issuance or renewal of an authorization. The fee for the issuance or renewal of a certificate of registration is \$75 and the fee for the issuance or renewal of a state license or permit is \$175, except for a commercial breeder who keeps greyhounds for racing who is subject to a separate fee (new Code Section 162.2A). DALs retains the fees. See also H.F. 2525, Section 25 (Appropriations), which creates a Commercial Establishment Fund dedicated for use by DALs.

*PURCHASE OF DOGS AND CATS FROM UNAUTHORIZED COMMERCIAL ESTABLISHMENTS.* The Act prohibits a research facility, pet shop, boarding kennel, commercial kennel, dealer, commercial breeder, or public auction from purchasing a dog or cat from a commercial establishment that is not authorized in this state or another state (Code Sections 162.4A through 162.9A).

*STANDARD OF CARE.* The Act requires that commercial establishments operate pursuant to an authorization and requires registrants and state licensees to maintain records. The Act provides for a general standard of care for all commercial establishments. The commercial establishment must ensure that an animal in its possession or under its control is not lacking adequate feed, adequate water, housing facilities, sanitary control, grooming practices affecting the health of the animal, and veterinary care (Code Section 162.10A). A registrant or state licensee must comply with DALs' rules, with one exception. DALs may adopt different rules that apply to state licensees who keep greyhounds for racing. A permittee may meet the standard of care without complying with DALs rules. It may also fail to meet the standard of care even though it passes a federal inspection. DALs may adopt rules implementing a standard of care for permitted establishments so long as the rules are not more restrictive than the federal Animal Welfare Act. A person who commits animal cruelty under Code Chapter 717B fails to meet the standard of care as a matter of law.

*ENTERING ONTO THE BUSINESS PREMISES.* The Act provides that DALs may inspect a registrant or state licensee by entering onto its business premises and may inspect its records. DALs may monitor a permittee by entering onto its business premises for the limited purpose of determining whether the permittee is providing for the required standard of care. In order to enter onto the premises of a permittee, DALs must have reasonable cause supported by an oral or written complaint or a report filed by the USDA. The Act provides for the confidentiality of complaints filed by individuals unless the complaints are relevant to an administrative or court proceeding.

*DISCIPLINARY ACTIONS.* The Act provides that DALs may take disciplinary action against a commercial establishment by suspending or revoking the commercial establishment's authorization. DALs may require that an owner, operator, or employee of a commercial establishment complete a continuing education program which is supervised by DALs, but may be administered by a person that DALs selects.

*EXCEPTION ELIMINATED.* The Act eliminates provisions that exempted federal licensees from regulations. It provides that permittees are subject to regulation as expressly provided in the Code chapter.

*DENIAL OR REVOCATION OF A STATE LICENSE OR REGISTRATION.* The Act amends Code Section 162.12, which in some instances repeats earlier provisions, and allows DALs to deny a certificate of registration or state license. The provision would also apply to a person who is registered to own or possess a dangerous wild animal (Code Section 717F.7).

*CIVIL PENALTIES.* The Act authorizes DALs to establish, impose, and assess civil penalties for violations of the Act's provisions. For an authorized commercial establishment, the civil penalty is up to \$500 per each day of a violation. For a housing violation, the civil penalty is assessed for the first day, but not for the subsequent 15 days to allow for correction according to a departmental plan. For an unauthorized commercial establishment, the civil penalty is up to \$1,000 per each day of a violation, without a grace period for a housing violation.

*CRIMINAL PENALTIES.* A person who violates a standard of care is guilty of a simple misdemeanor. A person who operates a commercial establishment without obtaining an authorization is guilty of a simple misdemeanor. A simple misdemeanor is punishable by confinement for no more than 30 days or a fine of at least \$65 but not more than \$625 or by both.

*DEPARTMENTAL RULES.* The Act provides that its provisions do not diminish the authority of DALs to regulate different types of commercial establishments as provided in its rules effective prior to the effective date of the Act.

*EFFECTIVE DATE.* The Act takes effect March 9, 2010.

**HOUSE FILE 2380 - Taking of Crops on Farm Tenancies**

BY COMMITTEE ON AGRICULTURE. This Act provides that a farm tenant may take any part of the aboveground part of a harvested crop (e.g., stover) until the farm tenancy terminates, unless the parties to the lease provide otherwise in writing.



## ALCOHOL REGULATION AND SUBSTANCE ABUSE

[HOUSE FILE 788](#) - Alcoholic Beverage Control and Persons Under Legal Age

### RELATED LEGISLATION

- [SENATE FILE 2088](#) - State Government Reorganization  
**SEE STATE GOVERNMENT.** Divisions IX through XIII of this Act concern alcohol regulation.
- Division IX relates to the manufacture and sale of micro-distilled spirits by a micro-distillery, and provides for the obtaining of a class "A" micro-distilled spirits permit.
- Division X allows certain nonprofit entities to obtain a permit and conduct a charity auction, which includes beer and wine. The objective of the auction shall be to raise funds for educational, religious, or charitable purposes.
- Division XI establishes two new beer permits, a class "AA" and special class "AA" permit, which allow for the sale and manufacture of high alcoholic content beer in the same manner as current class "A" and special class "A" permits relative to beer. "High alcoholic content beer" is defined as beer that contains more than 5 percent, but not more than 12 percent, of alcohol by weight. Previously, the law provided that beer with more than 5 percent of alcohol by weight would be considered alcoholic liquor.
- Division XII concerns certain operations of the Alcoholic Beverages Division of the Department of Commerce, and provides that the administrator of the division is required to close the main state alcoholic liquor warehouse every Friday from July 1, 2010, until June 30, 2015, and also restricts the number of checks conducted by the division to ensure licensed retail establishment compliance with tobacco laws, regulations, and ordinances applicable to minors to one such check for the 2010-2011 fiscal year.
- Division XIII authorizes the direct shipment of wine from wine manufacturers in Iowa or another state to residents of Iowa under specified circumstances.
- [SENATE FILE 2367](#) - Appropriations — Administration and Regulation  
**SEE APPROPRIATIONS.** This Act relates to and appropriates funds from the General Fund of the State and other funds to various administrative and regulatory state departments and agencies for FY 2010-2011. The Act provides that the provisions of Code Chapter 123 concerning alcoholic beverage control and applicable to beer are also applicable to high alcoholic content beer. This provision of this Act takes effect April 29, 2010, and is retroactively applicable to March 10, 2010, which is the effective date of the provision in S.F. 2088 (see State Government) creating the new category of high alcoholic content beer within Code Chapter 123.
- [HOUSE FILE 2233](#) - Alcohol-Related Offenses — Expunging of Convictions  
**SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.** This Act relates to expunging the record of conviction for public intoxication and for possessing, purchasing, or attempting to purchase alcohol under legal age, and similar local ordinances.
- [HOUSE FILE 2374](#) - Serious Injury — Definition  
**SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.** This Act modifies the definition of "serious injury" in Code Chapters 321J (Operating While Intoxicated) and 462A (Water Navigation Regulations) in order to make the definition consistent with the definition of "serious injury" in Code Section 702.18 (Criminal Code — definitions).
- [HOUSE FILE 2403](#) - Controlled Substances — Miscellaneous Changes  
**SEE HEALTH AND SAFETY.** This Act makes changes to the Uniform Controlled Substances Act. The Act adds the substances "tapentadol" and "lacosamide" to the list of controlled substances to maintain uniformity between state and federal regulations.
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding  
**SEE APPROPRIATIONS.** This Act appropriates federal block grant, federal American Recovery

and Reinvestment Act of 2009 (often referred to as the "federal stimulus package" or ARRA), and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The Act includes funding for various substance abuse and drug enforcement programs.

[HOUSE FILE 2522](#) - Appropriations — Economic Development  
*SEE APPROPRIATIONS.* This Act makes appropriations and transfers from the General Fund of the State and other funds to the Department of Cultural Affairs, the Department of Economic Development, the University of Iowa, the University of Northern Iowa, Iowa State University, the Department of Workforce Development, and the Public Employment Relations Board for FY 2010-2011, and provides for certain related matters.

[HOUSE FILE 2526](#) - Appropriations — Health and Human Services  
*SEE APPROPRIATIONS.* This Act relates to and makes appropriations for health and human services for FY 2010-2011, and includes funding for tobacco cessation, substance abuse, and gambling treatment.

[HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to the purchase and sale of high alcoholic content beer. Division XIII relates to the direct shipment of wine.

## ALCOHOL REGULATION AND SUBSTANCE ABUSE

### HOUSE FILE 788 - Alcoholic Beverage Control and Persons Under Legal Age

BY COMMITTEE ON STATE GOVERNMENT. This Act concerns alcoholic beverage control, relating to minors and public intoxication or possession of alcohol and concerning penalties relating to criminal activity occurring in parking lots and areas adjacent to the premises of certain liquor control licensees or permittees.

The Act specifies that a person who is 18, 19, or 20 years of age, other than a licensee or permittee under the alcoholic beverages laws, who purchases, attempts to purchase, or possesses alcohol is subject to a simple misdemeanor punishable as a scheduled fine of \$200 for a first offense, a simple misdemeanor punishable by a \$500 fine and a substance abuse evaluation or the suspension of the person's motor vehicle operating privileges for a period not to exceed one year for a second offense, or a simple misdemeanor punishable by a \$500 fine and the suspension of the person's motor vehicle operating privileges for a period not to exceed one year for a third or subsequent offense. Prior law imposed those same penalties upon a person under legal age, defined as a person under the age of 21. The Act also applies to open container violations that occur in motor vehicles pursuant to Code Sections 321.284 and 321.284A.

The Act requires that a peace officer who finds a person who is under the age of 18 to be in violation of Code Section 123.46 relating to the consumption of alcohol in public, or Code Section 124.47 relating to the possession of alcohol, to refer such person to juvenile court. A juvenile court officer is then required to notify the person's custodial parent, legal guardian, or custodian of the violation and, if the person is enrolled in an elementary or secondary school, make a reasonable effort to notify the appropriate school personnel of the violation. A reasonable effort to notify includes a telephone call or notice by first-class mail.

Concerning the prohibition in Code Section 123.49 on liquor control licensees and wine and beer permittees to knowingly permit criminal activity on the premises of the licensee or permittee, the Act provides that the absence of security personnel on the licensed premises is insufficient to prove that criminal activity occurring on the premises was knowingly permitted. In addition, the Act provides that for a liquor licensee authorized to sell alcoholic beverages for consumption on the licensed premises, "premises" includes parking lots and areas adjacent to the licensed premises that are used by patrons of the liquor licensee or permittee.



## APPROPRIATIONS

- [SENATE FILE 2151](#) - Appropriation Reductions, Transfers, and Supplementals — Health and Human Services
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals
- [SENATE FILE 2367](#) - Appropriations — Administration and Regulation
- [SENATE FILE 2376](#) - Appropriations — Education
- [SENATE FILE 2377](#) - Appropriations — Judicial Branch
- [SENATE FILE 2378](#) - Appropriations — Justice System
- [SENATE FILE 2381](#) - Appropriations — Transportation
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding
- [HOUSE FILE 2522](#) - Appropriations — Economic Development
- [HOUSE FILE 2525](#) - Appropriations — Agriculture and Natural Resources
- [HOUSE FILE 2526](#) - Appropriations — Health and Human Services
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes

## RELATED LEGISLATION

- [SENATE FILE 2088](#) - State Government Reorganization  
*SEE STATE GOVERNMENT.* Several divisions of this Act contain provisions making general fund appropriations.  
  
 Division XVII appropriates moneys to the Department of Revenue to hire additional examiners and to the Department of Management to create and fill an additional position in the Office of Grants Enterprise Management.  
  
 Division XXXI, establishing a False Claims Act, appropriates moneys to the Office of the Attorney General.  
  
 Division L, concerning the State Public Defender, appropriates additional moneys to the Office of the State Public Defender of the Department of Inspections and Appeals for 16 additional local public defender and staff positions.
- [HOUSE FILE 2518](#) - Public Retirement Systems Changes  
*SEE STATE GOVERNMENT.* This Act makes numerous changes pertaining to public retirement systems, including the Public Safety Peace Officers' Retirement, Accident and Disability System (PORS, Code Chapter 97A), the Iowa Public Employees' Retirement System (IPERS, Code Chapter 97B), and the Municipal Fire and Police Retirement System (MFPRSI, Code Chapter 411). Concerning PORS, the Act provides for a supplemental appropriation from the General Fund of the State to the PORS Retirement Fund of \$5 million per fiscal year, beginning July 1, 2012, until the end of the fiscal year in which PORS reaches a funded ratio of assets to liabilities of at least 85 percent. The Act also provides for an appropriation from the General Fund of the State to the PORS Retirement Fund in an amount necessary to fund the cost of the purchase of service credit granted to certain former members of the MFPRSI under Code Chapter 411 who purchase service credit under PORS for the period of that service. Concerning the MFPRSI under Code Chapter 411, the Act repeals Code Section 411.20, which required an appropriation from the General Fund of the State to MFPRSI for each fiscal year in an amount necessary to finance the cost of benefits provided in Code Chapter 411 by amendments of the Acts of the Sixty-sixth General Assembly. Code Section 8.59 had frozen this appropriation to those amounts expended for the fiscal year commencing July 1, 1992. The Act provides for an appropriation to MFPRSI from the General Fund of the State during FY 2010-2011 of \$1.5 million and during FY 2011-2012 of \$750,000.

APPROPRIATIONS

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## APPROPRIATIONS

### [SENATE FILE 2151](#) - Appropriation Reductions, Transfers, and Supplementals — Health and Human Services [Fiscal Analysis](#)

BY COMMITTEE ON APPROPRIATIONS. This Act makes and revises certain appropriations made for health and human services for fiscal year 2009-2010 by switching the funding sources for various appropriations, as adjusted for the Governor's uniform reduction in appropriations made for the fiscal year on October 8, 2009, in Executive Order Number 19.

In addition, new moneys are appropriated for the same fiscal year that were made available through the federal American Recovery and Reinvestment Act of 2009 (ARRA) for the federal Emergency Contingency Fund for Temporary Assistance for Needy Families (TANF) State Program. The moneys are to be used to fully fund the Family Investment Program (FIP) for the fiscal year. This provision was amended by H.F. 2526 to authorize the funding source to also be used for funding of summer youth programs and other employment and training-related programs, as allowed by federal law, that are administered by the Department of Workforce Development.

The following appropriations made from federal ARRA funding to the Department of Human Services (DHS) are decreased and new appropriations are made or existing appropriations revised to fully or partially replace them, as adjusted for the Governor's uniform reduction in appropriations, from the General Fund of the State: the Medical Assistance (Medicaid) and Healthy and Well Kids in Iowa (hawk-i) programs; child and family services; the Property Tax Relief Fund for county mental health, mental retardation, and developmental disabilities (MH/MR/DD) services; and DHS field operations.

The following appropriations made from the General Fund of the State are decreased and new appropriations are made or existing appropriations revised to fully or partially replace them, as adjusted for the Governor's uniform reduction in appropriations, from federal ARRA funding: Medicaid program; Medicaid appropriation funding for the four state mental health institutes; and state case services for persons with mental illness, mental retardation, and developmental disabilities. In addition, moneys that would otherwise remain unexpended in the risk pool for MH/MR/DD services are transferred to be used for the state case services.

An additional appropriation of \$2.5 million is made from the IowaCare Account for distribution to a publicly owned acute care teaching hospital located in a county with a population of over 350,000.

The Act takes effect March 3, 2010.

### [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals

#### [Fiscal Analysis](#)

BY COMMITTEE ON APPROPRIATIONS. This Act addresses various regulatory matters and makes, reduces, and supplements appropriations for expenditures in FY 2009-2010. The Act is organized into divisions.

#### Division I — Administration and Regulation

Division I supplements the appropriation made for provision of state funding to local governments for the elderly and disabled tax credit and reimbursement and addresses certain provisions involving the Department of Administrative Services.

Code Section 8A.504, relating to the department's setoff of debts owed by a person to the state or agencies of the state from claims owed to the person by a state agency, is amended to authorize such setoff for liabilities owed to community colleges.

The department is authorized to sell fixtures, equipment, or other items remaining at the former Mercy Capitol facilities that the department has determined will not be retained for use by the state and appropriates the proceeds to be used for the costs of occupying and operating the facilities.

## APPROPRIATIONS

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### Division II — Justice System

Division II supplements the amounts of appropriations made for the justice system for the fiscal year to the following departments and agencies: Department of Corrections institutions and community-based corrections, Public Defender, and the Military and Homeland Security and Emergency Management divisions of the Department of Public Defense. Portions of these appropriations remaining unexpended at the close of this fiscal year are authorized to be carried forward to the succeeding fiscal year. In addition, the main appropriation made to the judicial branch is reduced by approximately 7 percent.

Language is included clarifying that the supplemental appropriations are made after the Governor's uniform reduction made pursuant to Executive Order Number 19 and various transfers to and from appropriations.

### Division III — Education

Division III supplements certain appropriations made for education.

Appropriations made to the Department of Education for the following purposes are supplemented: the State Library's Enrich Iowa Program, preschool tuition assistance through the Iowa Empowerment Initiative, the Statewide Preschool Program for Four-Year-Old Children, textbooks of nonpublic school pupils, the Core Curriculum and Career Information and Decision-Making System, Student Achievement and Teacher Quality Program, community colleges, programs for at-risk children, the K-12 management information system, and the Iowa Senior Year Plus Program. The appropriations to the State Board of Regents for the following institutions are supplemented: University of Iowa, Iowa State University, University of Northern Iowa, State School for the Deaf, and Iowa Braille and Sight Saving School.

Language is included clarifying that the supplemental appropriations are made after applying the Governor's uniform reduction, and various transfers to and from appropriations.

Authorization is provided for the moneys from the supplemental appropriations made in the division to the Department of Education for community colleges and to the State Board of Regents that remain unencumbered or unobligated at the close of the fiscal year to carry forward to the succeeding fiscal year.

### Division IV — General Assembly and Miscellaneous

Division IV addresses appropriations for the expenses of the General Assembly and other purposes. An existing reduction to the amount of the standing appropriation made for the expenses of the General Assembly is increased and the number of full-time equivalent positions authorized for the Office of State-Federal Relations under the Governor's office is increased.

*TRANSFERS.* The division makes transfers between various funding sources in lieu of such transfers made by the executive branch and reported by Department of Management in December 2009. The transfers affected are from the Scholarship and Tuition Grant Reserve Fund and the Tuition Grant Program under the control of the College Student Aid Commission (CSAC), to the appropriations for the Iowa National Guard Educational Assistance Program, the All Iowa Opportunity Scholarship Program, and the vocational-technical tuition grants. In addition, moneys are appropriated from the Medicaid Fraud Account under the control of the Department of Inspections and Appeals to be used for the department's Investigations Division. The sections providing for transfers involving CSAC and the Department of Inspections and Appeals apply retroactively to December 14, 2009.

### Division V — Health

Division V revises certain appropriations made for health programs in 2009 Iowa Acts, Chapter 182. The following appropriations are supplemented: addictive disorders, healthy children and families, chronic conditions, community capacity, elderly wellness, environmental hazards, infectious diseases, public protection, and the Center for Congenital and Inherited Disorders.

## APPROPRIATIONS

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Language is included clarifying that the supplemental appropriations are made after the Governor's uniform reduction and various transfers to and from appropriations.

### Division VI — Human Services

Division VI makes a supplemental appropriation to the Department of Human Services for distribution to counties for state case services for persons with mental illness, mental retardation, and developmental disabilities.

The appropriation to the department from the Juvenile Detention Home Fund is revised to divert \$1 million for funding of core departmental juvenile delinquent graduated sanctions services and to replace a reduction for the funding of such services due to the Governor's uniform reduction. The first \$1 million of moneys designated for the decategorization of child welfare and juvenile justice funding initiative that would otherwise be used as carryover funding is instead transferred to the Juvenile Detention Home Fund to restore the amount diverted.

Language is included clarifying that the supplemental appropriations are made after the Governor's uniform reduction and various transfers to and from appropriations.

### Division VII — Human Services Nursing Facility Reimbursement

Division VII restores a portion of the reduction made to the reimbursement paid under the Medicaid program for nursing facility reimbursement as part of implementing the Governor's uniform reductions. Because the funding source for the restoration is contingent upon federal approval of a waiver allowing nursing facilities to be charged a quality assurance fee, this division includes a contingent implementation provision. The waiver was approved by the federal government in March 2010.

### Division VIII — Infrastructure Appropriations

Division VIII revises various infrastructure appropriations.

Appropriations from the Rebuild Iowa Infrastructure Fund for the following purposes are reduced or eliminated: to the Department of Corrections for electrical systems costs at the Fort Madison facility and for the Integrated Justice Information for Iowa System, to the Department of Human Services for renovation and construction of certain nursing facilities and a study of ways to enhance access to health insurance by certain child care providers, to the Department of Administrative Services for the Department of Corrections for a study related to the Fifth Judicial District Department of Correctional Services, to the Department of Cultural Affairs for repairs to a historic Kimball organ, and to the Department of Natural Resources for a grant to a city with a certain population level.

Of the \$25.6 million appropriation made from the Cash Reserve Fund for performance of duty by the Executive Council, approximately \$900,000 is allocated to the State Training School in Eldora for storm damage repair.

A reduction in the standing appropriation from \$50 million to \$45 million made from the Rebuild Iowa Infrastructure Fund to the Grow Iowa Values Fund in 2009 Iowa Acts, Chapter 184, is further reduced to \$23 million. The allocation of this funding for the programs of the Department of Economic Development is reduced accordingly.

### Division IX — Effective Date

Division IX provides that the Act takes effect April 15, 2010.

### **SENATE FILE 2367 - Appropriations — Administration and Regulation**

### **Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act relates to and appropriates from the General Fund of the State, and from other funds, to various administrative and regulatory state departments and agencies for FY 2010-2011, and provides for related matters.

### Division I — Appropriations

The Act appropriates moneys to various state departments and agencies, including the Department of Administrative Services (DAS); Auditor of State; Iowa Ethics and Campaign Disclosure Board; Department of Commerce; Office of Governor, including the Lieutenant Governor, Terrace Hill quarters, and Drug Control Policy Office; Department of Human Rights; Department of Inspections and Appeals (DIA); Department of Management; Department of Revenue (DOR); Secretary of

## APPROPRIATIONS

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State; Treasurer of State; Rebuild Iowa Office; and the Iowa Public Employees' Retirement System. The Act also appropriates funding for the state's membership in the National Governors Association.

The Act prohibits the Auditor of State from seeking reimbursement for discretionary audits and limits reimbursement from state and local government entities for audit costs not funded from federal moneys to the total amount reimbursed in FY 2008-2009.

The Act allows DIA to retain any license fees generated during the fiscal year from actions taken relative to municipal corporation food inspections from the previous year to be used relative to enforcement of the Hotel Sanitation Code, and home food and other food establishment requirements. The Act also exempts DIA from the requirement to conduct inspections of state-licensed health care facilities every 30 months and allows DIA to conduct inspections upon receipt of a complaint.

### THE GOVERNOR ITEM VETOED THE FOLLOWING:

A provision requiring the Department of Inspections and Appeals and the Health Facilities Division to provide information on the department's Internet site relative to inspections conducted by the division.

### Division II — Audits

Division II concerns audits performed by the Auditor of State.

Code Section 8D.13, concerning the Iowa Communications Network, is amended to eliminate the requirement that the auditor examine, no less than annually, the financial condition and transactions of the Iowa Telecommunications and Technology Commission.

Code Section 11.5B, concerning repayment of audit expenses by state departments, is amended to provide that audits relative to the financial administration duties of the Department of Management are reimbursable. This change is struck in H.F. 2531 because that Act eliminated the transfer of financial administration duties to the Department of Management contained in S.F. 2088 (see State Government).

Division II also provides that the cost of audits required to be conducted by the auditor for the Iowa Corn Promotion Board, Iowa Sheep and Wool Promotion Board, Iowa Egg Council, and the Iowa Turkey Council may be reimbursed from moneys collected by the applicable board or council.

### Division III — Department of Administrative Services

Division III allows the Department of Administrative Services to procure information technology by leveraging an existing competitively procured contract.

New Code Section 8A.315A allows the department to use "certified chain of custody paper" in lieu of recycled paper for purposes of meeting recycled paper requirements. "Certified chain of custody paper" is defined as paper that has been certified pursuant to a process that traces and records the possession and transfer of wood and fiber used to make the paper.

Division III strikes the July 1, 2010, repeal of the Health Insurance Administration Fund. This provision takes effect April 29, 2010.

## APPROPRIATIONS

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The Act also provides that state departments and agencies are not required to pay depreciation expenses related to vehicles for FY 2010-2011.

### Division IV — Banking Division Provisions

Division IV allows a state bank, subject to approval by the Superintendent of Banking, to lend or pledge its assets for the purpose of securing transactions to hedge risks associated with interest rate exposure.

### Division V — High Alcoholic Content Beer

Division V provides that the provisions of Code Chapter 123 concerning alcoholic beverage control and applicable to beer are also applicable to high alcoholic content beer. Division V takes effect April 29, 2010, and is retroactively applicable to March 10, 2010, the effective date of the provision in S.F. 2088 creating the new category of high alcoholic content beer within Code Chapter 123.

### Division VI — Department of Human Rights

Division VI makes corrective changes relative to the reorganization of the Department of Human Rights contained in S.F. 2088.

### Division VII — Treasurer of State

Division VII provides for the establishment of a financial literacy program within the Office of the Treasurer of State. The objective of the program shall be to encourage and make possible the achievement of financial literacy by the largest number of citizens in Iowa, and especially by low- to moderate-income families.

Division VII authorizes the State Treasurer to promote the advantages of personal savings and responsible borrowing and the viability and desirability of implementing a personal savings program and responsible borrowing practices regardless of an individual's or a family's financial status; to create an incentive program and awards ceremony recognizing individuals and families who have made significant progress toward achieving personal savings goals and responsible borrowing practices; to create strategies for coordination of the program with the Iowa Educational Savings Plan Trust; to make presentations to groups regarding the existence of the program; and to coordinate conferences, meetings, and events promoting financial literacy and education.

### **SENATE FILE 2376 - Appropriations — Education**

### **Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act appropriates moneys for FY 2010-2011 from the General Fund of the State to the Department for the Blind, the College Student Aid Commission (CSAC), the Department of Education, and the State Board of Regents and its institutions.

*DEPARTMENT FOR THE BLIND.* The Act appropriates funds to the Department for the Blind for its administration.

*COLLEGE STUDENT AID COMMISSION.* The Act includes appropriations to CSAC for general administrative purposes, student aid programs, forgivable loans and loan forgiveness for students and physicians and surgeons, an initiative directing primary care physicians to areas of the state experiencing physician shortages, the National Guard Educational Assistance Program, the Teacher Shortage Loan Forgiveness Program, the All Iowa Opportunity Foster Care Grant and All Iowa Opportunity Scholarship programs, the Registered Nurse Loan and Nurse Educator Forgiveness Program, and the Barber and Cosmetology Arts and Sciences Tuition Grant Program.

In addition, the commission is directed to pay a fee to Des Moines University — Osteopathic Medical Center for administration of the Primary Health Care Initiative; moneys deposited in the Chiropractic Loan Revolving Fund are permitted to be used for purposes of the Chiropractic Loan Forgiveness Program; and in lieu of the \$2.75 million standing appropriation for the Iowa Work-Study Program, the amount appropriated for the program for FY 2010-2011 is zero.

*DEPARTMENT OF EDUCATION.* The Act appropriates moneys to the Department of Education for purposes of the department's general administration; vocational education administration; the Division of Vocational Rehabilitation Services, including independent living, the Entrepreneurs with Disabilities Program, and independent living centers; the State Library for general administration and the Enrich Iowa Program; the Library Service Area System; the Public Broadcasting Division; regional telecommunications councils; vocational education to secondary schools; school food service; the Iowa Empowerment Fund; expansion of the federal Individuals With Disabilities Education Improvement Act; birth through age

three services; the Statewide Preschool Program for Four-Year-Old Children; textbooks for nonpublic school pupils; the Beginning Administrator Mentoring and Induction Program; the core curriculum and the career information and decision-making system; the Student Achievement and Teacher Quality Program; community colleges; and community college salaries.

The Act requires, for FY 2010-2011, the library service areas to serve and represent six geographic regions, notwithstanding the Code provision that provides for seven library service areas, by combining at least two of seven library service areas existing in FY 2009-2010, including their staff and boards of trustees. Moneys appropriated to the department for state aid for the Library Service Area System must be equally divided and allocated to the six library service areas. The library service areas and the State Library must work collaboratively to conduct a study of ways to streamline state-funded library operations and services, and report their findings and recommendations to the General Assembly on or before November 1, 2010.

The department and the State Board of Regents are directed to submit a report to the General Assembly by December 15, 2010, detailing community college and regents institution initiatives implemented to create greater efficiencies, and the methods by which community colleges and regents institutions implemented the 10 percent budget reduction ordered by the Governor in 2009 (Executive Order Number 19).

*STATE BOARD OF REGENTS.* The Act appropriates moneys to the State Board of Regents for the board office, universities' general operating budgets; the Southwest Iowa Graduate Studies Center; the Siouxland Interstate Metropolitan Planning Council; the Quad-Cities Graduate Studies Center; Iowa Public Radio; the University of Iowa; Iowa State University; the University of Northern Iowa; and the Iowa School for the Deaf and the Iowa Braille and Sight Saving School, including tuition and transportation costs for students residing at those schools, and for distribution for licensed classroom teachers at those schools. The Act also appropriated moneys to the state board from the Iowa Comprehensive Petroleum Underground Storage Tank Fund for FY 2010-2011 for the regents universities and the Iowa School for the Deaf and the Iowa Braille and Sight Saving School.

The state board is permitted to use indebtedness to finance certain projects resulting in energy savings.

The Act also requires the Department of Administrative Services to pay the Iowa School for the Deaf and the Iowa Braille and Sight Saving School moneys collected from counties for expenses related to prescription drug costs for students attending the schools and appropriates moneys for licensed classroom teachers at the schools.

*STATUTORY CHANGES.* The Act includes a number of statutory changes:

- *Library Service Area Reporting Requirements.* Library service areas must submit by December 1 annually to the Division of Libraries and Information Services of the Department of Education a report that provides details regarding their revenues and full-time equivalent positions. The division must compile and evaluate the information contained in the reports and submit the summary and its findings in an annual report to the Commission of Libraries, the General Assembly, the chairpersons and ranking members of the Joint Appropriations Subcommittee on Education, and the Fiscal Services Division of the Legislative Services Agency.
- *Preschool Program.* For FY 2010-2011, if the number of requests from school districts for initial participation in the Statewide Preschool Program for Four-Year-Old Children exceeds the funding made available for the program, rather than apply the selection criteria provided in statute, the Department of Education must implement a method for prorating grant awards to ensure that all interested and qualified school districts have access to the funding.
- *State Foundation Aid Moneys — Uses.* The Act amends a Code provision that states all state foundation aid moneys received by a school district must be deposited in the general fund of the school district and such moneys may be used for any school general fund purpose, to add a limitation providing that the moneys can be used for any general fund purpose unless otherwise provided by law.
- *Across-the-Board Reduction Exemptions.* School district and area education agency (AEA) teacher salary supplement district cost, the professional development supplement district cost and AEA professional development supplement district cost, and the early intervention supplement district cost as calculated by the Department of Management are exempted from an across-the-board reduction in state funding ordered by the Governor and the reduction must be taken from the remaining moneys appropriated for state foundation aid.

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Moneys appropriated by the General Assembly for community college instructor salaries are also exempted from across-the-board reductions in state funding ordered by the governor. These provisions take effect April 22, 2010, and the provisions relating to teacher salary, professional development, and early intervention supplement district costs apply to the calculation of the supplement district costs for the school budget year beginning July 1, 2010.

- *Combined Teacher Salaries.* School districts and AEAs are required to combine payments made to teachers to create a combined salary, the teacher contract must include the combined salary, and the salary schedule shall only use the combined salary. This provision takes effect April 22, 2010.
- *Complaints Filed with the Board of Educational Examiners (BOEE).* The BOEE must provide a complaint, any amendment to a complaint, and any supporting documents to the respondent immediately upon the board's determination that jurisdictional requirements have been met and prior to the board's investigation. This provision takes effect April 22, 2010.
- *Student Achievement and Teacher Quality Program — Miscellaneous Allocations.* The Act amends statutory language to decrease funding for FY 2010-2011 for purposes of National Board Certification Awards, Ambassador to Education position, statewide network of professional development for teachers and evaluator training, and teacher development academies. The Act also reduces funding each fiscal year for teacher development academies. The Act increases funding for FY 2010-2011, and succeeding fiscal years, for Beginning Teacher Mentoring and Induction programs.
- *Open Meetings, Open Records, and Related Requirements.* Each school board that pays membership dues to the Iowa Association of School Boards (IASB) must annually report to the local community and to the Department of Education the amount the board pays in membership dues to IASB, the amount of any fees paid and revenue or dividend payments received for services the board receives from IASB or from any of the association's affiliated for-profit entities, and the products or services the school district received inclusive with membership in the association. IASB is subject to the Open Meetings and Open Records laws; must annually publish a listing of the total revenue it receives from each school district resulting from the payment of membership fees and the sale of products and services to the school district by the association or its affiliated for-profit entities; and must submit to the General Assembly copies of all reports the association provides to the U.S. Department of Education relating to federal grants and grant amounts that IASB or its affiliated for-profit entities administer or distribute to school districts. The same requirements are established for other organizations to which school boards pay dues.
- *Tuition Grant Changes.* The standing appropriations for Iowa Tuition Grants and Vocational-Technical Tuition Grants are reduced for FY 2010-2011. Language is added to the Code to establish that a student who was qualified for a tuition grant and who was enrolled in an accredited private institution which was tax-exempt and was purchased by a for-profit institution effective January 8, 2010, shall continue to be eligible to receive tuition grant funds without a change in the student's qualification status if the student continues to be enrolled in the eligible institution in succeeding years. The added language takes effect April 22, 2010.
- *Regent and CSAC Annual Report Submission Dates.* The date by which the State Board of Regents and CSAC must submit certain annual reports is changed from January 1 to January 15.
- *University of Iowa Hospitals and Clinics (UIHC) Report Requirements.* Language specifying the information UIHC must report to the General Assembly is stricken, and language authorizing UIHC to submit its independently audited financial statement by January 15 annually is added.
- *Beginning Administrator Mentoring Program.* Code sections are amended to broaden the definition of beginning administrator to include those who hold an administrator license, rather than an initial administrator license, and to change references to the standard administrator license to the professional administrator license. If funds appropriated for the program are insufficient, school districts are directed to give priority to fully funding principal mentors, then superintendent mentors, then the remaining program costs.
- *Home School Assistance Program.* The Act codifies language specifying the purposes for which state school aid for home school assistance programs can and cannot be expended.

The Legislative Council is requested to establish an interim study committee to study the inclusion under the Open Meetings

and Open Records laws of nonprofit organizations that are supported in whole or in part with public funds or revenues derived from public fees, that were established by, or are operated by, governing boards whose memberships were or are substantially comprised of state or local elected officials or appointees of governmental bodies. The interim study committee shall report its findings and recommendations to the General Assembly not later than December 15, 2010.

The Act amends H.F. 2295 (see Education) to require that the AEA task force provided for by that Act review funding options for AEAs subject to across-the-board reductions ordered by the Governor in 2009.

**SENATE FILE 2377 - Appropriations — Judicial Branch**

**Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act appropriates approximately \$149 million from the General Fund of the State for FY 2010-2011 to the judicial branch for salaries, maintenance, equipment, and miscellaneous purposes, and includes a number of provisions to address funding restrictions.

The Act also appropriates \$1.5 million from the General Fund of the State to the revolving fund created in Code Section 602.1302 for jury and witness fees, mileage, costs related to summoning jurors, fees for interpreters, and certain attorney fee reimbursement.

The Act provides that a civil trial, including a jury trial, may take place in a county contiguous to the county with proper jurisdiction, even if the contiguous county is located in an adjacent judicial district or judicial election district, if all the parties in a case agree. If a trial is moved to another county that is located in another judicial district or judicial election district, the judicial officers serving the judicial district or judicial election district receiving the case shall preside over the case.

The Act permits a judicial officer to waive travel reimbursement for any travel outside the judicial officer's county of residence to conduct official business.

The Act allows, for the 2010-2011 fiscal year, a judicial officer to be placed on unpaid leave on any day a court employee is required to furlough. If a judicial officer is placed on unpaid leave, the salary of the judicial officer is reduced accordingly for the pay period in which the unpaid leave occurred. Through the course of the fiscal year, the judicial branch may use an amount equal to the aggregate amount of the salary reductions due to judicial officer unpaid leave for any purpose other than judicial salaries.

A legislative intent section provides that the judicial branch utilize the Iowa Communications Network or other secure electronic communications in lieu of traveling.

**SENATE FILE 2378 - Appropriations — Justice System**

**Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act relates to and makes appropriations to the justice system and provides for fees and fines.

*APPROPRIATIONS.* The Act makes appropriations from the General Fund of the State for fiscal year 2010-2011 to the departments of Justice, Corrections, Public Defense, and Public Safety, and the Iowa Law Enforcement Academy, Office of the State Public Defender, Board of Parole, and Iowa State Civil Rights Commission.

The Act appropriates moneys from the Department of Commerce Revolving Fund, created in Code Section 546.12, to the Office of Consumer Advocate of the Department of Justice.

The Department of Corrections is required to employ two part-time nurses at the Luster Heights Correctional Facility, and seek volunteer licensed medical personnel to serve at the facility.

The Act requires the Department of Corrections to place inmates at the Luster Heights facility who have been approved by the Board of Parole for work release but who are expected to be waiting in prison for at least four months for a bed to become available at a community-based correctional facility, unless the placement dislodges an inmate receiving substance abuse treatment.

The Department of Corrections is required to seek volunteer medical personnel to serve at correctional facilities throughout the state.

In addition to moneys from the General Fund, the Act also appropriates moneys from the Gaming Enforcement Fund, created in the Act, to the Department of Public Safety. However, H.F. 2531 increased this appropriation to approximately \$9.3

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million. The Act also limits the FTEs related to gaming enforcement.

The Act also provides that for each additional license to conduct gambling games on an excursion gambling boat, gambling structure, or racetrack enclosure issued during the fiscal period beginning on July 1, 2009, and ending June 30, 2011, there is appropriated from the Gaming Enforcement Fund to the Department of Public Safety for the fiscal year 2010-2011, an additional amount of not more than \$521,000 to be used for not more than six additional full-time equivalent positions.

*TRAFFIC FINES.* The Act increases numerous traffic fines related to simple misdemeanor offenses punishable as a scheduled violation under Code Section 805.8A.

Under Code Section 911.1, when a criminal fine is increased, the criminal penalty surcharge assessed against the fine also increases.

*PSEUDOEPHEDRINE FINE.* The Act also increases the fine related to first offense pseudoephedrine scheduled violations under Code Section 805.8C(6).

*PUBLIC SAFETY ENFORCEMENT FUND.* The Act creates the Public Safety Enforcement Fund in the State Treasury under the control of the Treasurer of State. The Act directs the State Court Administrator to allocate the first \$9.1 million collected from fines, costs, and other penalties collected during fiscal year 2010-2011 to the Treasurer of State for deposit into the fund.

The Act directs the Treasurer of State to allocate specific amounts to numerous entities from the Public Safety Enforcement Fund for fiscal year 2010-2011. Moneys are directed to the Department of Corrections for correctional facilities and judicial district departments of correctional services, to the Department of Public Safety, the Iowa State Civil Rights Commission, and the Judicial Branch.

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*PURCHASES FROM IOWA STATE INDUSTRIES.* Code Section 8A.302 as amended by S.F. 2088 (see State Government), is amended to provide that items of a general use provided by Iowa State (prison) Industries to other state agencies under Code Section 904.808 are exempt from being purchased through the Department of Administrative Services.

*STATE BUDGETING SYSTEM.* Senate File 2088 is amended to require that each judicial district department of correctional services utilize the state budgeting system for purposes of tracking appropriations and expenditures.

*GAMING ENFORCEMENT REVOLVING FUND.* The Gaming Enforcement Revolving Fund is created in new Code Section 80.43.

Code Sections 99D.14 and 99F.10 are amended to provide that the portion of the regulatory fee collected from gaming interests to pay for special agents and gaming enforcement officers, plus any direct and indirect support costs for such agents and officers for the Division of Criminal Investigation's gaming enforcement activities, is deposited into the Gaming Enforcement Revolving Fund.

The Act provides that all costs for agents and officers plus any direct and indirect support costs for such agents and officers of the Division of Criminal Investigation's racetrack, excursion boat, or gambling structure enforcement activities are paid from the fund as provided in appropriations made from the fund. The Act includes appropriations from the fund for fiscal year 2010-2011.

*FORFEITED PROPERTY.* Code Section 809A.17 is amended to provide that the Department of Justice shall not retain more than 10 percent of any cash forfeiture made by a law enforcement agency or 10 percent of the gross proceeds from the sale of any forfeited real property. The Act requires the balance of any cash forfeiture or the proceeds from the sale of forfeited real property be distributed to the seizing agency for use by the agency or for division among law enforcement agencies and county attorneys pursuant to any agreement entered into by the seizing agency. In the event of a cash forfeiture in excess of \$400,000, the distribution is as follows: 45 percent is retained by the seizing agency; 45 percent is distributed to other law enforcement agencies within the region of the seizing agency; and 10 percent is retained by the Department of Justice.

*INMATE LABOR.* Code Section 904.315 is amended by the Act to provide that a contract is not required for improvements at a state institution where the labor of inmates is used and the estimated cost of the improvements does not exceed \$100,000. Under prior law, the contract requirement threshold was \$50,000.

*EXECUTIVE DIRECTOR OF BOARD OF PAROLE.* The Act amends Code Section 904A.4B to provide that the chairperson may act as Executive Director of the Board of Parole, if the board does not appoint such a director.

### THE GOVERNOR ITEM VETOED THE FOLLOWING:

1. Provisions relating to the elimination of the Chief Security Officer position of the Department of Corrections.
2. A provision requiring a judicial district department of correctional services to accept into the facilities of the district department an offender assigned from another judicial district department of correctional services.
3. A provision establishing the scheduled fine at \$20 for a violation of Code Section 321.437 for improperly used or nonused, or defective or improper equipment, other than brakes, driving lights, and brake lights. The scheduled fine was established at \$35 for a violation of Code Section 321.437 in another provision of the Act.

### **SENATE FILE 2381 - Appropriations — Transportation**

### **Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act makes and limits appropriations for FY 2010-2011 from the Road Use Tax Fund and the Primary Road Fund to the Department of Transportation and contains miscellaneous statutory changes relating to transportation matters. The Act is organized by divisions.

#### **Division I — Appropriations**

Appropriations from the Road Use Tax Fund include appropriations for driver's license production costs, salaries, operations, planning, motor vehicles, utility services provided by the Department of Administrative Services, unemployment and workers' compensation, indirect cost recoveries, audits, county issuance of driver's licenses and vehicle registration and

titling, a system providing toll-free telephone road and weather reports, participation in the Mississippi River Parkway Commission, membership in North America's Supercorridor Coalition, and Motor Vehicle Division field facility maintenance projects.

Appropriations from the Primary Road Fund include appropriations for salaries, operations, planning, highways, motor vehicles, utility services provided by the Department of Administrative Services, unemployment and workers' compensation, hazardous waste disposal, indirect cost recoveries, audits, production of transportation maps, inventory and equipment replacement, utility projects, roofing projects, heating and cooling system improvements, exhaust system improvements, deferred maintenance at field facilities, various federal Americans With Disabilities Act improvements, elevator upgrades at the Ames complex, and wastewater treatment improvements.

#### Division II — Miscellaneous Statutory Changes

Division II contains provisions concerning the operation of all-terrain vehicles on highways and provisions concerning child restraint in a motor vehicle.

Under current law, for purposes of Code Chapter 321, "all-terrain vehicle" is defined as a motor vehicle designed to travel on three or more wheels and designed primarily for off-road recreational use but not including farm tractors or equipment, construction equipment, forestry vehicles, or lawn and grounds maintenance vehicles. The division amends that definition to include "off-road utility vehicles," which are otherwise regulated by the Department of Natural Resources under Code Chapter 321I. Off-road utility vehicles have at least four and not more than eight wheels, are limited in engine displacement to less than 1,500 cubic centimeters and in total dry weight to not more than 1,800 pounds, and have a bucket or bench seat.

This definitional change allows off-road utility vehicles to be operated on highways pursuant to Code Section 321.234A at speeds of 35 miles per hour or less under the following conditions as currently provided for all-terrain vehicles: between sunrise and sunset for agricultural purposes; by a licensed engineer or land surveyor for the purpose of land surveying; by an employee or agent of a political subdivision for the purpose of construction; by an employee or agent of a public agency for the purpose of providing emergency services or rescue; or for mowing, installing trail signs, or providing maintenance on designated snowmobile and all-terrain vehicle trails. The division provides that when the operation of an all-terrain vehicle on a highway is incidental to its use for agricultural purposes, the operator may stop to obtain fuel, food, or a nonalcoholic beverage.

Currently, pursuant to Code Section 321I.10, a county board of supervisors may designate certain roadways for use by all-terrain vehicles during a specified period, and a city may designate streets within the city's corporate limits which may be used for the sport of driving all-terrain vehicles. The division authorizes counties and cities to designate roadways or streets for general use by all-terrain vehicles or off-road utility vehicles. In addition, a county or city may allow all-terrain vehicles and off-road utility vehicles to stop at service stations and convenience stores along a designated roadway or street.

A person operating an all-terrain vehicle or off-road utility vehicle on a highway is required to have a valid driver's license, whether operating under the provisions of Code Section 321.234A or as authorized by a county or city pursuant to Code Section 321I.10.

Under existing law, the penalty for unlawful operation of an all-terrain vehicle on a highway is a simple misdemeanor punishable by a scheduled fine of \$50. That same penalty applies to similar violations by the operator of an off-road utility vehicle under the division.

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Because the definition of "all-terrain vehicle" in Code Chapter 321 is referred to in Code Chapter 322D, the division makes a conforming amendment to Code Section 322D.1 to preserve the current definition of "all-terrain vehicle" applicable for provisions relating to vehicle franchises.

The division requires that all persons under 18 years of age who are being transported in a motor vehicle, other than a school bus or motorcycle, be secured by an approved child restraint system or a seat belt regardless of seating position. If a passenger 14 years of age or older violates the requirement to wear a seat belt, the passenger, and not the driver, is to be charged with the violation. However, if such a passenger is unable to fasten a seat belt due to a disability, the driver may be charged.

The division provides an exemption from child restraint requirements in situations where a child occupying a back seat is not restrained because all safety belts in the vehicle are in use or cannot be used because a child restraint system is occupying the seating position for which a belt is provided.

Pursuant to existing law, a motor vehicle operator who violates child restraint requirements commits a simple misdemeanor subject to a scheduled fine of \$25. Senate File 2378 increases the fine to \$50. However, such offenses are not considered for purposes of determining a habitual offender of motor vehicle laws.

### **SENATE FILE 2389 - Appropriations — Infrastructure and Capital Projects Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act makes appropriations to state departments and agencies from the Rebuild Iowa Infrastructure Fund, the Technology Reinvestment Fund, the Revenue Bonds Capitals Fund, the Revenue Bonds Capitals II Fund, the FY 2009 Prison Bonding Fund, and other funds, creates the Iowa Jobs II Program and the Revenue Bonds Federal Subsidy Holdback Fund, and provides for related matters.

#### Division I — Rebuild Iowa Infrastructure Fund Appropriations

Division I appropriates project funding for FY 2010-2011 from the Rebuild Iowa Infrastructure Fund, including projects for the departments of Administrative Services, Agriculture and Land Stewardship, for the Blind, Cultural Affairs, Economic Development, Education, Natural Resources, Public Defense, Public Health, Transportation, and Veterans Affairs, and to the Iowa Finance Authority, the State Board of Regents, and the Treasurer of State.

The division appropriates project funding for FY 2011-2012, FY 2012-2013, and FY 2013-2014 from the Rebuild Iowa Infrastructure Fund to the Department of Corrections; for FY 2011-2012, FY 2012-2013, FY 2013-2014, and FY 2014-2015 from the Rebuild Iowa Infrastructure Fund to the Department of Natural Resources; and for FY 2011-2012 from the Rebuild Iowa Infrastructure Fund to the Department of Transportation.

#### Division II — Technology Reinvestment Fund — Appropriations

Division II appropriates project funding for FY 2010-2011 from the Technology Reinvestment Fund for the departments of Administrative Services, Corrections, Education, and Public Health, and the Iowa Telecommunications and Technology Commission.

#### Division III — Revenue Bonds Capitals Fund — Appropriations

Division III appropriates project funding for FY 2010-2011 from the Revenue Bonds Capitals Fund for the departments of Administrative Services, Agriculture and Land Stewardship, Cultural Affairs, Corrections, Economic Development, Natural Resources, and the Iowa State Fair, the State Board of Regents, and the Iowa Finance Authority.

#### Division IV — Revenue Bonds Capitals II Fund — Appropriations

Division IV creates a Revenue Bonds Capitals II Fund. Revenue for the Revenue Bonds Capitals II Fund includes but is not limited to the net proceeds of certain bonds issued by the Treasurer of State on or after April 1, 2010, interest attributable to investment of moneys in the fund or an account of the fund, and moneys in the form of a devise, gift, bequest, donation, federal or other grant, reimbursement, repayment, judgment, transfer, payment, or appropriation from any source intended to be used for the purposes of the fund. Annually, on or before January 15 of each year, a state agency that received an appropriation from the Revenue Bonds Capitals II Fund shall report to the Legislative Services Agency and the Department of Management the status of all projects completed or in progress. The provision creating the fund takes effect April 26, 2010.

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The division appropriates project funding for FY 2010-2011 from the Revenue Bonds Capitals II Fund created in the Act to the departments of Agriculture and Land Stewardship, Economic Development, Education, Natural Resources, and Transportation, the Iowa Finance Authority, including to the Iowa Jobs Board for purposes of the Iowa Jobs II Program created in the Act; the State Board of Regents; and the Treasurer of State.

### Division V — FY 2009 Prison Bonding Fund

Division V appropriates project funding for FY 2010-2011 from the FY 2009 Prison Bonding Fund to the Department of Corrections.

### Division VI — Iowa Comprehensive Petroleum Underground Storage Tank Fund — Department of Transportation

Division VI appropriates money from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to the Department of Transportation for FY 2010-2011.

### Division VII — Smart Planning

Division VII creates new Code Section 18B.1, which establishes 10 smart planning principles. State agencies, local governments, and other public entities are required to consider and may apply the principles during all appropriate planning, zoning, development, and resource management decisions. The Iowa smart planning principles encourage collaboration with other groups and individuals; identify the importance of efficiency, transparency, and consistency; advise the use of clean, efficient, and renewable energy; advise the use of energy-efficient and sustainable design options; encourage occupational, transportation, and housing diversity; encourage revitalization; identify the importance of community character; and encourage decisions that will protect natural and agricultural resources.

Municipalities, defined in new Code Section 18B.2 as a city or a county, are also directed to consider the smart planning principles if the municipality develops or amends a comprehensive plan under Code Chapter 335 or Code Chapter 414, as applicable. Under new Code Section 18B.2, a municipality may also consider including certain specified information in any such comprehensive plan or other land development regulations. The list of items includes information relating to public participation during the creation of the plan, objectives, policies, goals, and programs relating to utilities, housing, transportation, economic development, employment, protection of agricultural and natural resources, future development of certain specified public facilities, characteristics unique to the municipality, and natural or other hazards. A comprehensive plan or land development regulations may also include information relating to joint planning and joint decision making with other governmental entities. New Code Section 18B.2 provides that a comprehensive plan may include a compilation of programs and specific actions to be completed, including changes to any applicable land development regulations, official maps, or subdivision ordinances that are necessary to implement any provision of the plan. A municipality's comprehensive plan that is developed using guidelines under new Code Section 18B.2 must address prevention and mitigation of, response to, and recovery from a catastrophic flood.

The division amends several provisions of Code Chapters 335 and 414, relating to county and city zoning by allowing county and city zoning commissions to recommend a comprehensive plan, or amendments thereto, to the county board of supervisors or the city council, as applicable, and by specifying certain duties and powers of boards of supervisors and city councils relating to the consideration and adoption of a comprehensive plan.

The division establishes an Iowa Smart Planning Task Force consisting of 29 voting members and four ex officio, nonvoting members from the General Assembly. The task force is required to meet at least four times before November 15, 2010.

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The task force is required to consult land use experts, representatives of cities and counties, agricultural and environmental interests, urban and regional planning experts, reports or information from the Local Government Innovation Commission, and all other information deemed relevant by task force members. The task force is also required to solicit information from the public on matters related to comprehensive planning, evaluate state policies, programs, statutes, and rules to determine whether any state policies, programs, statutes, or rules should be revised to integrate the Iowa smart planning principles, develop statewide goals for comprehensive planning that utilize the Iowa smart planning principles, and develop recommendations for a process to measure progress toward achieving those goals. The task force is further directed to evaluate and develop methods to incentivize comprehensive planning, develop a model for regional comprehensive planning within the state, review local comprehensive plans for specified purposes, develop a set of specified recommendations that operate consistently with the Iowa smart planning principles, and develop a model ordinance relating to floodplains.

The task force is required to prepare a report that includes goals, recommendations, and other specified information and submit it to the Governor and General Assembly on or before November 15, 2010. The task force is dissolved December 31, 2012.

### Division VIII — Grow Iowa Values Fund

Previously, the Code provided that for each fiscal year through the fiscal period ending June 30, 2015, the Grow Iowa Values Fund was to receive an annual appropriation of \$50 million from either the General Fund or the Rebuild Iowa Infrastructure Fund. Division VIII provides that the appropriation for FY 2010-2011 shall be from the Rebuild Iowa Infrastructure Fund. The Department of Economic Development is directed to allocate that \$50 million for certain purposes. The division appropriates \$38 million from the Rebuild Iowa Infrastructure Fund to the Grow Iowa Values Fund for FY 2010-2011. The division also decreases the FY 2010-2011 standing appropriation from the Grow Iowa Values Fund to the department from \$50 million to \$38 million and makes conforming changes to certain allocations.

The division allows the department to allocate, of the moneys in the Targeted Small Business Financial Assistance Program Account of the Strategic Investment Fund, amounts necessary for marketing, compliance, and the provision of mentoring services.

Previously, the department was directed to allocate \$3 million for deposit in the Innovation and Commercialization Development Fund. The division amends this allocation to require the department to allocate \$5.5 million for deposit in the Innovation and Commercialization Development Fund.

The division creates a new allocation of \$1 million for deposit in the Targeted Small Business Financial Assistance Program Account within the Strategic Investment Fund.

Previously, the Code did not appropriate interest on moneys in the Grow Iowa Values Fund. The division appropriates the interest to the department and directs the department to allocate it for certain purposes.

### Division IX — Small Business Linked Investments

Division IX relates to the Small Business Linked Investments Program. Previously, in order to qualify under the program, the net worth of the owners of a business had to be \$750,000 or less. The division increases the threshold to \$975,000.

### Division X — Site Development

Division X relates to the preparation of sites for economic development. Previously, Code Section 15E.18 provided for certain targeted economic development site preparation. The division replaces this Code section with a new program that directs the Department of Economic Development to provide site readiness consulting services to local governments and officials and to issue certificates of readiness to those sites that meet criteria for readiness developed by the department. The division appropriates \$175,000 from the School Infrastructure Fund to the department and authorizes one full-time equivalent position.

### Division XI — Internet Site for Business Assistance

Division XI directs the Department of Economic Development, in consultation with other agencies of state government and the State Board of Regents, to create an Internet site that brings together all the information on financial and technical assistance the state offers to businesses. The division appropriates \$20,000 from the School Infrastructure Fund to the department for purposes of creating the site.

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### Division XII — Regulatory Assistance Interim Study Committee

Division XII requests the Legislative Council to establish an interim study committee to examine and make recommendations regarding methods of assisting small businesses that do not require direct financial incentives and regarding potential changes of law that would improve business licensing, regulatory compliance, and tax collection procedures.

### Division XIII — Save Our Small Businesses Fund and Program

Division XIII creates a Save Our Small Businesses Fund and Program. The fund is created in the State Treasury under the control of the Department of Economic Development and consists of moneys appropriated to it and repayments of principle and interest on moneys loaned under the program.

For FY 2010-2011, the division appropriates \$5 million from the School Infrastructure Fund for purposes of providing loans to certain eligible small businesses. The department must begin to provide the loans no later than August 1, 2010. If, on March 31, 2011, the department has not obligated the full amount of the appropriation, the moneys in the fund revert to the General Fund of the State. The loans must be at least \$2,500 but not more than \$50,000, and the interest rate on the loans must not exceed 3.9 percent. Repayments of principle and interest on the loans must be deposited in the fund. Each quarter, the moneys in the fund revert to the General Fund of the State. On March 31, 2016, all moneys in the fund revert to the General Fund of the State. The term of a loan may be for any period of time, but the loan agreement must provide for the repayment of all principle and interest prior to statutory reversion on March 31, 2016.

The department is allowed to designate a nonprofit organization to administer the program provided the organization is designated as a statewide microloan program provider by the U.S. Small Business Administration. The department, with the assistance of an organization designated to administer the program, must submit a report on the program to the General Assembly each year by January 15. The department is directed to adopt rules to administer the program and may adopt emergency rules.

The division takes effect April 26, 2010.

### Division XIV — Alternative Public Project Delivery Study

Division XIV relates to the establishment of an interim study by the Legislative Council to study the use of alternative project delivery for public projects at institutions under the control of the State Board of Regents.

### Division XV — Floodplain Mapping

Division XV provides for the use of funds allocated to the Department of Natural Resources for floodplain mapping from the appropriation made to the Department of Economic Development in 2009 Iowa Acts, Chapter 183, Section 67, from federal community development block grant funds awarded to the state under the federal Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, 2009, Pub. L. No. 110-329. The Department of Natural Resources shall enter into an agreement in an amount of not less than \$10 million with the University of Iowa for the development of new floodplain maps by June 30, 2014, by the Iowa Flood Center. The Department of Natural Resources shall structure the contract to be consistent with any

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plan for use of the funds approved by any federal agency, or, if necessary, follow any procedures necessary for approval of this contract.

The division takes effect April 26, 2010.

### Division XVI — Department of Administrative Services — Office Space — State Fleet Relocation

Division XVI requires the Department of Administrative Services to issue a request for proposals by December 1, 2010, concerning the availability and cost of office space for state employees in downtown Des Moines and in other areas in close proximity to the State Capitol Complex. The department shall submit a written report to the General Assembly concerning the request for proposals by January 14, 2011. The department is also required to conduct a cost-benefit analysis of utilizing existing office space in downtown Des Moines and other areas in close proximity to the State Capitol Complex in lieu of replacing or renovating the Wallace Building. The department shall submit a written report to the General Assembly concerning the cost-benefit analysis by January 14, 2011.

The division also requires the Department of Administrative Services to evaluate and consider relocating the state vehicle fleet.

### Division XVII — Changes to Prior Year Appropriations

Division XVII makes changes to prior year appropriations for FY 2004-2005 and FY 2005-2006 from the Rebuild Iowa Infrastructure Fund for the Department of Education. The division makes changes to prior year appropriations for FY 2006-2007 from the Rebuild Iowa Infrastructure Fund for the Department of Education and for the Department of Public Safety and from Iowa's Health Restricted Capitals Fund for the Department of Administrative Services. The division makes changes to prior year appropriations for FY 2007-2008 from the Rebuild Iowa Infrastructure Fund for the State Board of Regents and from the Technology Reinvestment Fund for the Department of Human Rights and the Iowa Workforce Development. The division makes changes to prior year appropriations for FY 2008-2009 from the Technology Reinvestment Fund for the Department of Education, from the Revenue Bonds Capitals Fund for the Department of Corrections, from the Rebuild Iowa Infrastructure Fund for the departments of Administrative Services and Cultural Affairs, and from the FY 2009 Prison Bonding Fund for the Department of Corrections. The division makes changes to prior year appropriations for FY 2009-2010 from the Revenue Bonds Capitals Fund for the departments of Agriculture and Land Stewardship, Economic Development, Natural Resources, Transportation, and the Iowa Telecommunications and Technology Commission, and from the Rebuild Iowa Infrastructure Fund for the departments of Cultural Affairs and Transportation.

The division makes changes to prior year appropriations for FY 2010-2011 from the Rebuild Iowa Infrastructure Fund to the Department of Economic Development and from the Rebuild Iowa Infrastructure Fund to the departments of Administrative Services and Corrections, the State Board of Regents, and the Iowa State Fair.

This division takes effect April 26, 2010.

### Division XVIII — Miscellaneous Code Changes

Division XVIII eliminates the standing appropriation of \$10 million for FY 2010-2011 from the Rebuild Iowa Infrastructure Fund to the Secure an Advanced Vision for Education Fund.

The division reduces the FY 2010-2011 standing appropriation from the Rebuild Iowa Infrastructure Fund to the Environment First Fund from \$42 million to \$33 million.

The division appropriates \$10 million from the Rebuild Iowa Infrastructure Fund to the Technology Reinvestment Fund for FY 2010-2011.

The division makes changes to Code Section 8.57 relating to the distribution of wagering tax allocations for purposes of pledging a revenue stream for revenue bonds issued on or after April 1, 2010, authorized under a provision which takes effect April 26, 2010. In addition, the division makes changes to Code Section 123.53 relating to the Beer and Liquor Control Fund to provide for a secondary source of revenue funding for the revenue bonds relating to the Revenue Bonds Federal Subsidy Holdback Fund created by the division.

The division authorizes the Treasurer of State to issue and sell bonds in amounts which provide aggregate net proceeds of not

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more than \$150 million for purposes of the Iowa Jobs II Program relating to disaster prevention for qualified projects in the departments of Agriculture and Land Stewardship, Economic Development, Education, and Transportation, and the Iowa Finance Authority, the State Board of Regents, and the Treasurer of State. These provisions take effect April 26, 2010.

The Revenue Bonds Federal Subsidy Holdback Fund is comprised of the wagering tax revenues required to be deposited in the fund, interest attributable to investment moneys in the fund, and any other moneys from any other sources which may be legally available to the Treasurer of State for the purpose of the fund. The moneys in the fund are appropriated and shall be used or transferred to the Revenue Bonds Debt Service Fund solely for the purpose of making payments of principal and interest on the federal subsidy bonds when due, if the Treasurer of State or the treasurer's designee has not received a federal subsidy scheduled to be received for such payment by the due date. The moneys on deposit in the Revenue Bonds Federal Subsidy Holdback Fund are required to be used or transferred to the Revenue Bonds Debt Service Fund solely for the purpose of making payments of principal and interest on federal subsidy bonds prior to any use or transfer of moneys on deposit in any bond reserve fund created for such federal subsidy bonds by the Treasurer of State. At any time during each fiscal year that there are moneys on deposit in the Revenue Bonds Federal Subsidy Holdback Fund that are not needed to pay principal and interest on federal subsidy bonds during such fiscal year, all moneys on deposit in the Revenue Bonds Federal Subsidy Holdback Account shall be credited to the Rebuild Iowa Infrastructure Fund.

The division eliminates standing appropriations for FY 2010-2011 from the Rebuild Iowa Infrastructure Fund to the Community Attraction and Tourism Fund and from the franchise tax revenues deposited in the General Fund of the State to the Community Attraction and Tourism Fund.

The division reduces the standing appropriation for FY 2010-2011 from the Rebuild Iowa Infrastructure Fund to the Iowa Finance Authority for deposit into the Housing Trust Fund from \$3 million to \$1 million.

The division creates the Iowa Jobs II Program to assist in the development and completion of public construction projects relating to disaster prevention. A city or county in this state that applies the smart planning principles and guidelines pursuant to Code Sections 18B.1 and 18B.2, as enacted in the Act, may submit an application to the Iowa Jobs Board created in Code Section 16.191 for a local infrastructure competitive grant for an eligible project under the program. The board is required to consider certain criteria in evaluating eligible projects to receive financial assistance under the program. Any award of financial assistance to a project is limited to up to 90 percent of the total cost of the development and completion of a public construction project relating to disaster prevention.

The division requires the Iowa Finance Authority to collect data on all projects, including projects from the original Iowa Jobs Program and report quarterly to the Governor and the General Assembly. This provision takes effect April 26, 2010.

The division amends Code Section 26.3 relating to competitive bids for public improvement contracts. The division provides that a governmental entity shall ensure that a sufficient number of paper copies of the project's contract documents, including all drawings, plans, specifications, and estimated total costs of the proposed public improvement are made available for distribution at no charge to prospective bidders, subcontractor bidders, suppliers, and contractor plan room services. If a deposit is required as part of a paper contract documents distribution policy by the public owner, the deposit shall not exceed \$250 per set, which shall be refunded upon return of the contract documents within 14 days after award of the project. If the contract documents are not returned in a timely manner and in a reusable condition, the deposit shall be forfeited.

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The division contains a provision relating to minority-owned and female-owned businesses and bond issuance services.

The division makes technical changes relating to the reversion of funds provisions in Code Sections 327H.20A (Railroad Revolving Loan and Grant Fund) and 327J.2 (Passenger Rail Service Revolving Fund).

The division repeals Code Section 12.90A authorizing the Treasurer of State to issue annual appropriation bonds on or after July 1, 2010, and makes conforming changes by repealing the Annual Appropriation Bonds Debt Service Fund (Code Section 12.90B), the Appropriations Bonds Capitals Fund (Code Section 12.90C), and the Vertical Infrastructure Restricted Capitals Fund (Code Section 8.57D).

The division repeals the Public Service Shelter Grant Fund (Code Section 16.185), the Disaster Damage Housing Assistance Grant Fund (Code Section 16.186), the Affordable Housing Assistance Grant Fund (Code Section 16.187), and the Bridge Safety Fund (Code Section 313.68), and makes conforming changes.

### THE GOVERNOR ITEM VETOED THE FOLLOWING:

A provision in Division XVI of this Act imposing certain time restrictions on the ability of the Department of Administrative Services to relocate certain state agencies to office space in the Mercy Capitol hospital building.

### **HOUSE FILE 2519** - **Federal Block Grant Appropriations and Other Federal Funding** **Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act appropriates moneys to various state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, from the various federal block grants and from the federal American Recovery and Reinvestment Act of 2009 (ARRA) stimulus funds. The Act is organized into two divisions.

In the first division, the following federal block grants are specifically appropriated: Substance Abuse Prevention and Treatment, Community Mental Health Services, Maternal and Child Health Services, Preventive Health and Health Services, Stop Violence Against Women Grant Program, Community Services, Community Development, Low-Income Home Energy Assistance Program, Social Services, and Child Care and Development. In addition, the Act appropriates funding from the following federal formula grants: Residential Substance Abuse Treatment for State Prisoners and Edward Byrne Justice Assistance (see H.F. 2526 for appropriations of the federal Temporary Assistance for Needy Families Block Grant).

The Department of Human Services is required to apply minimum requirements for projects providing assistance to persons with mental illness who are in transition from homelessness.

The Act requires that moneys be distributed in accordance with the applicable federal requirements, and establishes a procedure if more or less federal funding is received than predicted.

In addition, the Act makes a general appropriation for each state agency of the other federal grants, receipts, and funds and other nonstate grants, receipts, and funds available in whole and in part for the state fiscal year beginning July 1, 2010, and ending June 30, 2011.

ARRA appropriations of approximately \$47 million are made in the second division. In addition, approximately \$6 million in special community development block grant funding is appropriated for disaster relief and another \$7 million of such funding is appropriated for infrastructure improvements that modernize infrastructure, improve energy efficiency, and expand educational opportunities and access to health care. The larger community development appropriation is retroactively applicable to October 1, 2007.

A directive provides that the appropriations of available federal funds made to the state do not apply to funding from ARRA or successor federal legislation enacted after H.F. 2519, unless it is determined by the Department of Management, with the written consent of the Governor, that the funds are needed and are available without any match requirement, and were not already appropriated in this division of the Act, or are provided through federal match of state or local funds that were previously appropriated. See H.F. 2531 for contingent language in the event unanticipated funding for educational stabilization is received from the federal government.

Approximately \$48 million in ARRA funding is appropriated for state aid to schools under the foundation formula and is specifically designated for the allowable growth portion in place of an equal amount of the standing appropriation for state aid to schools made from the General Fund of the State under Code Section 257.16, subsection 1. Division II takes effect April 28, 2010.

**HOUSE FILE 2522 - Appropriations — Economic Development**

**Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act makes appropriations and transfers from the General Fund of the State and other funds to the Department of Cultural Affairs, the Department of Economic Development, the University of Iowa, the University of Northern Iowa, Iowa State University, the Department of Workforce Development, and the Public Employment Relations Board for FY 2010-2011. The Act does as follows:

- Transfers moneys collected by the Division of Insurance in excess of the anticipated gross revenues to the Department of Economic Development for purposes of insurance economic development and international insurance economic development.
- Appropriates moneys from the Iowa Community Development Loan Fund to the Department of Economic Development for purposes of the Community Development Program.
- Appropriates moneys from the Workforce Development Fund Account to the Workforce Development Fund.
- Provides that moneys appropriated or transferred to or receipts credited to the Workforce Development Fund are appropriated to the Department of Economic Development for administration of workforce development activities.
- Provides that all moneys in the Job Training Fund on July 1, 2010, and any moneys appropriated or credited to the fund during the fiscal year beginning July 1, 2010, shall be transferred to the Workforce Development Fund.
- Requires the State Board of Regents to submit a report on the progress of regents institutions in meeting the strategic plan for technology transfer and economic development.
- Requires the Auditor of State to conduct an audit of the Department of Workforce Development.
- Appropriates moneys from the Special Employment Security Contingency Fund to the Department of Workforce Development for the Division of Workers' Compensation and for the operation of field offices.
- Appropriates interest earned on the Unemployment Compensation Reserve Fund to the Department of Workforce Development for the operation of field offices.
- Appropriates moneys to the Department of Workforce Development for an employee misclassification program.
- Requests the Auditor of State to review the audit of the Iowa Finance Authority performed by the auditor hired by the authority.
- Appropriates moneys from moneys credited to the State by the Secretary of the Treasury of the United States pursuant to the Social Security Act to the Department of Workforce Development for the administration of the Unemployment Compensation Program only.
- Appropriates and provides for the allocation of moneys from the Wine Gallonage Tax and the Beer Barrel Tax to the Department of Economic Development for purposes of the promotion of Iowa wine and beer.
- Amends certain portions of the Iowa Worker Adjustment and Retraining Notification Act enacted in H.F. 681 (see Labor and Employment).
- Provides for the filing of surety bonds or qualified statements by out-of-state contractors with the Division of Labor Services.

Current law requires the Iowa Studies Committee to submit an annual status report on the utilization of the Iowa Studies Professional Development Plan until June 30, 2009. The Act requires the report until June 30, 2012. Current law also requires the Iowa Studies Committee to submit findings and recommendations in a final report due by January 15, 2010. The Act requires the final report on January 15, 2013. The Act also provides for the future repeal of the Iowa Studies Professional Development Plan and related provisions on July 1, 2013. The changes to the reports due by the Iowa Studies Committee take effect April 28, 2010.

The Act also amends 2009 Iowa Acts, Chapter 176, to provide for the nonrevision of moneys appropriated for purposes of matching funds for Main Street Challenge Grants. This change takes effect April 28, 2010.

**HOUSE FILE 2525 - Appropriations — Agriculture and Natural Resources**

**Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act relates to agriculture and natural resources by making appropriations for fiscal year 2010-2011 to support related entities. The Act appropriates moneys to the Department of Agriculture and Land Stewardship (DALs) and the Department of Natural Resources (DNR) to support those departments for administration, regulation, and programs. The DALs and the DNR are required to submit quarterly reports to the General Assembly and the Department of Management regarding the expenditure of appropriated moneys.

**Division I — Department of Agriculture and Land Stewardship General Appropriations**

Division I appropriates moneys from the General Fund of the State in order to support DALs and its programs. Moneys are appropriated from special sources to support designated purposes, including horse and dog racing, and motor fuel inspection.

**Division II — Department of Natural Resources General Appropriations**

Division II appropriates moneys from the General Fund of the State and the State Fish and Game Protection Fund (Code Section 456A.17) to support the DNR and its programs.

*GENERAL APPROPRIATIONS.* Moneys are appropriated from the Groundwater Protection Fund (Code Section 455E.11) to support groundwater quality. The DNR is required to accomplish cost savings by increasing the number of volunteer and intern programs at state parks and relinquishing any space in a private building subject to an expired lease. However, H.F. 2531, Section 90, subsection 4, negates restrictions in this Act applying to private buildings and appropriates moneys from the Cash Reserve Fund (Code Section 8.56) to the DNR to support its operations. House File 2531, Section 136, eliminates the provision requiring an increase in the number of volunteer and intern programs. Also, the General Assembly declares that future bills sponsored by the Joint Appropriations Subcommittee on Agriculture and Natural Resources will account for full-time equivalent positions supported by the State Fish and Game Protection Fund. Prior to November 15, 2010, the DNR must submit a report to the General Assembly regarding expenditures from the fund.

*DESIGNATED APPROPRIATIONS — MISCELLANEOUS.* An appropriation is made from the Special Snowmobile Fund to the DNR for administering and enforcing the state snowmobile program, (Code Section 321G.7). Moneys are appropriated from the Unassigned Revenue Fund administered by the Iowa Comprehensive Underground Storage Tank Fund Board (Code Section 455G.4) to the DNR for administration expenses of the Underground Storage Tank Section. The DNR may use additional funds for staffing to reduce the DNR's floodplain permit backlog and implementing the federal Maximum Daily Load Program. The DNR is required to conduct a study of public land under its control which may be used for public hunting.

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### Division III — Iowa State University

Division III appropriates moneys from the General Fund of the State to the College of Veterinary Medicine for the operation of the Veterinary Diagnostic Laboratory. The division provides for budgetary reductions, and expresses the General Assembly's intent for a future appropriation to support the laboratory.

### Division IV — Environment First Fund — General Appropriations

Division IV appropriates moneys from the Environment First Fund (Code Section 8.57A) for a number of purposes, generally administered by DALs and the DNR. There are delayed reversion provisions applicable to moneys appropriated from the fund to support these purposes.

*DEPARTMENT OF AGRICULTURE AND LAND STEWARDSHIP.* For DALs, moneys are appropriated to support the Conservation Reserve Enhancement Program for the restoration and construction of wetlands; watershed protection; a farm management demonstration program; the Agriculture Drainage Well Water Quality Assistance Fund (Code Section 460.303); the establishment of soil and water conservation practices (Code Chapter 161A); the Conservation Reserve Program; the Loess Hills Development and Conservation Fund (Code Section 161D.2); the Southern Iowa Development and Conservation Fund (Code Section 161D.12); and soil and water conservation by the state, soil and water conservation districts, or for deposit into the Mississippi River Basin Healthy Watersheds Initiative Fund created in the Act.

*DEPARTMENT OF NATURAL RESOURCES.* For the DNR, moneys are appropriated to support the Keepers of the Land Program, the maintenance and operations of state parks, the Geographic Information System, water quality monitoring, the Public Water Supply System Account of the Water Quality Protection Fund (Code Section 455B.183A), the regulation of animal feeding operations (Code Chapters 459 and 459A), ambient air quality, water quality regulation (Code Chapter 455B, Division III, Part 4), resource conservation and development, and to support volunteer activities at state parks.

### Division V — Environment First Fund — Resources Enhancement and Protection Fund

Division V appropriates \$15 million from the Environment First Fund to the Resources Enhancement and Protection Fund in lieu of the \$20 million standing annual appropriation from the General Fund of the State (Code Section 455A.18).

### Division VI — Mississippi River Basin Healthy Watershed Initiative

Division VI creates a new Code Chapter 16G by providing for a Mississippi River Basin Healthy Watersheds Initiative administered by DALs to assist in improving the health of the Mississippi River basin, including water quality and wildlife habitat. The purpose of the initiative is to manage and optimize nitrogen and phosphorous within fields to minimize runoff and reduce downstream nutrient loading, and assist agricultural producers with a system of practices that will control soil erosion, and maintain agricultural productivity. The Act creates a Mississippi River Basin Healthy Watersheds Initiative Fund within DALs which may include moneys for use in supporting the initiative.

### Division VII — Beautification Grants

Division VII appropriates \$200,000 each fiscal year from moneys currently dedicated to the Solid Waste Account of the Groundwater Protection Fund (Code Section 455E.11). The moneys derive from a tonnage fee imposed on operators of sanitary landfills. The moneys are for use by the DNR to award beautification grants each year to one organization that assists communities and organizations in cleanup and beautification projects, conducts research to assist in the understanding of reasons for littering and illegal dumping, administers antilittering and beautification education programs, or increases public awareness of the costs of littering.

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### Division VIII — Commercial Establishment Fund

Division VIII creates a Commercial Establishment Fund within Code Chapter 162 which requires DALS to regulate the care of nonagricultural animals by animal shelters, pounds, research facilities, pet shops, boarding kennels, commercial kennels, commercial breeders, dealers, and public auctions as amended in H.F. 2280 (see Agriculture). The division creates a Commercial Establishment Fund under the control of DALS for purposes of regulating those establishments. The division applies retroactively to March 9, 2010, and takes effect April 29, 2010.

### Division IX — Local Food and Farm Plan

Division IX requires the Leopold Center for Sustainable Agriculture, in consultation with the Iowa Cooperative Extension Service in Agriculture and Home Economics at Iowa State University, to study and prepare a plan for supporting locally grown food production. The plan must be submitted to the General Assembly by January 10, 2011. This division is repealed on January 10, 2011. The division takes effect April 29, 2010.

### THE GOVERNOR ITEM VETOED THE FOLLOWING:

A provision eliminating two positions within the DNR's Division of Fish and Wildlife, Law Enforcement Bureau, and a provision making the eliminations effective April 29, 2010.

### **HOUSE FILE 2526 - Appropriations — Health and Human Services**

### **Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act relates to and makes appropriations for health and human services for FY 2010-2011, and includes appropriations for other specified periods. The Act is organized into divisions. The appropriations are from the General Fund of the State, unless otherwise stated.

### Division I — Department on Aging (IDA)

Division I appropriates funding to IDA for aging programs and area agencies on aging (AAAs). Funds are allocated for case management for the frail elderly, and a portion of the allocation is to be transferred to the Department of Human Services (DHS) for reimbursement of case management services provided under the medical assistance (Medicaid) elderly waiver. DHS is also authorized to adjust the reimbursement rate and methodology for case management services. Funding is transferred to the Department of Economic Development for the Iowa Commission on Volunteer Services to be used for the Retired and Senior Volunteer Program. IDA is directed to establish procedures relating to expenditure of state and federal funds by AAAs, and if funds are expended in a manner that is not in compliance with applicable procedures, laws, rules, and regulations, the AAA, not the state, is liable for any repayment of funds.

### Division II — Department of Public Health (DPH)

Division II appropriates funds to DPH, including funding for the following programs: addictive disorders including gambling treatment, tobacco use prevention and control, and substance abuse treatment and prevention; healthy children and families, including funding for the Healthy Opportunities to Experience Success (HOPES) — Healthy Families Iowa Program, to continue to address the healthy mental development of children from birth through five years of age, for continuation of distribution of funds to a statewide dental carrier to continue the Donated Dental Services Program for indigent elderly and individuals with disabilities, for childhood obesity prevention, and for audiological services and hearing aids for children; chronic conditions, including for grants to individual patients with phenylketonuria to assist with costs of necessary special foods, for continuation of the contracts for resource facilitator services and for brain injury training services and recruitment of services providers, for a grant to provide supportive services to people living with epilepsy and their families, for child health specialty clinics, for the Comprehensive Cancer Control Program, for cervical and colon cancer screening, for the Center for Congenital and Inherited Disorders, and for the Prescription Drug Donation Repository Program; community capacity, including a child vision screening program, initiatives at the University of Iowa and the State Mental Health Institute at Cherokee to expand and improve the workforce engaged in mental health treatment and services, for essential public health programs that promote healthy aging throughout the lifespan, for public health modernization, for the Mental Health Professional Shortage Area Program, for continuation of a program to rotate intern psychologists in mental health professional shortage areas, for distribution to members of the Iowa Collaborative Safety Net Provider Network, and for implementation of the recommendations of the Direct Care Worker Task Force and for initiatives of an independent statewide direct care worker association for recruitment and retention initiatives; healthy aging; environmental hazards, including childhood lead poisoning provisions; infectious diseases; public protection, including emergency medical services, sexual violence prevention programming, the State Poison Control Center, and for conforming certification of emergency

medical care providers to national standards; and resource management.

Division III — Department of Veterans Affairs and Iowa Veterans Home

Division III appropriates funds to the Department of Veterans Affairs and the Iowa Veterans Home. Under the appropriation to the Iowa Veterans Home, the facility must submit billings involving DHS to DHS on a monthly basis; if there is a change in the employer of employees providing services at the Iowa Veterans Home under a collective bargaining agreement, the employees and the agreement shall be continued by the successor employer as though there had not been a change in employer; and the Iowa Veterans Home may, within available resources and in conformance with program eligibility requirements, implement measures to provide financial assistance to or on behalf of veterans or their spouses participating in the Community Reentry Program. An appropriation is also made for educational assistance for children of deceased veterans, the standing appropriation to county commissions of veteran affairs is limited, and an appropriation is made from the Merchant Marine Bonus Fund for the County Commissions of Veteran Affairs Fund.

Division IV — Department of Human Services

Division IV makes appropriations from the General Fund of the State and other funds to DHS and includes other appropriations and provisions involving human services and health care, including the following:

*TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF) BLOCK GRANT.* Appropriations are made from the federal TANF Block Grant for a number of purposes, including the Family Investment Program (FIP); the Job Opportunities and Basic Skills (JOBS) Program; FIP agreements; Family Development and Self-Sufficiency (FaDSS) Program; field operations; general administration; local administrative costs; state child care assistance, including funding for provision of educational opportunities to registered child care home providers; mental health and developmental disabilities community services; child and family services; child abuse prevention grants; pregnancy prevention grants; technology needs and other resources to meet federal welfare reform requirements; and for community-based programs targeted to children from birth through five years of age and developed by community empowerment areas. The division also provides that federal funds received by the state during FY 2010-2011 from the Emergency Contingency Fund for Temporary Assistance for Needy Families State Program, are appropriated to the extent as may be necessary in the priority order of FIP and State Child Care Assistance Program payments for employed individuals, and authorization is provided to also use the program for summer youth employment and other employment and training-related programs administered by the Department of Workforce Development.

*FAMILY INVESTMENT PROGRAM.* Under federal TANF welfare reform provisions, federal funding is provided for FIP in the form of an annual block grant to the state. Consequently, the division includes combined FIP and FIP-related appropriations from the General Fund of the State and the block grant. These appropriations are directed to DHS to coordinate the FaDSS Program with the Department of Human Rights (DHR); to DHR for the FaDSS Program, including specifications for administration of the program by DHR; for the diversion subaccount of the FIP account, to the Food Stamp Employment and Training Program, including a directive to DHS to amend the State Plan to maximize the state/federal match for the federal Food Stamp Employment and Training Program and to expand categorical federal Food Assistance Program eligibility provisions to 160 percent of the federal poverty level; and for the JOBS Program. The division provides funding to continue a grant to an Iowa-based nonprofit organization with a history of providing tax preparation assistance to low-income Iowans in order to expand the usage of the Earned Income Tax Credit.

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*CHILD SUPPORT RECOVERY.* Division IV continues the Iowa Child Support Public Awareness Campaign located in the Office of the Attorney General and continues to direct DHS to issue federal access and visitation grant moneys directly to private not-for-profit agencies that provide services designed to increase compliance with child access provisions of court orders, including but not limited to neutral visitation site and mediation services. Existing rules for parental obligation pilot projects remain in effect until June 30, 2011.

*MEDICAL ASSISTANCE (MEDICAID) PROGRAM.* Division IV provides for appropriations from the Health Care Trust Fund and the General Fund of the State to DHS for the Medicaid program and continues provisions required in previous years. The division includes allocations or transfers relating to the costs associated with Part D of the federal Medicare Prescription Drug, Improvement, and Modernization Act of 2003; options available under Medicaid or other assistance programs to provide services to individuals with special needs; costs associated with compliance with the federal Payment Error Rate Measurement (PERM) Program for the Medicaid and State Children's Health Insurance programs; implementation of the recommendations for the Assuring Better Child Health and Development Initiative II clinical panel; supplementation of the incomes of residents of nursing facilities, intermediate care facilities for persons with mental illness, and intermediate care facilities for persons with mental retardation to provide a personal needs allowance of \$50 per month; state mental health institutes; the state match for disproportionate share hospital (DSH) payments for hospitals that meet certain criteria; the Iowa Chronic Care Consortium; and activities associated with the money follows the person demonstration project.

In addition, the division directs hospitals that meet the specifications for receipt of DSH payments under the division to certify public expenditures or transfer to the Medicaid program an amount equal to provide the nonfederal share for a specified DSH amount; directs the University of Iowa Hospitals and Clinics (UIHC) to certify public expenditures or transfer to the Medicaid program an amount equal to provide the nonfederal share for increased Medicaid payments for inpatient and outpatient hospital payments of a specified amount (see H.F. 2531 for amendments to these provisions); provides for the retaining for use under the Medicaid program of any clawback payment-related funds resulting from the increased federal match; provides for transfer of any savings resulting from Medicaid program cost containment efforts under reorganization legislation, S.F. 2088 (see State Government), to the medical contracts appropriation; directs DHS to request a Medicaid Program waiver to add assisted living services to the home and community-based services waiver for the elderly; directs DHS to convene a workgroup of appropriate entities to review the various regulatory requirements applicable to providers of mental health and disability services and submit a report by December 15, 2010; and directs DHS to amend the Medicaid waiver for the Iowa Family Planning Network to continue the current waiver, with specified changes beginning July 1, 2011, and provides an allocation of \$25,000 for administrative costs for the renewal and modification of the waiver.

*HEALTH INSURANCE PREMIUM PAYMENT PROGRAM, MEDICAL CONTRACTS, STATE SUPPLEMENTARY ASSISTANCE (SSA), AND CHILDREN'S HEALTH INSURANCE PROGRAM.* Division IV makes appropriations to continue the Health Insurance Premium Payment Program, which provides payment for private health insurance in lieu of Medicaid program coverage; provides funding for contracted services associated with the Medicaid program; appropriates funding for SSA; and appropriates funds for the Children's Health Insurance Program, known as the Healthy and Well Kids in Iowa (hawk-i) Program, including supplemental dental services as limited under the division.

*CHILD CARE ASSISTANCE.* The division provides an appropriation for the State Child Care Assistance Program and child day care resource and referral services. A portion of the funds is to be used for child care quality improvement initiatives, including the Quality Rating System.

*JUVENILE INSTITUTIONS.* The division makes appropriations to the Iowa Juvenile Home at Toledo and the State Training School at Eldora.

*EDUCATIONAL EXPENSES AT INSTITUTIONS.* The division provides an appropriation for distribution to licensed classroom teachers at institutions under the control of DHS, based upon the average student yearly enrollment at each institution.

*CHILD AND FAMILY SERVICES.* The division appropriates funds for child and family services, provides for continuation of the cap for group foster care, and continues previous requirements for child welfare services. The allocation of approximately \$7.9 million for shelter care services includes authorization for DHS to continue to allow provider contracts to include child welfare emergency services, and provides a new authorization to provide preventive and emergency services to children who would otherwise be ineligible under regular eligibility requirements. Additional funding is allocated for the state match for a federal system of care grant.

*ADOPTION SUBSIDY.* The division makes a separate appropriation for the Adoption Subsidy Program. This program was

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prohibited from accepting new enrollees on or after July 1, 2010, in S.F. 2088.

*JUVENILE DETENTION HOME FUND.* The division addresses the Juvenile Detention Home Fund, consisting of funds collected by the Department of Transportation (DOT) at the time DOT suspends, revokes, or bars a person's motor vehicle license or nonresident operating privileges. Moneys in the fund are to be used for a percentage of the costs of the establishment, improvement, operation, and maintenance of county or multicounty juvenile detention homes. The percentage is to be determined by DHS based on the funds available.

*FAMILY SUPPORT SUBSIDY PROGRAM AND CONNER DECREE.* The division provides appropriations for the Family Support Subsidy Program and to continue coordination and training opportunities associated with disability services in accordance with the Conner consent decree.

*MENTAL HEALTH INSTITUTES (MHIs) AND STATE RESOURCE CENTERS.* The division provides appropriations to the state MHIs at Cherokee, Clarinda, Independence, and Mount Pleasant, and for the state resources centers at Glenwood and Woodward utilizing a net General Fund of the State appropriation approach known as "net budgeting." The division directs DHS as part of the efforts to develop and implement a comprehensive mental health and disability services plan to review existing services at the MHIs and modify such services to further the plan and provide cost-effective and necessary services. The division also provides other directives relating to the review.

*STATE CASES.* The division makes an appropriation for distribution to counties for mental illness, mental retardation, and developmental disabilities (MH/MR/DD) state cases. The division also allocates \$200,000 from the funds received through the federal Community Mental Health Center Block Grant for state cases. Funds appropriated for FY 2010-2011 for state cases do not revert, but remain available for that purpose in FY 2011-2012.

*MENTAL HEALTH, MENTAL RETARDATION, AND DEVELOPMENTAL DISABILITIES SERVICES.* The division includes a number of provisions affecting provision of state funding of MH/MR/DD services provided to adults by counties. One provision relates to funding for MH/MR/DD services growth. Under current law, the state is required to annually provide funding for the growth in county MH/MR/DD services expenditures. The division continues a practice begun in 2001 of combining the moneys appropriated for growth and the moneys appropriated for the MH/MR/DD Community Services Fund and applies a reduction to formula distribution amounts based upon the relative size of a county's ending balance.

*SEXUALLY VIOLENT PREDATORS.* The division appropriates funding for payment of costs associated with the commitment and treatment of sexually violent predators at the State Mental Health Institute at Cherokee.

*FIELD OPERATIONS, GENERAL ADMINISTRATION, AND VOLUNTEERS.* The division includes appropriations for DHS field operations, general administration, and volunteers. The appropriation for field operations includes prioritization in filling of full-time equivalent positions, those positions related to child protection services, and eligibility determinations for low-income families. The appropriation for general administration includes an allocation for the Prevention of Disabilities Policy Council; a directive to DHS to report at least monthly to the Legislative Services Agency concerning the department's operational and program expenditures; an allocation to implement a program to provide technical assistance, support, and consultation to providers of habilitation services and home and community-based services for adults with disabilities; and an allocation to expand the

provision of nationally accredited and recognized Internet-based training to include mental health and disability services providers.

*CHILDREN'S MENTAL HEALTH AND CHILD WELFARE SERVICES.* The department is required to collaborate with providers in developing a plan for transitioning Medicaid remedial services from a fee-for-service approach to a managed care approach using the Iowa plan vendor.

*MEDICAID, STATE SUPPLEMENTARY ASSISTANCE, AND SOCIAL SERVICES PROVIDERS REIMBURSED UNDER DHS.* In addition to health care providers, reimbursement rates are established for social services providers. In general, reimbursement rates for health care providers under the Medicaid program remain the same as the rates in effect on June 30, 2010. The division provides a limitation to the budget for nursing facilities for FY 2010-2011, and provides for recalculation and readjustment of the patient-day weighted medians used in rate setting for nursing facilities by adjusting the inflation factor to maintain state funding within the amount specified. Special population nursing facilities are to be reimbursed in accordance with the methodology in effect on November 30, 2009.

The rates for outpatient hospital services and inpatient hospital services remain at the same rates in effect on June 30, 2010. State-owned psychiatric medical institutions for children (PMICs) are to be reimbursed for 100 percent of their actual and allowable costs and nonstate-owned PMICs are to be reimbursed in accordance with a cost-based methodology subject to rate limitations specified in the Governor's Executive Order Number 19. Rates for family planning services eligible for a 90 percent federal match are to remain at the rates in effect on January 31, 2010. Supervised Apartment Living Foster Care and the Preparation for Adult Living Program maintenance rates for children and young adults ages 16 and older are specified separately from the rates for foster family and adoption subsidy rates.

Division V — Senior Living Trust Fund, Pharmaceutical Settlement Account, IowaCare Account, Health Care Transformation Account, Medicaid Fraud Account, Quality Assurance Trust Fund, and Underground Storage Tank Fund

*SENIOR LIVING TRUST FUND.* Division V makes an appropriation from the Senior Living Trust Fund to IDA for a comprehensive senior living program, including case management, funding to provide dementia-specific education to direct care workers and other providers of long-term care, funding for the legal hotline for older Iowans, and funding to provide state matching funds for the Senior Community Services Employment Program. Funds are also appropriated to the Iowa Finance Authority for reimbursement for rent expenses under the Rent Subsidy Program, and to DHS to supplement the Medicaid appropriation.

*PHARMACEUTICAL SETTLEMENT ACCOUNT.* The division appropriates funds from the Pharmaceutical Settlement Account to supplement the appropriations for medical contracts under the Medicaid program.

*IOWACARE ACCOUNT.* The division appropriates funds from the IowaCare Account to the State Board of Regents for distribution to UIHC for operations; medical and surgical treatment of indigent patients; provision of services to members of the IowaCare Program population; and for medical education. The division appropriates funds from the IowaCare Account to DHS for distribution to a publicly owned acute care teaching hospital located in a county with a population of over 350,000 for provision of medical and surgical treatment to indigent patients, provision of services to members of the IowaCare Program population, and for medical education.

With enactment of S.F. 2356 (see Health and Safety), there is also appropriated, in H.F. 2531 from various accounts, to DHS an amount for payment to the regional provider network established in that Act; and an amount for payment to nonparticipating providers under the IowaCare Program.

*ACCOUNT FOR HEALTH CARE TRANSFORMATION.* The division appropriates funds from the Account for Health Care Transformation to DHS for medical examinations for the IowaCare population; for provision of an IowaCare nurse helpline; for health promotion partnership activities; for costs related to audits, performance evaluations, and studies; for administrative costs associated with the IowaCare Program; for continuation of the Tuition Assistance for Individuals Serving Individuals with Disabilities Pilot Program; for medical contracts; for payment to the publicly owned acute care teaching hospital located in a county with a population of over 350,000 that is a participating IowaCare provider; and for planning and development, in cooperation with DPH, of a phased-in program to provide a dental home for children. DHS is authorized to transfer funds among the appropriations and must report any transfers to the Legislative Services Agency.

*MEDICAID FRAUD ACCOUNT.* The division appropriates funds from the Medicaid Fraud Account to the Department of Inspections and Appeals for inspection and certification of assisted living program and adult day care services.

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*QUALITY ASSURANCE TRUST FUND.* The division appropriates funds from the Quality Assurance Trust Fund to DHS to supplement the appropriations for the Medicaid program. Of the funds appropriated, \$7.5 million is to be used for nursing facility reimbursement including to restore the 5 percent reduction made in nursing facility reimbursement during the previous fiscal year in accordance with Executive Order Number 19.

*IOWA COMPREHENSIVE PETROLEUM UNDERGROUND STORAGE TANK FUND.* Appropriations are made from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to DPH and DHS. The appropriations to DPH are for addictive disorders, specifically for substance abuse treatment and prevention; for chronic conditions for grants to individual patients who have phenylketonuria for the costs of special foods and for child health specialty clinics; and for public protection, specifically for the State Poison Control Center. The appropriations for DHS are for child and family services and specifically for juvenile delinquent graduated sanction services; continuation of a grant for child care center services provided to children with mental, physical, or emotional challenges to allow the children to remain at home; for a grant to a child welfare services provider to support services to children with autism spectrum disorder and their families, and for a one-time grant for start-up costs of a child protection center; for the Family Support Subsidy Program; for child support recovery; for juvenile institutions; for the state mental health institutes; for state cases; for sexually violent predators; and for field operations.

*REVERSION TO MEDICAL ASSISTANCE PROGRAM.* Appropriations from the General Fund of the State, the Senior Living Trust Fund, the Health Care Trust Fund, and the Quality Assurance Trust Fund to DHS for the Medicaid program for FY 2010-2011 that remain unencumbered or unobligated at the close of the fiscal year do not revert, but remain available for expenditure for the Medicaid program.

### Division VI — MH/MR/DD Services and Allowed Growth Funding for FY 2010-2011

Division VI reduces the amount previously appropriated for allowed growth funding for FY 2010-2011 from approximately \$62.2 million to \$48.7 million. The formula for distribution of funding to counties was revised to disregard the temporary funding increase received by counties that is attributable to the federal American Recovery and Reinvestment Act of 2009. Also, counties are allowed to adjust ending balances by rebating funding to DHS.

### Division VII — Prior Appropriations and Related Changes

Division VII revises previously enacted appropriations and appropriations-related provisions.

Under current law, Code Section 135.105A authorizes the expenditure of repayment receipts for lead training and certification fees collected by DPH. The division requires the fees collected to be used for any of the department's duties pertaining to the Lead Abatement Program, including but not limited to the costs of full-time equivalent positions for lead training and certification program services and investigations. The provision applies to any fees collected under Code Section 135.105A during or after FY 2009-2010.

Code Section 231.24, providing for regulation and certification of retirement communities by IDA, is amended to authorize the department to defer implementation of the regulation until the department's director determines that it has the resources to administer the program.

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Code Section 231.33, relating to the duties of the AAAs, is amended to eliminate a requirement for an agency to require the annual completion by agency board of directors members of four hours of training, provided by IDA.

A requirement in 2008 Iowa Acts, Chapter 1140, for IDA to implement the initial provisions for expanding and improving the training of those who deal with persons with Alzheimer's disease and similar forms of irreversible dementia by July 1, 2010, is instead made contingent upon the availability of funding as determined by the department's director.

A provision in 2008 Iowa Acts, Chapter 1187, relating to moneys from the allocation for the Decategorization of the Child Welfare and Juvenile Justice Funding Initiative that are designated as carryover funds is amended to provide that any such funds that remain unencumbered or unobligated at the close of FY 2009-2010 do not revert but shall be used until the close of FY 2010-2011, with the first \$1.9 million to be transferred to the appropriation for Medicaid to be used to reduce the waiting list for Medicaid home and community-based services waivers, and the remainder to be used to continue the initiative.

A pilot project authorized in an amendment to 2008 Iowa Acts, Chapter 1187, for a regional service network for county MH/MR/DD services, through June 30, 2010, is extended for an additional year.

A nonreversion provision in 2008 Iowa Acts, Chapter 1187, Section 68, in an appropriation for the Vietnam Conflict Veterans Bonus Fund is extended for an additional year through FY 2010-2011.

A nonreversion provision in 2008 Iowa Acts, Chapter 1187, Section 69, in an appropriation made for the Injured Veterans Grant Program is extended for an additional year through FY 2010-2011.

The FY 2010-2011 amount of a multiyear appropriation made to DHS in 2008 Iowa Acts, Chapter 1188, to cover children under the Medicaid, hawk-i, and hawk-i expansion programs, and outreach under the programs, is reduced.

An initiative in 2008 Iowa Acts, Chapter 1188, requiring DPH to establish a community coalition for addressing patient treatment wishes based on the national physicians orders for life-sustaining treatment program, is amended to eliminate the two-year period for the pilot and to delay the completion date from June 30, 2010, to June 30, 2012.

A provision in 2009 Iowa Acts, Chapter 118, Section 38, for DHS to adopt rules making various process changes to the Medicaid program, is amended by striking a requirement to extend the period for annual renewal by program members by mailing the renewal form to the member on the first day of the month prior to the month of renewal.

A provision in 2009 Iowa Acts, Chapter 182, Section 2, relating to funds appropriated from the General Fund of the State and allocated for the Tobacco Use Prevention and Control Initiative is amended to provide for nonreversion of the funds through FY 2010-2011.

The FY 2009-2010 appropriation to the Iowa Veterans Home in 2009 Iowa Acts, Chapter 182, Section 3, is subject to an existing nonreversion clause in Code Section 35D.18. The nonreversion authorization is modified to designate that the first \$1 million be for use by the veterans home, the next \$1 million be transferred to the appropriation made to DHS for FY 2010-2011 for field operations, and the remainder be for use by the veterans home.

The 2009 Iowa Acts, Chapter 182, Section 5, FY 2009-2010 appropriation of the federal Temporary Assistance for Needy Families Block Grant is amended to provide that unused funds remaining at the close of the fiscal year do not revert but remain available in the succeeding fiscal year for expenditure for FIP.

A provision in the 2009 Iowa Acts, Chapter 182, Section 9, appropriation for the Medicaid program that provides that moneys remitted by the third party administering behavioral health services and remaining in a separate account do not revert but remain available for appropriation for health and human purposes, is amended. The amendment continues to set aside funding previously appropriated for implementation of the emergency mental health crisis services and system, a mental health services system for children or youth, and training of child welfare services providers with the remainder of the funds to be used for the Medicaid program.

The FY 2009-2010 appropriation for the State Supplementary Assistance Program in 2009 Iowa Acts, Chapter 182, Section 12, is amended to include a nonreversion clause providing that moneys remaining at the close of the fiscal year will remain available to be used for the same purpose in the succeeding fiscal year.

An allocation in 2009 Iowa Acts, Chapter 182, Section 14, for a grant to a neighborhood affordable housing and services

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organization for child development programming for the children residing in the housing is amended to provide that the grant funding does not revert at the close of FY 2009-2010 but remains available until expended.

The amount of an appropriation from the IowaCare Account made in 2009 Iowa Acts, Chapter 182, Section 48, for distribution to a publicly owned acute care hospital is increased, with distribution above a certain amount made subject to submission of actual and adjudicated claims.

A provision in 2009 Iowa Acts, Chapter 182, Section 60, relating to funds appropriated from the Health Care Trust Fund and allocated for tobacco use cessation, prevention, and treatment, is amended to provide for nonreversion of the funds through FY 2010-2011.

The division provides that the provision relating to nonreversion of the appropriations relating to tobacco use prevention and control is limited to \$500,000 and is to be realized by applying the authority to the appropriations first to the allocation made from the Health Care Trust Fund and second to the allocation made from the General Fund of the State.

A provision initially included in 2009 Iowa Acts, Chapter 182, Section 5A, is amended to direct DHS, in collaboration with the Department of Workforce Development, to secure additional federal funds from the Emergency Contingency Fund for the Temporary Assistance for Needy Families State Program, in accordance with a memorandum of agreement between the two agencies.

The division provides for the appropriation of funds received through the federal Child Care and Development Block Grant for the federal fiscal year beginning October 1, 2009, and ending September 30, 2010.

A provision relating to development of a statewide methodology for intellectual disabilities waiver slots is included for implementation beginning July 1, 2010.

This division takes effect April 29, 2010.

### Division VIII — Interstate Compact for Juveniles

This division replaces the Interstate Compact on Juveniles with a new Interstate Compact for Juveniles.

Code Chapter 232, the Juvenile Justice Code, is amended to enact the new interstate compact in new Code Section 232.173. The compact addresses how adjudicated juveniles and status offenders are provided adequate supervision and services in the states receiving the juveniles; provides for addressing public safety concerns, provides for returning juveniles who have run away, absconded, escaped, or are accused of an offense to the state requesting their return; provides for contracting between states for cooperative institutionalization of delinquent youth who need special services; provides for effective tracking and supervision; and provides for equitably allocating costs, benefits, and obligations between the states, and for other similar related purposes.

The means for achieving the purposes outlined in the compact is through rulemaking promulgated by the Interstate Commission for Juveniles, consisting of one representative from each compacting state. A rule promulgated by the interstate commission may be rejected if a majority of the compacting states rejects the rule. The expenses of the interstate commission are paid by assessing the compacting states according to a formula to be adopted by the commission. Each state is to create a state council consisting of specified interests to provide oversight of the state's involvement in the interstate commission. The state has the authority to determine the qualifications of the compact administrator or deputy compact administrator and to designate the state's representative on the interstate commission.

The terms of the new compact took effect for the compacting states in the fall of 2009 when the 35th state approved entering the compact. The new compact replaces the interstate compact on juveniles in Code Section 232.171, which is repealed by the division. Code Section 232.172, relating to confinement of juvenile delinquents, is amended to provide that for states that have approved the new compact, confinement is governed by the new compact and for states that were part of the compact being replaced, confinement is governed by terms of that compact.

### Division IX — Miscellaneous

Division IX includes miscellaneous statutory changes.

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Code Section 135.12 is stricken and rewritten to replace the Office of Multicultural Health in DPH with an Office of Minority and Multicultural Health.

Code Sections 135N.3 and 135N.5, relating to the Hemophilia Advisory Committee, are amended to provide for coordination with the Center for Congenital and Inherited Disorders Advisory Committee in reviewing recommendations, meeting, and staffing. The required number of meetings of the Hemophilia Advisory Committee is also changed from at least four times per year to meeting as deemed necessary. The division also strikes provisions repealing the Hemophilia Advisory Committee in S.F. 2088, Section 399, with the exception of a provision requiring annual reports.

The division amends Code Section 237A.3A to provide that if DHS adopts rules limiting the number of hours for which substitute care may be utilized by a child development home provider, the limitation shall not apply to or incorporate substitute care when the provider is engaged in jury duty or official duties of a policy-related body.

Code Section 435A.35, relating to proceeds of tobacco taxes and fees paid to the General Fund of the State and the standing appropriation to the Health Care Trust Fund, is amended to reduce the amount of the standing appropriation to the trust fund.

Code Section 692A.115, prohibiting persons on the Sex Offender Registry from employment in facilities providing services for dependent adults, is amended to allow such employment for adult offenders who are patients or residents of a health care facility, participants in a Medicaid program waiver program, or participants in Medicaid program state plan employment services as part of the participant's habilitation plan.

The division amends S.F. 2088, Section 361, to correct a reference relating to the Child Care Advisory Committee.

### THE GOVERNOR ITEM VETOED THE FOLLOWING:

1. A provision that if a county, as specified in the division, operating pursuant to a Code Chapter 28E agreement with the Department of Inspections and Appeals to enforce food establishment-related requirements in a multicounty area, elects not to continue the agreement for the multicounty area, and the department determines that the quality and service provided by the county is acceptable or better, the department may enter into an agreement with the county to continue the enforcement within the county.
2. A provision amending Code Section 232.188, subsection 5, to provide that moneys designated for a decategorization projects decategorization services funding pool that remain unencumbered or unobligated at the close of the fiscal year do not revert but remain available for the purposes of the project for the next two succeeding fiscal years.

### **HOUSE FILE 2531 - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes Fiscal Analysis**

BY COMMITTEE ON APPROPRIATIONS. This Act, often referred to as the "standings bill," makes, reduces, and transfers appropriations; provides for salaries and compensation of state employees for matters relating to tax credits, and for fees and penalties; and includes other properly related matters. The Act is organized into the following divisions:

#### Division I — MH/MR/DD Services Allowed Growth Funding — FY 2011-2012

Division I provides that the allowed growth factor adjustment for county mental health, mental retardation, and developmental disabilities service expenditures for FY 2011-2012 shall be established by statute which shall be enacted within 30 days of the convening of the Eighty-fourth General Assembly, 2011 Session. The Governor is required to submit to the General Assembly a recommendation for the allowed growth factor adjustment and the amounts of related appropriations on or before January 11, 2011.

#### Division II — Standing Appropriations and Related Matters

For the budget process applicable to FY 2011-2012, state agencies are required to submit estimates and other expenditure information as called for by the Director of the Department of Management (DOM) instead of the information required under Code Section 8.23.

Division II reduces the appropriations made for expenses of the General Assembly under Code Section 2.12 by \$5,939,790.

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The division limits standing appropriations for FY 2010-2011 made for the following purposes: casino wagering tax proceeds allocated for Department of Cultural Affairs' (DCA) operational support grants and community cultural grants and for regional tourism marketing; the Center for Congenital and Inherited Disorders Central Registry; primary and secondary child abuse prevention programs; programs for at-risk children; payment for nonpublic school transportation; mental health, mental retardation, and developmental disabilities services property tax relief; the enforcement of Code Chapter 452D relating to tobacco product manufacturers; and the Iowa Power Fund.

The division limits the standing appropriation for state foundation aid for schools for FY 2010-2011 to approximately \$2.5 billion. The division makes allocations for the teacher salary supplement, the professional development supplement, and the early intervention supplement known as categorical allowable growth. For FY 2010-2011, the division appropriates moneys from the Iowa Comprehensive Petroleum Underground Storage Tank Fund for a portion of state foundation aid.

For FY 2010-2011, in lieu of a standing appropriation, the division appropriates \$7.5 million from the School Infrastructure Fund to the Department of Education (DE) for paying instructional support state aid.

The division credits \$727,000 to the General Fund of the State on or after July 1, 2010, from moneys received on or after July 1, 2009, by the Iowa Veterans Home from the federal government relating to costs to improve and renovate a medical clinic at the home in a previous fiscal year. This provision takes effect April 29, 2010, and applies retroactively to July 1, 2009.

For FY 2010-2011, the following property tax credits are funded from the Property Tax Credit Fund created in the division instead of entirely funded from the General Fund of the State: homestead, agricultural land and family farm, military service, and elderly and disabled tax credit and reimbursement. Moneys in the fund come from the following sources: FY 2010-2011 General Fund of the State appropriation (\$91,256,037) and FY 2010-2011 appropriation from the Cash Reserve Fund (\$54,684,481). These provisions take effect April 29, 2010.

State aid for area education agencies and the portion of the combined district cost calculated for these agencies for each fiscal year for the fiscal period beginning July 1, 2008, and ending June 30, 2010, was reduced by \$2.5 million. The division extends the reduction to FY 2010-2011.

The division reduces a standing limited appropriation from the General Fund of the State to the Property Tax Relief Fund from \$95 million to \$88.4 million. The division eliminates a standing appropriation of \$6.6 million from the Property Tax Relief Fund to the Department of Human Services (DHS) for the nonfederal share of the costs of services provided to minors with mental retardation under the Medicaid program.

House File 2519, appropriating federal block grants and other funding, includes a directive in the event the state receives additional funding through the federal American Recovery and Reinvestment Act (ARRA). However, if unanticipated ARRA educational stabilization funding is received, in lieu of the directive, the additional funding is to be allocated in the same proportions as previous educational stabilization funding in 2009 Iowa Acts. The proportions for state aid to schools and instructional support are limited to amounts necessary to restore certain reductions made.

For FY 2010-2011, the division appropriates \$10.6 million from the Cash Reserve Fund to the Executive Council for performance of duty by the Executive Council. The appropriation is to be used prior to the standing appropriation made from the General Fund of the State for the same purpose. The moneys appropriated from the Cash Reserve Fund to the Executive Council for performance of duty for FY 2009-2010 do not revert; this provision takes effect April 29, 2010.

The division provides that Code Section 8.56, subsections 3 and 4, involving Cash Reserve Fund requirements relating to use of the moneys, fiscal year appropriation, and procedural restrictions, do not apply to any appropriations made in the division or any other division of the Act from the Cash Reserve Fund.

The contingent appropriation under Code Section 8.57, subsection 1, of up to 1 percent of the adjusted revenue estimate for FY 2010-2011 from the General Fund of the State to the Cash Reserve Fund in the event of the FY 2009-2010 ending balance distribution being insufficient to bring the fund to the designated level, shall not be made for FY 2010-2011.

### Division III — State Employee Salaries, Compensation, and Related Matters

Division III provides that the Governor establishes salaries for appointed nonelected persons in the executive branch holding positions enumerated in and within the salary ranges provided in 2008 Iowa Acts, Chapter 1191.

The division provides that pay adjustments, expense reimbursements, and related benefits for employees under collective

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bargaining agreements must be fully funded using available funding sources.

For FY 2010-2011, the division provides that maximum and minimum salary levels of all pay plans for noncontract state employees shall not increase and prohibits such employees from receiving a step increase or the equivalent of a step increase; the pay plan for noncontract judicial branch employees shall not be increased; and pay plans for state employees who are exempt from the state's merit system and other aspects of Code Chapter 8A, Subchapter IV, and who are included in the Department of Administrative Services' (DAS) Centralized Payroll System shall not be increased.

For FY 2010-2011, collective bargaining agreements for State Board of Regents employees covered by such agreements and pay plans for certain other employees not covered by a collective bargaining agreement are to be funded from available sources of the State Board of Regents.

For FY 2010-2011, employees of the executive branch, legislative branch, and judicial branch are prohibited from receiving bonus pay unless otherwise authorized by law, required pursuant to an employment contract entered into before July 1, 2010, or required pursuant to a collective bargaining agreement. These prohibitions do not apply to employees of the State Board of Regents.

Sworn peace officers in the Department of Public Safety (DPS) who are not covered by a collective bargaining agreement are authorized to receive the same per diem meal allowance that officers under a collective bargaining agreement receive.

The division provides for the Salary Model Administrator to work in conjunction with DOM and the Legislative Services Agency to analyze, compare, and project state salary and benefit information.

The division adds the new Chief Information Officer and the State Debt Coordinator positions to the salary ranges provided in 2008 Iowa Acts, Chapter 1191.

### Division IV — Appropriation Reductions

Division IV provides that the amounts appropriated from the General Fund of the State to the departments and establishments of the executive branch, but not including appropriations to the State Board of Regents, for operational purposes in enactments made for FY 2010-2011, are reduced by \$83,760,500. The reductions in appropriations are to be realized through the implementation of S.F. 2062 (see State Government), relating to early retirement; S.F. 2088 (see State Government), relating to government efficiency; Executive Order Number 20 issued December 16, 2009; and any other efficiency measure. The division requires DOM to apply the reductions.

On or before December 1, 2010, DOM is required to submit a report to the General Assembly and the Legislative Services Agency regarding anticipated reductions in appropriations for operational purposes and anticipated reductions in full-time equivalent (FTE) positions for FY 2010-2011. The report is to include a categorization of the reductions.

For FY 2010-2011, DOM may transfer up to \$5 million from the Cash Reserve Fund for purposes of meeting the appropriation reduction requirements of the division.

The division appropriates moneys from the General Fund of the State to DAS for implementing the information technology-related provisions of S.F. 2088.

### Division V — State Financial Management Duties

Division V strikes the transfer of state financial management duties from DAS to DOM in S.F. 2088. The division also provides that any new financial management duties included in S.F. 2088 relating to establishing a centralized payroll, creating a searchable budget database, and modifying payroll frequency, are included as duties of DAS.

### Division VI — Corrective Provisions

Division VI makes corrections to legislation enacted or considered during the 2010 Legislative Session.

### Division VII — Miscellaneous Provisions and Appropriations

Division VII relates to various miscellaneous provisions.

For FY 2010-2011, the division appropriates from the Merchant Marine Bonus Fund to DCA any moneys remaining in the

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fund after the appropriation made pursuant to H.F. 2526, to be used for costs relating to a study of the U.S.S. Iowa and for departmental salaries, support, maintenance, and miscellaneous purposes.

For FY 2010-2011, appropriations are made from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to the Board of Pharmacy of the Department of Public Health (DPH) for continuation of the Pharmaceutical Collection and Disposal Pilot Program; to DAS for costs associated with providing autism spectrum disorders coverage for state employees; to the State Board of Regents for the Iowa School for the Deaf and the Iowa Braille and Sight Saving School; to the Vocational Rehabilitation Services Division of DE for a program for farmers with disabilities; to DHS for restoring for FY 2010-2011 a portion of the reimbursement rate reduction that was applied in the previous fiscal year to adoption, family foster care, group foster care, and supervised apartment living services providers; to the Division of Insurance of the Department of Commerce for costs associated with establishing the Iowa Insurance Information Exchange pursuant to S.F. 2356 (see Health and Safety); for distribution to the Tribal Council of the Sac and Fox Indian settlement located on land held in trust by the Secretary of the Interior of the United States for the purposes of education expenses; and to the Department of Economic Development (DED) for establishing a trade office in Taipei, Taiwan, provided matching moneys are received by DED.

For FY 2009-2010, the division appropriates moneys from the General Fund of the State to DOM for operational purposes and to the Department of Revenue (DOR) for duties of the Office of the State Debt Coordinator created in S.F. 2383 (see State Government). These provisions take effect April 29, 2010.

The Early Childhood Iowa State Board is allowed to grant a waiver as to the required percentage of School Ready Children Grant funding to be committed to a home visitation component to an early childhood Iowa area that is funding the Teaching Interventions to Empower and Strengthen Families Program and is more than 10 percent away from meeting the required percentage.

For FY 2010-2011, the division appropriates \$250,000 from the Medicaid Fraud Account to the Department of Inspections and Appeals (DIA) for costs associated with the implementation of S.F. 2333 (See Human Services), relating to hospital inspections and dependent adult abuse investigations.

For FY 2010-2011, the division appropriates \$55,000 from the Department of Commerce Revolving Fund to the Insurance Division of the Department of Commerce for operational purposes.

For FY 2010-2011, moneys are appropriated from the Cash Reserve Fund to DHS for the Medicaid program, to DOM for operational purposes, to DE for the Preschool Program for Four-Year-Old Children and for direct intervention services by a Jobs for America's Graduates specialist, to the Department of Natural Resources (DNR) for operations relating to private buildings, to DHS for funding of shelter care, to the Office of Energy Independence (OEI) for deposit in the Iowa Power Fund, and to the Iowa Finance Authority (IFA) for purposes related to flood recovery.

The division increases General Fund of the State appropriations to DAS for FY 2010-2011 and increases the number of FTE positions authorized. The division decreases General Fund of the State appropriations to DOM for FY 2010-2011 and decreases the number of FTE positions authorized. These changes address the strike in transfer of financial management responsibilities in Division V.

The division provides that a railroad company which alters facilities pursuant to a written agreement with a political subdivision with a population of more than 15,100, but less than 15,150, according to the 2000 certified federal census, to construct a flood mitigation project, shall receive certain limitations on liability for any damages caused by the alteration due to a flood.

The Board of Pharmacy is allowed to use certain retained fees for supporting the Iowa Pharmacy Recovery Network.

The division expresses the intent of the General Assembly that the Iowa Power Fund Board and DED use moneys to encourage projects utilizing biomass made from renewable biomass to produce inputs for agricultural purposes.

DCA, in its capacity as the State Historic Preservation Officer and consulting party for the purpose of satisfying the requirements of the federal National Historic Preservation Act, is prohibited from being more restrictive than the federal agency for which it is acting as such consulting agency.

The division requires the State Board of Regents to conduct a study of the Iowa Braille and Sight Saving School regarding

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the residential services, facilities and facility utilization, and potential partnerships. The study must be submitted to the Legislative Council by August 31, 2010.

The division allows a city to submit a proposition relating to a public library property tax levy to the electorate at a general election day or a city special election day provided certain conditions are met.

For FY 2010-2011, counties may transfer moneys from other funds of the county to the county's mental health, mental retardation, and developmental disabilities services fund.

The division requires the Plumbing and Mechanical Systems Board, from April 29, 2010, through September 30, 2010, to allow a person who has not previously been a licensed journeyman or master in the applicable discipline to sit for the state master licensing examination for the applicable discipline if certain work experience criteria are met.

A biennial report fee for limited liability companies is required to be credited to the General Fund of the State. This provision takes effect April 29, 2010, and applies retroactively to June 30, 2006.

The division modifies provisions in Code Section 8D.13 applicable to the leasing of facilities for Part III connections associated with the operation of the Iowa Communications Network. Previously, the state was required to lease all fiberoptic cable facilities or facilities with DS-3 capacity for Part III connections for which state funding is provided, and to lease all fiberoptic cable facilities or facilities with DS-3 or DS-1 capacity for specified state departments and agencies. The division deletes specific reference to DS-3 or DS-1 capacity, instead providing that facilities with sufficient capacity as determined by the Iowa Telecommunications and Technology Commission shall be leased. In determining the capacity to be provided, the commission must consult with those agencies associated with the connections for which state funding is provided.

The division strikes a provision in Code Section 16.100A that requires expense payments for general public members of the Council on Homelessness to be made from State General Fund appropriations. The division specifies that such expenses must be reimbursed by IFA. The division also amends Code Section 16.181 by authorizing IFA to use moneys in the Housing Trust Fund for the Iowa Mortgage Help Initiative, a program that provides foreclosure prevention assistance and counseling and includes the Iowa Mortgage Help Hotline.

A Workforce Housing Assistance Grant Fund is created under the authority of IFA. Moneys in the fund are appropriated to IFA for grants for projects that create workforce housing or for projects that include adaptive reuse of buildings for workforce housing. IFA must file an annual report with the General Assembly and DOM regarding the status of the projects.

Code Chapter 20 is amended relating to impasse procedures and mediation. If the public employer is not subject to the budget certification requirements of Code Section 24.17 and other applicable sections, the agreement must now provide for implementation of impasse procedures not later than 120 days prior to the date the next fiscal or budget year of the public employer commences. Also, if the public employer is not subject to the budget certification requirements of Code Section 24.17 or other applicable sections and in the absence of an impasse agreement negotiated pursuant to Code Section 20.19, or the failure of either party to utilize its procedures, 120 days prior to the date the next fiscal or budget year of the public employer commences, the Public Employment Relations Board, upon the request of either party, must appoint an impartial and disinterested person to act as a mediator.

The division amends Code Section 99B.12A to authorize any person to conduct a bingo occasion without a license if participants are not charged to enter the premises where bingo is conducted, participants are not charged to play bingo, any prize awarded is donated, and the bingo occasion is conducted as an activity and not for fund-raising purposes.

Code Section 99B.17 is amended to authorize a participant in a raffle, conducted by an eligible qualified organization, to purchase raffle tickets by check, money order, or debit card for one raffle per calendar year. An eligible qualified organization is defined to mean a qualified organization that has conducted a raffle during the previous eight consecutive calendar years in which the net proceeds are distributed to a museum.

The division allows a class "E" liquor control licensee to purchase and sell high alcoholic content beer. This provision takes effect April 29, 2010, and is retroactively applicable to March 10, 2010.

The division provides that a person who is registered as a pharmacy technician or a pharmacy technician trainee prior to January 1, 2010, who has worked as a pharmacy technician or pharmacy technician trainee for a designated period of time under the direction of a licensed pharmacist, or has received certification through a program accredited by the National

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Commission for Certifying Agencies, shall have until December 31, 2013, to attain certification. This provision takes effect April 29, 2010, and apply retroactively to January 1, 2010.

The division amends the criteria an organization must meet to be considered a fair under Code Chapter 174. Previously, an organization had to own buildings and other improvements situated on fairgrounds. Now an organization may own either buildings or improvements situated on a fairground. The market value of fairgrounds, buildings, and other improvements had to be at least \$80,000. The threshold is lowered to \$25,000. The division also changes what constitutes a fair event under Code Chapter 174.

The policies adopted by DHS concerning health records provided to foster care providers under Code Chapter 237 are expanded to address requests from the provider for specific health information. The list of rights and responsibilities of family foster care providers involving receipt of information concerning a foster care child is expanded to specifically include notice if the child is required to register as a sex offender under Code Chapter 692A.

The division allows necessary moneys from the Public Safety Enforcement Fund to be remitted for deposit in the Iowa Prison Infrastructure Fund.

Annual reports filed by school districts with DE are now required to include certain financial information related to Code Chapters 423E and 423F, relating to the portion of the state sales tax committed to school infrastructure. DE must compile such information for submission in an annual report to the General Assembly.

The division provides a system for apportionment of dues assessed for membership in the Midwestern Higher Education Compact.

The division adds exceptions to mowing prohibitions for the Department of Transportation on the rights-of-way or medians on any primary or interstate highway.

The division provides a registration exemption for a trailer used exclusively for the transportation, display, and distribution of flags honoring deceased veterans in parades or ceremonies held on certain occasions.

Certain motor vehicle-related violations that cause serious injury to or the death of another person are subject to penalties in addition to scheduled penalties or other penalties provided by law. Two new violations are added, relating to obedience to official traffic-control devices and signals, that are eligible for the additional penalties.

The division provides that a person who makes an erroneous application for a tax credit is liable for tax liability reduced by the credit. A person who willfully makes a false or frivolous application for a tax credit with intent to receive a credit to which the person is not entitled is guilty of a fraudulent practice and is liable for a penalty equal to 75 percent of the credit being claimed.

The division allows moneys collected by the State Debt Coordinator to be used for purposes of the Office of the State Debt Coordinator. This provision takes effect April 29, 2010.

The division allows the DNR to sell plant material in other states.

The division adds areas of emphasis that must be included in the marketing campaign developed by the Water Resources Coordinating Council. The council is required to encourage and support the formation of a chapter of the Association of State Flood Plain Managers in Iowa.

The Iowa State University Agricultural Extension Service, the Water Resources Coordinating Council, and agency members of the council are required to work with floodplain and hydrology experts to educate the general public regarding floodplains, flood risks, and basic floodplain management principles.

The division includes provisions relating to grandparent and great-grandparent visitation. The division replaces a list of circumstances under which a grandparent or great-grandparent may petition the court for visitation of a minor child, by limiting the circumstances to those in which the parent of the minor child, who is the child of the grandparent or great-grandparent, is deceased. The court must consider a fit parent's objections to granting such visitation, and there is a rebuttable presumption that a fit parent's decision to deny such visitation is in the best interest of the child. The division provides criteria that must be met for the court to determine whether to grant visitation including: that it is in the best interest of the child as specified; the grandparent or great-grandparent has established a substantial relationship, as defined in the

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division, with the child prior to filing the petition; and the presumption that the parent is fit to make the decision regarding visitation is overcome through demonstration of specified activities or conditions. Petitioning for visitation by a grandparent or great-grandparent is limited to once every two years, absent a showing of good cause.

Group health insurance plans established for state employees are now required to provide coverage benefits for the diagnosis and treatment of autism spectrum disorders for covered individuals under 21 years of age.

The division adds the definition of "genetic services" to Code Section 729.6 and creates exclusions from the definition of "genetic testing," in law outlining an individual's rights pertaining to the use of such testing by employers.

The division eliminates the availability of funding requirement for the implementation of the Medicaid program waiver for the Iowa Family Planning Network.

The appropriation is increased in S.F. 2378, from the Gaming Enforcement Revolving Fund to the DPS for direct and indirect support costs for agents and officers of the Division of Criminal Investigation's excursion gambling boat, gambling structure, and racetrack enclosure enforcement activities.

House File 2525, Section 6, relating to realized cost savings by increasing the number of volunteer and intern programs at state parks, is repealed.

### Division VIII — Bicycles

Division VIII creates prohibited actions by motor vehicle operators against persons riding bicycles on highways. A person violating one of the prohibited actions is guilty of a simple misdemeanor punishable as a scheduled violation with a fine of \$250.

### Division IX — Renewable Fuels and Coproducts

Division IX requires the Office of Renewable Fuels and Coproducts to consult with the Petroleum Marketers and Convenience Stores of Iowa and the Iowa Renewable Fuels Association regarding education, promotion, and advertising of renewable fuels and coproducts.

### Division X — Identification of Worker Misclassification

Division X allows the DOR Director to provide certain confidential tax-related information to the Department of Workforce Development (DWD) if the director believes that the taxpayer may have misclassified workers. The division takes effect April 29, 2010.

### Division XI — Public Safety Advisory Board

Division XI relates to the Criminal and Juvenile Justice Planning Advisory Council and the establishment of a Public Safety Advisory Board.

The division appropriates \$140,000 to the Department of Human Rights (DHR) and funds two new FTE positions for the Public Safety Advisory Board established within the Division of Criminal and Juvenile Justice Planning of DHR.

The Governor is required to appoint a county supervisor, county sheriff, mayor, a nonsupervisory police officer, or a chief of police of a department with less than 11 officers, to fill three appointments to the council, rather than the three appointments currently representing county supervisors, sheriffs, mayors, chiefs of police, or county attorneys. The division eliminates one public member position appointed to the council by the Governor and requires the Governor to appoint a member representing a crime victim group.

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The division eliminates a member position on the council who is designated by the Chief Justice of the Supreme Court. The division also revises the other members to be appointed by the Chief Justice to include one district judge and one associate judge or associate juvenile judge.

The four legislative members of the council are to be the Chairperson and Ranking Member of the Senate Judiciary Committee and the Chairperson and Ranking Member of the House Judiciary Committee or of the House Public Safety Committee, in alternate four-year terms.

The division adds a member on the council designated by the Iowa County Attorneys Association.

The duties of the council are expanded. The council is to coordinate with the Administrator of the Division of Criminal and Juvenile Justice Planning to develop and make recommendations to the Director of the DHR. The council is to serve as a liaison between the general public and the Division of Criminal and Juvenile Justice Planning.

The division establishes a Public Safety Advisory Board, to be comprised of members of the council, as determined by the council. Any actions taken by the board shall be considered separate and distinct from the council. The duties of the board consist of reviewing and making recommendations relating to current sentencing provisions. In reviewing current sentencing provisions, the board shall consider the impact on the following: potential disparity in sentencing, truth in sentencing, the victim, the proportionality of the sentence, sentencing procedures, costs, and best practices of the Department of Corrections (DOC), the Iowa Child Death Review Team, and the Iowa Domestic Abuse Death Review Team.

The division also provides that the board shall review proposed legislation, as set by rule by the General Assembly or as requested by the executive branch or the judicial branch.

The board is to provide expertise and advice to the Legislative Fiscal Division, DOC, the judicial branch, and other departments or agencies charged with formulating fiscal, correctional, and minority impact statements.

The division provides that the board shall review data provided by the Division of Criminal and Juvenile Justice and Planning; DOM; the Legislative Services Agency, Fiscal Division; the judicial branch; and other departments or agencies for the purpose of determining the effectiveness and efficiency of the collection of such data.

The board is to report to the Legislative Government Oversight Committee all sources of funding by December 1 of each year.

The board may call upon any department, agency, or office of the state, or any political subdivision of the state, for information or assistance as needed in the performance of its duties and the information or assistance shall be furnished to the extent that it is within the resources and authority of the department, agency, office, or political subdivision. The division does not require the production or opening of any records which are required by law to be kept private or confidential.

The Division of Criminal and Juvenile Justice Planning is to submit plans and annual updates to plans relating to criminal and juvenile justice programs by December 1 each year to the Governor and the General Assembly. Prior law required the plans and annual updates to the plans be submitted by February 1 of each year.

### Division XII — Income Tax Checkoffs

Division XII relates to income tax checkoffs for child abuse prevention, the Veterans Trust Fund, and the Volunteer Fire Fighter Preparedness Fund.

Code Section 422.12E limits to four the number of income tax checkoffs that can appear on the state income tax return. When the same four income tax return checkoffs have been provided on the return for two consecutive years, the two checkoffs for which the least amount has been contributed through March 15 of the second tax year are automatically repealed.

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The division repeals the existing checkoffs for the Child Abuse Prevention Program Fund and the joint income tax refund checkoff for the Veterans Trust Fund and the Volunteer Fire Fighter Preparedness Fund and reenacts them as new checkoffs.

The division applies retroactively to January 1, 2010, for tax years beginning on or after that date.

### Division XIII — Wine

Division XIII relates to provisions enacted in S.F. 2088, Section 100, dealing with the direct shipment of wine. Wine manufacturers who have obtained a wine direct shipper license are to remit to the Alcoholic Beverages Division of the Department of Commerce an amount equivalent to the wine gallonage tax imposed in Code Section 123.183 on wine subject to direct shipment. The fund into which the resulting revenue is deposited varies depending upon whether the wine manufacturer is licensed or permitted pursuant to laws regulating alcoholic beverages in Iowa, or in another state. Revenue remitted by an in-state wine manufacturer is to be deposited in the Wine Gallonage Tax Fund created in Code Section 123.183. Amounts deposited in that fund are appropriated to DED for the promotion of wine and beer produced in this state. Revenue remitted by an out-of-state wine manufacturer is to be deposited in the Beer and Liquor Control Fund established in Code Section 123.53 and subject to allocation as provided therein. The timing and manner of the remittances, and applicable penalty provisions, correspond to provisions contained in Code Section 123.184 relating to gallonage sales by class "A" wine permit holders.

### Division XIV — Medication Therapy Management

Division XIV relates to medication therapy management. The division directs DAS, prior to July 1, 2010, to utilize a request for proposals process to contract for the provision of medication therapy management services beginning July 1, 2010, for eligible employees, defined in the division as certain employees of the state, who meet other specified criteria. DAS is directed to utilize an advisory committee comprised of an equal number of physicians and pharmacists to provide oversight of the request for proposals and evaluation processes. The division specifies the requirements for the company to which the contract is granted, including guaranteed annual savings with an initial one-year period dollar-for-dollar guarantee for drug product costs savings alone. The division specifies criteria for determining fees for pharmacists and physicians providing medication therapy management services and addresses scope of practice limitations for participating pharmacists. The division takes effect April 29, 2010, and is repealed December 31, 2011. The division also provides an appropriation for the purposes of provision of the medication therapy management services.

### Division XV — Iowa Comprehensive Petroleum Underground Storage Tank Fund

Division XV specifies that underground storage tank sites shall be classified by a certified groundwater professional as high risk, low risk, or no action required.

A site shall be classified as indicated by a certified groundwater professional unless, within 90 days of receipt of a site cleanup report by the DNR, the DNR identifies material information that is inaccurate or incomplete. For FY 2010-2011, DNR has 120 days to identify material information that is inaccurate or incomplete in the report.

Upon receipt of a corrective action design report by the DNR, the DNR has 90 days to identify material information in the report that is inaccurate or incomplete. For FY 2010-2011, DNR has 120 days to identify material information that is inaccurate or incomplete in the report.

The division provides certain criteria for reclassifying a site as a no action required site.

The Iowa Comprehensive Petroleum Underground Storage Tank Board and an owner or operator are to agree to the payment of expenses for additional corrective actions. Corrective actions taken due to DNR's failure to meet certain time requirements are considered corrective actions for purposes of the Remedial Program.

A no-further-action certificate must be issued unless, within 90 days of receipt of the report submitted by a certified groundwater professional classifying the site, DNR identifies material information that is inaccurate or incomplete, causing DNR to be unable to accept the report. An owner or operator is not responsible for additional assessment, monitoring, or corrective action activities after a certificate is issued unless the certificate was issued based upon false material statements that were knowingly or intentionally made by a groundwater professional and the false statements resulted in the incorrect classification.

Previously, owners or operators of underground storage tanks paid an annual storage tank management fee. Twenty-three

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percent of each fee collected was deposited in the Storage Tank Management Account of the Groundwater Protection Fund and 77 percent was deposited in the Iowa Comprehensive Petroleum Underground Storage Tank Fund. The division provides that 100 percent of each fee collected is deposited in the Storage Tank Management Account of the Groundwater Protection Fund. After an annual standing appropriation of \$1,000 to DPH to carry out departmental duties, the remaining moneys in the account are appropriated from the account to DNR for the administration of a state storage tank program and for programs which reduce the potential for harm to the environment and the public health from storage tanks. The division eliminates the deposit of a portion of the storage tank management fee in the Iowa Comprehensive Petroleum Underground Storage Tank Fund.

The DNR and the Iowa Comprehensive Petroleum Underground Storage Tank Fund must annually agree to the completion of tasks during the fiscal year directly related to the evaluation and modification of risk-based corrective action rules as necessary and processes that affect administration.

The division creates a standing limited appropriation from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to the DNR for purposes of technical review support.

For FY 2010-2011, the division appropriates from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to the DNR \$100,000 for purposes of database modifications necessary to accept batched external data.

The division creates an standing limited appropriation from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to the Department of Agriculture and Land Stewardship for purposes of inspecting fuel quality at pipeline terminals and renewable fuel production facilities.

The Iowa Comprehensive Petroleum Underground Storage Tank Fund Board is to administer safety training, hazardous material training, environmental training, and underground storage tank operator training in the state to be provided by an entity approved by DNR.

The division alters the membership of the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board.

Under the Remedial Program, the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board, in certain situations, is allowed to act as an agent for a county. Assessment and corrective action costs may be paid out of the remedial account for no further action sites where previously reported upon applicable target levels have been exceeded. The division creates limits for costs paid out of the remedial account for the permanent closure of certain underground storage tank systems. Expenses may be covered from any account under the fund for expenses incurred for cleanup beyond the level required by DNR only if approved by the board as cost-effective in some circumstances. The division adds public utilities to public entities which may receive reimbursement for reasonable expenses for sampling, treating, handling, or disposing of petroleum-contaminated soil and groundwater.

The division relieves certain owners or operators from copayment obligations under the Remedial Program. This provision takes effect April 29, 2010, and applies retroactively to January 1, 2010.

### Division XVI — Bonding Authority

Division XVI relates to bonding authority for the Iowa Comprehensive Petroleum Underground Storage Tank Fund. Previously, the Iowa Comprehensive Petroleum Underground Storage Tank Fund Board could contract with IFA for purposes of the authority issuing bonds for the fund. The division transfers this authority to issue bonds from IFA to the Treasurer of State and makes conforming amendments. The division eliminates a July 1, 2010, repeal of Code Sections 455G.6 and 455G.7, relating to bonding authority for the fund.

The division takes effect April 29, 2010.

### Division XVII — Unemployment Insurance Benefits

Division XVII creates a contingent appropriation of up to \$20 million for FY 2010-2011 from the Cash Reserve Fund to the Unemployment Trust Fund Account of the Unemployment Compensation Fund. The appropriation is contingent upon the appropriation being necessary to reach Contribution Rate Table 3 rather than Contribution Rate Table 2 for calendar year 2011.

The division adds an additional date for determining the current reserve fund ratio under certain circumstances. The current

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reserve fund ratio is used to determine the appropriate contribution rate table.

### Division XVIII — Terrace Hill

For FY 2010-2011, Division XVIII reduces the amount appropriated from the General Fund of the State to the Offices of the Governor and the Lieutenant Governor for Terrace Hill quarters pursuant to S.F. 2367, and appropriates the same amount from the General Fund of the State to DAS for the operation of Terrace Hill. For FY 2010-2011, the division appropriates from the Cash Reserve Fund to DAS moneys for the operation of Terrace Hill.

### Division XIX — Health Care Programs and Appropriations

Division XIX relates to health care programs and appropriations. The division eliminates or amends provisions included in S.F. 2156 (see Human Services), S.F. 2356 (see Health and Safety), and S.F. 2526, relating to the IowaCare Program, to provide for an expanded regional participating provider network for IowaCare members utilizing federally qualified health centers or federally qualified health center look-alikes in the state; to provide for utilization of certified public expenditures by DHS and the University of Iowa Hospitals and Clinics to maximize the availability of state funding to provide necessary access to IowaCare members; and to adopt rules to establish clinical transfer and referral protocols by participating providers, respectively.

The Act also makes appropriations or amends appropriations relating to the IowaCare Program and the Medicaid program for FY 2010-2011, including an appropriation from the Hospital Health Care Access Trust Fund created in S.F. 2388 (see Health and Safety), and the Nonparticipating Provider Reimbursement Fund created in Code Section 249J.24A. Implementation of the provisions relating to the Hospital Health Care Access Trust Fund, the Nonparticipating Provider Reimbursement Fund, and the reduction in the Medicaid program appropriation are contingent upon DHS receiving approval of the requests relating to Medicaid program waivers and state plan amendments necessary to implement that Hospital Health Care Access Trust Fund.

### Division XX — Waiver of Penalties and Interest

Division XX relates to the assessment of penalties and interest against taxpayers who filed returns expecting the state of Iowa to conform with certain federal income tax provisions.

In 2008, the Midwest suffered significant property casualty losses due to natural disasters. In response, the federal government passed the Heartland Disaster Relief Act, which amended the casualty loss provisions of the Internal Revenue Code. In 2009, the state of Iowa did not conform to the federal provisions related to the computation of net income.

The division allows DOR to waive the assessment of penalties and interest against taxpayers who relied in good faith on the state conforming to the federal provisions and who timely amend their return. The waiver relates only to the casualty loss provisions in Section 165(h) of the Internal Revenue Code. Any penalty and interest paid are to be refunded.

The division takes effect April 29, 2010, and applies only to tax year 2008.

### THE GOVERNOR ITEM VETOED THE FOLLOWING:

1. A provision that would have required OEI to collect data on all grants and loans approved for funding from the Iowa Power Fund and report on a quarterly basis to the Governor and the General Assembly regarding the data.
2. A provision that would have required, beginning December 31, 2012, that a person in the process of acquiring national certification as a pharmacy technician and in training to be a pharmacy technician register with the Board of Pharmacy.

**BUSINESS, BANKING, AND INSURANCE**

- [SENATE FILE 2073](#) - Professional Licensure and Regulation — Commerce — Accounting
- [SENATE FILE 2075](#) - Insurance Rating Practices — Extraordinary Life Circumstances Exceptions
- [SENATE FILE 2146](#) - Motor Vehicle Dealers and Warranty Parts, Repairs, or Service — Claims Payment
- [SENATE FILE 2157](#) - Recording of Residential Real Estate Installment Sales Contracts
- [SENATE FILE 2191](#) - Regulation of Banking
- [SENATE FILE 2192](#) - Real Property — Transfer Fee Covenants
- [SENATE FILE 2201](#) - Insurance and Insurance Division Regulatory Authority
- [SENATE FILE 2215](#) - Genetic Testing and Use of Genetic Information
- [SENATE FILE 2234](#) - Motor Vehicle Franchise Regulation
- [SENATE FILE 2272](#) - Iowa Life and Health Insurance Guaranty Association — Miscellaneous Changes
- [SENATE FILE 2324](#) - Cable or Video Service Franchises
- [SENATE FILE 2325](#) - Mortuary Science, Cemetery and Funeral Merchandise, and Funeral Services
- [SENATE FILE 2326](#) - Discipline of Real Estate Brokers and Salespersons
- [SENATE FILE 2331](#) - Hawk-i — Chiropractic Services Coverage
- [SENATE FILE 2348](#) - Regulation of Real Estate Closing Agents
- [HOUSE FILE 726](#) - Unincorporated Nonprofit Associations
- [HOUSE FILE 2075](#) - Health Insurance Coverage — Cancer Treatment — Clinical Trials
- [HOUSE FILE 2131](#) - Truth in Lending References Update
- [HOUSE FILE 2229](#) - Dental Insurance Coverage and Fee Schedules
- [HOUSE FILE 2409](#) - Regulation of Financial Institutions and Mortgage Loan Practices
- [HOUSE FILE 2478](#) - Limited Liability Companies and Business Corporations — Miscellaneous Changes

**RELATED LEGISLATION**

- [SENATE FILE 358](#) - Recognition of Foreign-Country Money Judgments  
*SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.* This Act enacts the "Uniform Foreign-Country Money Judgments Recognition Act," a model act promulgated by the National Conference of Commissioners on Uniform State Laws to provide for the consistent enforcement of foreign-country judgments in all state courts.
- [SENATE FILE 434](#) - Real Estate — Municipal Infractions, Tax Sales, and Nuisance Abatement  
*SEE LOCAL GOVERNMENT.* This Act requires the indexing by the clerk of the district court of certain municipal citations and nuisance petitions and requires the properties that are subject to those citations and petitions to be withheld from tax sale. The Act also includes a method for canceling a tax sale of a parcel that contains an abandoned building, within the meaning of Code Chapter 657A, and refunding the purchase money if certain conditions are met.
- [SENATE FILE 2108](#) - Consumer Fraud and Artisan's Liens  
*SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.* This Act relates to artisan liens by persons offering to contract for repairs or service on motor vehicles and to Iowa's Consumer Fraud Act. The Act takes effect May 1, 2010.
- [SENATE FILE 2190](#) - Bankruptcy and Debtor's Exemptions — Personal Property  
*SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.* This Act allows a debtor in a bankruptcy action who is a resident of this state an additional exemption, up to \$1,000, for any personal property.

- [SENATE FILE 2199](#) - Manufactured and Mobile Homes — Use Tax — Title Procedures  
*SEE TAXATION.* This Act requires the use tax imposed upon the use of manufactured housing to be paid by the owner of the manufactured housing to the licensed manufactured home retailer rather than directly to the county treasurer or the Department of Transportation. The Act also requires the manufactured home retailer to submit an application for certificate of title on behalf of the owner. The Act includes the failure to comply with the requirements of the Act as grounds for the revocation, suspension, or refusal of a manufactured home retailer license. The Act takes effect April 7, 2010.
- [SENATE FILE 2202](#) - Persons With Disabilities — Miscellaneous Provisions  
*SEE STATE GOVERNMENT.* This Act relates to rights of persons with disabilities relating to public employment, use of public facilities and accommodations, and zoning for housing, by changing numerous Code references from "persons with physical disabilities" to "persons with disabilities," and revising the accessibility requirements for curb ramps and sloped areas in intersections with streets, roads, and highways.
- [SENATE FILE 2220](#) - Motor Vehicle Transportation Contracts — Indemnity Provisions  
*SEE TRANSPORTATION.* This Act prohibits motor carrier transportation contracts from containing certain indemnification or hold harmless provisions and provides that such provisions are void and unenforceable. The Act applies to motor carrier transportation contracts entered into, extended, or renewed on or after July 1, 2010, but does not apply to certain intermodal contracts.
- [SENATE FILE 2246](#) - Motor Vehicle Regulation — Miscellaneous Changes  
*SEE TRANSPORTATION.* This Act revises provisions relating to the grounds for denial, suspension, or revocation of an authorized vehicle recycler's license or a motor vehicle dealer's license, and for disqualification from participating in activities relating to those licenses. The Act also asserts the power of local authorities to impose regulations or requirements on the operation of taxicabs and limousines.
- [SENATE FILE 2264](#) - City Subdivision Proposal Process and Horizontal Property Regimes  
*SEE LOCAL GOVERNMENT.* This Act authorizes cities to review declarations for the establishment of a horizontal property regime under Code Chapter 499B (condominiums) that are proposed to be located within an area of review established by a city under Code Section 354.9. The Act also requires such declarations to be submitted to the city for review and approval.
- [SENATE FILE 2273](#) - Electronic Vehicle Registration and Titling  
*SEE TRANSPORTATION.* This Act requires the Department of Transportation to lead a study concerning a uniform statewide system to allow electronic transactions for the initial registration and titling of motor vehicles and expresses the General Assembly's intent that such a system be implemented by January 1, 2012. The Act takes effect April 7, 2010.
- [SENATE FILE 2299](#) - Regulation of Grain Transactions  
*SEE AGRICULTURE.* This Act amends provisions relating to the licensure of persons involved in the business of purchasing or storing grain, and to fees required to be paid by those persons for deposit in the Iowa Grain Indemnity Fund established to reimburse

depositors or sellers of grain who may file claims for losses incurred by a failure to honor contractual payment obligations.

- [SENATE FILE 2300](#) - Landlord and Tenant Law — Notice Requirements  
**SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.** This Act amends the service of notice requirements for landlords and tenants under Code Chapters 562A and 562B, and the service of notice requirements in actions for forcible entry and detainer. The Act is in response to the Iowa Supreme Court's recent decision in *War Eagle Village Apartments v. Plummer*, 775 N.W.2d 714 (Iowa 2009). The Act also amends and enacts other statutory provisions relating to the service of a three days' notice to quit, service of original notice, and other requirements relating to forcible entry and detainer actions. The Act takes effect March 2, 2010.
- [SENATE FILE 2318](#) - Veterans and Military Members — Employment Benefits, Professional Licensing, Consumer Credit Terms  
**SEE PUBLIC DEFENSE AND VETERANS.** This Act makes changes concerning and affecting veterans and military members. The Act adds a provision to the Iowa National Guard Civil Relief Act to provide that a service member's obligation or liability to pay a premium for professional liability insurance coverage shall be stayed during military service and that the service member shall be allowed to continue coverage and resume payment upon completion of military service without penalty. In addition, the Act directs the departments of Workforce Development and Veterans Affairs to establish a workgroup to identify licensing requirements for workforce shortage areas and to study, in conjunction with the relevant licensing entities, whether comparable military training could substitute for current licensing requirements. Finally, concerning interest rate limit enforcement, the Act authorizes the Superintendent of Banking and the Superintendent of Credit Unions to enforce the percentage rate limitation imposed as a restriction or safeguard for military personnel under federal law, 10 U.S.C. § 987.
- [SENATE FILE 2350](#) - Civil Service Commissioners — Prohibited Activities and Interests  
**SEE LOCAL GOVERNMENT.** This Act allows a civil service commissioner to engage in contracts or activities with the city for which they are a commissioner if the contract, sale, or job is awarded by competitive bid in writing, publicly invited and opened.
- [SENATE FILE 2356](#) - Health Insurance Coverage — IowaCare and Insurance Information Exchange  
**SEE HEALTH AND SAFETY.** This Act includes provisions relating to health care and health care coverage. The Act includes two divisions. Division I relates to the IowaCare Program and other health care options relating to medical transportation costs for the IowaCare Program; a plan for coordination of care for individuals with diabetes receiving care through the Iowa Collaborative Safety Net Provider Network; and optimization of service delivery and outcomes under the IowaCare Program. Division II provides for the establishment of an Iowa insurance information exchange in the Insurance Division of the Department of Commerce, under the authority of the Commissioner of Insurance, as an information clearinghouse that provides resources where Iowans can obtain information about public and private health care coverage that is available in the state, including comparisons and costs.
- [SENATE FILE 2367](#) - Appropriations — Administration and Regulation  
**SEE APPROPRIATIONS.** This Act appropriates moneys from the General Fund of the State, and from other funds, to various administrative and regulatory state departments and agencies for FY 2010-2011. The Act allows a state bank, subject to approval by the Superintendent of Banking, to lend or pledge its assets for the purpose of securing transactions to hedge risks associated with interest rate exposure. The Act also provides for the establishment of a financial literacy program within the Office of the Treasurer of State. The objective of the program shall be to encourage and make possible the achievement of financial literacy by the largest number of citizens in Iowa, and especially by low-to-moderate income families.
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities  
**SEE STATE GOVERNMENT.** This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt. The Act requires the coordinator, in consultation with the superintendents of Banking and Credit Unions, to study the feasibility of developing a data match

system using automated data exchanges or other means to identify persons who owe delinquent obligations to the state.

- [HOUSE FILE 2111](#) - Reinstatement of Dissolved Business Entities — Tax Status Notification  
*SEE LABOR AND EMPLOYMENT.* This Act directs the Secretary of State to notify the Department of Workforce Development when a limited liability company, corporation, cooperative, or nonprofit corporation applies for reinstatement after a dissolution.
- [HOUSE FILE 2148](#) - Home Ownership Assistance Program for Military Members — Lenders  
*SEE PUBLIC DEFENSE AND VETERANS.* This Act allows persons eligible for the Home Ownership Assistance Program for Military Members to use a lender that does not participate in the Iowa Finance Authority's other programs for homebuyers if an application submitted by the lender is approved by the Iowa Finance Authority.
- [HOUSE FILE 2407](#) - Instruments Affecting Real Property — Definitions and Index Records  
*SEE LOCAL GOVERNMENT.* This Act defines the terms "grantor" and "grantee" for the purposes of Code Chapter 558, relating to conveyances, and amends other statutory provisions relating to the types of information kept in index records.
- [HOUSE FILE 2460](#) - Department of Transportation Contracts — Small or Disadvantaged Business Enterprises  
*SEE TRANSPORTATION.* This Act relates to small businesses and disadvantaged business enterprises involved with the awarding of contracts by the Department of Transportation.
- [HOUSE FILE 2483](#) - Trusts and Estates — Miscellaneous Changes  
*SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.* This Act relates to trusts and estates, including provisions relating to state inheritance tax, uniform transfers to minors, and medical assistance claims.
- [HOUSE FILE 2512](#) - Commercial Motor Vehicle Weight Limits  
*SEE TRANSPORTATION.* This Act establishes new weight limits for commercial motor vehicles, other than special trucks, with six or seven axles.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to an Iowa Insurance Information Exchange, biennial report fees for limited liability companies, state employee insurance coverage for autism spectrum disorders, and employer use of genetic testing information. Division XIV relates to medication therapy management coverage for certain state employees. Division XVII relates to unemployment insurance benefits.

## **BUSINESS, BANKING, AND INSURANCE**

### **SENATE FILE 2073 - Professional Licensure and Regulation — Commerce — Accounting**

BY COMMITTEE ON COMMERCE. This Act relates to the practice of accounting and to the organization and operation of the licensing boards for business professions.

The Act requires peer review for individual licensed public accountants similar to the current requirement for peer review for individual certified public accountants. Certified public accounting firms and licensed public accounting firms will be regulated in the same manner with respect to the authorization to provide compilation services. The Act also adds a reference to licensed public accounting firms in a provision outlining the disclosures required when a certified public accountant or licensed public accountant issues a compilation report other than through a certified public accounting firm.

The Act allows professional licensing boards to adopt standards by reference to another publication without providing a copy of the publication to the Administrative Rules Coordinator if the publication containing the standards is readily accessible on the Internet at no cost and the Internet site at which the publication may be found is included in the administrative rules that adopt the standard. The Act sets quorum requirements for all the boards as a majority of the members of the board and allows action to be taken upon a majority vote of board members present at a meeting who are not disqualified.

### **SENATE FILE 2075 - Insurance Rating Practices — Extraordinary Life Circumstances Exceptions**

BY COMMITTEE ON COMMERCE. This Act requires an insurer to provide reasonable exceptions to the insurer's rates, rating classifications, company or tier placement, or underwriting rules or guidelines upon the written request of an applicant for insurance or an insured whose credit information has been directly influenced by specified events characterized as extraordinary life circumstances. An insurer may require such a consumer to provide reasonable written and independently verifiable documentation of the event and to demonstrate the direct and meaningful impact of the event on the consumer's credit information.

An insurer is required to inform the consumer of the outcome of such a request within 30 days of receiving documentation of an extraordinary event, in writing or in the same medium as the request. Insurers are required to notify consumers that such reasonable exceptions are available and how to inquire further about them.

The Act applies to personal insurance contracts or policies delivered, issued for delivery, continued, or renewed in this state on or after July 1, 2010.

### **SENATE FILE 2146 - Motor Vehicle Dealers and Warranty Parts, Repairs, or Service — Claims Payment**

BY COMMITTEE ON TRANSPORTATION. This Act prohibits a motor vehicle manufacturer, distributor, or importer from reducing the amount of compensation for, or disallowing a claim for, warranty parts, repairs, or service performed by a motor vehicle dealer on the grounds that the claim was not filed within 60 days after the work underlying the claim was completed.

### **SENATE FILE 2157 - Recording of Residential Real Estate Installment Sales Contracts**

BY COMMITTEE ON COMMERCE. This Act amends the recording requirements for residential real estate installment sales contracts by requiring that such contracts be recorded within 90 days of the date the contract was signed by the contract seller and the contract purchaser, rather than 180 days, as was previously required.

The previous recording requirements also provided that if a contract seller was subject to Code Section 558.70, relating to contract disclosure statements, the contract had to be recorded with the county recorder within 45 days. The Act provides that such installment sales contracts must be recorded within 30 days.

The Act applies to real estate installment contracts signed on or after July 1, 2010.

**SENATE FILE 2191 - Regulation of Banking**

BY COMMITTEE ON COMMERCE. This Act makes changes regarding provisions governing the administration and regulation of banks.

The definition of "bank" contained in Code Section 12C.1 previously referred to a corporation authorized by law to receive deposits insured by the Bank Insurance Fund or Savings Association Insurance Fund of the Federal Deposit Insurance Corporation. The Act adds a limited liability company to the definition and substitutes the reference to insured deposits to organization under the laws of Iowa, another state, or the United States. The Act also adds a savings bank organized under the laws of Iowa, another state, or the United States to the definition of "bank" and amends Code Section 12C.1 to add a definition of "superintendent." "Superintendent" is defined to refer to either the Superintendent of Banking in Iowa when the depository is a bank or the Superintendent of Credit Unions in Iowa when the depository is a credit union. The Act makes a corresponding amendment to Code Section 12C.28.

The Act adds new Code Section 12C.29, giving the superintendent authority to issue orders in the event it appears a bank is, has, or is about to violate any provision of Code Chapter 12C or any rules adopted pursuant thereto, if a bank is less than well capitalized as defined in a provided reference to the U.S. Code, or if a bank is subject to a final order or written agreement subject to the public disclosure requirements of another provided reference to the U.S. Code. The Act authorizes the superintendent to issue an order requiring the bank not to accept uninsured public funds deposits, to reduce the amount of uninsured public funds accepted, to return to depositors some or all deposits as specified, to pledge collateral to the Treasurer of State up to 110 percent of the public funds held by the bank, and to comply with such other requirements as the superintendent may impose. The Act additionally establishes procedures regarding the issuance of an order and resulting hearings, states that these are intended to provide the superintendent additional authority and regulatory flexibility, and provides that an act or omission by the superintendent shall not subject the state to liability. The acceptance of public funds by a bank constitutes consent to the jurisdiction and authority of the superintendent.

Further, the Act specifies that the duties and powers of the superintendent shall include administration, interpretation, and execution of the laws, rules, and regulations of Iowa relating to banks and banking. This authorization facilitates the establishment of policy for the implementation and administration of the Code chapter. The Act authorizes the Division of Banking to adopt a record retention policy authorizing the division to destroy e-mails more than six months old, adds provisions regarding state bank utilization of a fictitious name, establishes election procedures regarding the election of directors by bank shareholders, and requires that the par value of investment securities be used in determining the amount of aggregate capital that a state bank may invest in investment securities of any one obligor.

The Act amends Code Section 524.814 to authorize the lending or pledging of state bank assets when a customer is required to obtain security or a bank is required to provide security pursuant to the laws of another state. Violation of the Code section is a serious misdemeanor punishable by confinement for no more than one year in jail and a fine of at least \$315 but not more than \$1,875.

The Act provides, with respect to regulated loans under Code Chapter 536 and industrial loans under Code Section 536A.31, that unless otherwise provided, the provisions of the Iowa Consumer Credit Code contained in Code Chapter 537 are applicable and supersede conflicting provisions of Code Chapter 536 and Code Section 536A.31. The Act states, however, that the provisions of Code Section 537.2402, subsection 1, relating to creditors authorized to make supervised loans contracting for and receiving a finance charge without limitation as to amount or rate with respect to a loan pursuant to open-end credit, do not apply to loans regulated under Code Chapter 536 or Code Section 536A.31.

The sections of the Act amending Code Chapter 12C take effect March 8, 2010.

**SENATE FILE 2192 - Real Property — Transfer Fee Covenants**

BY COMMITTEE ON COMMERCE. This Act prohibits the running of a transfer fee covenant with the title to real property.

The Act defines a transfer fee to mean a fee or charge payable upon the transfer of an interest in real property, or payable for the right to make or accept a transfer of an interest in real property, regardless of whether the fee or charge is a fixed amount or is determined as a percentage of the value of the property, the purchase price, or other consideration given for the transfer. The Act defines a transfer fee covenant to mean a declaration or covenant purporting to affect real property which requires or purports to require the payment of a transfer fee to the declarant or other person specified in the covenant or declaration, or to their successors or assigns, upon a subsequent transfer of an interest in real property.

The Act provides that a transfer fee covenant shall not run with the title to real property and is not binding on or enforceable at law or in equity against any subsequent owner, purchaser, or mortgagee of any interest in real property. Any lien purporting to secure the payment of a transfer fee under a transfer fee covenant is void and unenforceable.

The Act specifies various types of consideration, commissions, interests, charges, fees, rent, reimbursement, taxes, assessments, or fines that do not constitute a transfer fee and would accordingly not be subject to the prohibition.

The Act takes effect April 23, 2010, and is applicable to any lien purporting to secure payment of a transfer fee under a transfer fee covenant which is filed on or after that date.

**SENATE FILE 2201 - Insurance and Insurance Division Regulatory Authority**

BY COMMITTEE ON COMMERCE. This Act relates to various matters under the purview of the Insurance Division of the Department of Commerce.

*IOWA GRAIN INDEMNITY BOARD.* Code Section 203D.4(1) is amended to remove the Commissioner of Insurance or a designee as a member of the Iowa Grain Indemnity Fund Board and add a representative of the banking industry.

*UNIFORM SECURITIES ACT.* Code Section 502.305(2) is amended to allow the Administrator of the Iowa Uniform Securities Act to adopt rules that require certain filings to be made electronically either with the administrator or a designee of the administrator, and that require filers to submit filings and pay processing fees to such a designee.

*INSURANCE DIVISION DUTIES.* Code Section 505.7(10) is enacted to require the commissioner to assess the costs of carrying out new duties of the division contained in Code Sections 505.8(18), 505.17(2), 505.18, and 505.19 to specific health insurance carriers to whom the expenses are attributable and to all health insurance carriers for general expenses of carrying out those duties that are not attributable to specific health insurance carriers. This provision takes effect April 9, 2010.

Code Section 505.8(18) is enacted to require the commissioner to annually convene a work group, composed of specified persons, to consider ways of reducing the cost of providing health insurance coverage and health care services. The recommendations of the workgroup are to be included in the commissioner's annual report to the General Assembly made pursuant to new Code Section 505.18. This provision takes effect April 9, 2010.

Code Section 505.17, regarding confidential information provided to the commissioner, is amended to provide that applications for rate increases and accompanying information filed by a health insurance carrier constitute public records except as otherwise provided in the section. The Act establishes a procedure for the commissioner to consider requests by such carriers for confidential treatment of such rate increase information. This provision takes effect April 9, 2010.

New Code Section 505.18 requires the commissioner, in collaboration with the division's Consumer Advocate, to prepare an annual report to the Governor and the General Assembly by November 15 of each year with specified information about health insurance and health care provided in the state. This provision takes effect April 9, 2010.

New Code Section 505.19 requires health insurance carriers to immediately notify policyholders of any applications for rate increases that exceed the average annual health spending growth rate stated in the most recent national health expenditure projection published by the Centers for Medicare and Medicaid Services of the U.S. Department of Health and Human Services. The commissioner is required to hold a public hearing at the time such an application for rate increases is filed. The division's Consumer Advocate is required to solicit and post on the division's Internet site, public comments on such proposed rate increases and present that information for the commissioner's consideration prior to approval or disapproval of the rate increases proposed. This provision takes effect April 9, 2010.

*LIFE INSURANCE COMPANIES AND ASSOCIATIONS.* New Code Section 508.33A authorizes Iowa life insurance companies to organize wholly owned limited purpose subsidiary life insurance companies to reinsure the risks of the organizing company and its affiliated companies. Before assuming any risks under a reinsurance contract, a new limited purpose subsidiary life insurance company must submit and receive approval of its plan of operation from the commissioner. The commissioner is required to adopt rules to regulate such limited purpose insurers and no limited purpose insurer can be organized prior to the effective date of such rules.

Code Section 511.8(5) is amended to allow life insurance companies to invest in certain securities that are rated "three" for legal reserve purposes. Code Section 511.8(8) is enacted to provide that such securities are not eligible investments in excess of 2 percent of the legal reserve and not more than one-eighth of 1 percent of the legal reserve can be invested in the securities of any one corporation.

Code Section 511.8(16) is amended to provide that common stocks or shares issued by any federal home loan bank that are eligible common stocks or shares for inclusion in a life insurance company's legal reserve may be deposited as securities with the commissioner.

Code Section 511.8(23)(c) and (e) are amended to provide that if a security loan made by a life insurance company to a specified entity is collateralized by cash, the insurer may reinvest the cash in class one money market funds, among other things. If such reinvestments are made in a pooled fund, the average maturity of the securities in the pooled fund must be 180 days or less and the individual maturities of the securities must be 397 days or less. "Maturity" is defined to mean the earlier of the fixed date on which the holder of the security is unconditionally entitled to receive principal and interest in full or the date on which the holder of the security is unconditionally entitled upon demand to receive principal and interest in full. Such securities loaned in this manner cannot be included in the legal reserve of a life insurance company in excess of 10, formerly 20, percent of the legal reserve.

Code Section 511.8(23)(f) is amended to allow a life insurance company or association to hold securities which are the subject of a reverse repurchase agreement in its legal reserve, subject to the limitation that such securities are treated as securities loaned and cannot be included in legal reserve in excess of 10 percent of the reserve.

*VETERANS' MENTAL ILLNESS AND SUBSTANCE ABUSE TREATMENT COVERAGE.* New Code Section 514C.26 applies to group plans established pursuant to Code Chapter 509A for public employees and to group policies or contracts of health insurance issued to employers with more than 50 full-time employees, or issued to small employers with 50 or fewer employees if those policies or contracts provide coverage benefits for treatment of mental illness and substance abuse. The provision requires coverage benefits for veterans insured under such plans, policies, or contracts for treatment of mental illness and substance abuse delivered, issued for delivery, continued, or renewed in this state on or after January 1, 2011.

*UTILIZATION AND COST CONTROL.* Code Section 514F.6 is amended to allow prospective payment of clean claims for covered services provided by an advanced registered nurse practitioner or physician assistant during the credentialing period once that person is credentialed.

*EXTERNAL REVIEW OF HEALTH CARE COVERAGE DECISIONS.* Code Section 514J.7(2) is amended to provide that an enrollee, a carrier, or the treating health care provider is entitled to be told the name of the expert person selected to perform the external review of a health care coverage decision.

*INSURANCE OTHER THAN LIFE.* Code Section 515.125(1) is amended to except new provisions in the Act pertaining to personal lines insurance policies or contracts from the forfeiture and notice requirements of this section.

New Code Section 515.129A provides that personal lines policies or contracts of insurance that have been in effect for more than 60 days cannot be canceled without notice and that such notice is not effective unless it is based on one or more of the specified reasons.

New Code Section 515.129B provides that an insurer cannot refuse to renew a personal lines policy or contract of insurance unless, at least 30 days before the end date of the policy or contract, the insurer delivers, mails, or electronically transmits written notice to the first named insured at the insured's last known address, of the insurer's intention not to renew accompanied by an explanation of the specific reason for the nonrenewal. The transfer of a policy between affiliates of an insurance company is not considered a nonrenewal.

New Code Section 515.129C sets forth requirements for the notice to an insured of the renewal or nonrenewal of personal lines policies or contracts. Such notice must be mailed or delivered to the first named insured at least 30 days prior to the end of the policy or contract term and must also be mailed, delivered, or electronically transmitted to the producer of record of the policy or contract. An offer to renew shall state the amount and due date of the premium. If the renewal premium is not received by the due date or the policy or contract expiration date, whichever is later, the policy or contract lapses. If an insurer fails to comply with these notice requirements, the policy or contract is extended on the same terms and conditions for another policy or contract term or until the effective date of similar insurance that is procured by the insured, whichever is earlier. Renewal of a policy or contract under this Code section does not constitute an estoppel or waiver with respect to grounds for cancellation that existed prior to the effective date of the renewal.

*MORTGAGE GUARANTY INSURANCE.* Code Section 515C.5 is amended to allow the commissioner to suspend the requirements concerning the amount of outstanding liability that a mortgage guaranty insurer may have, upon request of the insurer, for such time and under such conditions as the commissioner may order. The commissioner may adopt rules as necessary relating to the consideration of such requests for suspension of those requirements.

*CEMETERY AND FUNERAL MERCHANDISE, AND FUNERAL SERVICES.* Code Section 523A.204(4) is amended to give the commissioner the discretion to levy an administrative penalty in an amount up to \$500 against a preneed seller who fails to file an annual report when due. A corresponding change to Code Section 523A.502A allows the commissioner such discretion when levying a penalty against a sales agent who fails to file a report when due.

Code Section 523A.401(9) is added to allow the commissioner to adopt rules to require written trust agreements and establish conditions for trusts holding insurance policies or maintaining ownership rights under insurance policies that fund purchase agreements. Code Section 523A.402(9) is added to allow the adoption of similar rules as to trusts holding annuities or maintaining ownership rights under annuities that fund purchase agreements.

Code Section 523A.601(1) is amended to correct a telephone number of the Insurance Division contained in notifications to consumers who purchase cemetery and funeral merchandise, and funeral services, pursuant to a preneed purchase agreement.

Code Section 523A.807(3) relating to penalties for violations of specific sections of Code Chapter 523A is amended to apply to violations of Code Sections 523A.203 (qualification and investment requirements of financial institution trustees); 523A.207 (performance of audits prior to sale of purchase agreements); and 523A.504 (appointment of sales agents and payment of fees). A violation of one of these Code sections may result in civil penalties and orders prohibiting sales pursuant to Code Chapter 523A.

*CEMETERY REGULATION.* Code Section 523I.213A(7) is added to provide that notwithstanding Iowa's Open Records Law, the commissioner shall not make information obtained in the course of an examination of a cemetery public except under specified circumstances. A corresponding change is made by adding Code Section 20.7(65), which states that such information is not a public record.

Code Section 523I.312(2)(n) is amended to correct a telephone number of the Insurance Division contained in notifications to consumers who enter into Internet agreements with nonperpetual care cemeteries.

Code Section 523I.813(3) is amended to allow the commissioner to exercise discretion in levying administrative penalties up to \$500 for the failure of a perpetual care cemetery to timely file an annual report.

*LEGISLATIVE HEALTH CARE COVERAGE COMMISSION.* 2009 Iowa Acts, Chapter 118, Section 1, is amended to require the Legislative Health Care Coverage Commission to complete an annual review of the cost of health insurance mandates currently imposed on state-regulated health insurance and to provide cost projections for any mandates that may be considered by the General Assembly during the upcoming legislative session and to include this review and any cost projections in the commission's annual report to the General Assembly. This provision takes effect April 9, 2010.

**SENATE FILE 2215 - Genetic Testing and Use of Genetic Information**

BY COMMITTEE ON STATE GOVERNMENT. This Act amends Code Section 729.6 concerning the use of genetic testing and genetic information. The Act revises the existing definition of "genetic testing" and adds a definition of "genetic information" which means the same as defined in the federal Public Health Service Act. Definitions are also added of "health insurance," "health insurer," and "third-party administrator."

New Code Section 729.6(2A) prohibits a person from obtaining genetic information or samples for genetic testing from an individual without first obtaining that individual's informed and written consent, with specified exceptions to the consent requirement. A person who violates this provision is subject to civil enforcement of the law. An aggrieved individual may receive equitable and injunctive relief as well as attorney fees and costs from that person.

New Code Section 729.6(2B) prohibits a third-party administrator or health insurer from releasing genetic information pertaining to an individual without prior written authorization of the individual, with specified exceptions to the authorization requirement. A violation of this provision by a third-party administrator or health insurer an unfair insurance trade practice under Code Section 507B.4. A third-party administrator or health insurer that violates this provision is subject to the administrative enforcement provisions of Code Chapter 507B including cease and desist orders, license suspension or revocation, and civil penalties.

**SENATE FILE 2234 - Motor Vehicle Franchise Regulation**

BY COMMITTEE ON TRANSPORTATION. This Act modifies existing provisions and adds several new provisions to Code Chapter 322A, which regulates motor vehicle franchises. The new provisions are similar to current provisions in Code Chapter 523H and Code Section 537A.10, which govern general franchises operating or granted within the state and which are expressly not applicable to motor vehicle franchises under Code Chapter 322A.

The Act expands the definition of a franchise beyond a contract meeting certain conditions specified in the Code chapter to include a separate written agreement materially affecting the franchise, entered into prior to, contemporaneously with, or subsequent to the contract date.

The Act imposes on the parties to the franchise a duty of good faith in performance and enforcement of the franchise. The Act addresses franchise jurisdiction, providing that a condition, stipulation, or provision in a franchise restricting jurisdiction to a forum outside this state, or providing that the franchisee consents to the jurisdiction of a forum outside this state, is void. The Act provides that a civil action or proceeding arising out of a franchise may be commenced wherever jurisdiction over the parties or subject matter exists, even if the franchise limits actions or proceedings to a designated jurisdiction. Further, a condition, stipulation, or provision in a franchise requiring the application of the law of another state in lieu of Code Chapter 322A, or a condition, stipulation, or provision in a franchise that the franchise is to be governed by or construed in accordance with the law of another state, is void.

The Act additionally provides that a condition, stipulation, or provision in a franchise requiring a franchisee to waive compliance with or relieving a person of a duty or liability imposed by or a right provided by Code Chapter 322A is void, but that this shall not affect the settlement of disputes, claims, controversies, or civil lawsuits arising or brought pursuant to the Code chapter by written release or other written document where separate and adequate consideration is offered and accepted. Also void is a provision, stipulation, or provision in a franchise prohibiting or restricting the franchisee from continuing another line-make at a dealership or adding an additional line-make to a dealership, and requiring a franchisee to provide its customer lists or service files to a franchiser. With reference to adding or continuing line-makes, the Act clarifies that a franchiser may for good cause terminate a franchise pursuant to Code Sections 322A.2 and 322A.11 on the grounds that the franchisee's facility is not adequate to accommodate an additional line-make. With reference to customer lists or service files, the Act does not impact requirements that a franchisee notify the franchiser of the delivery of a new motor vehicle to a customer, including information necessary to complete the sale of the vehicle, or submit to the franchiser a claim for warranty parts, recalls, repairs, or services supplied or performed by the franchisee.

The Act states that Code Chapter 322A is to be liberally construed to effectuate its purposes.

**SENATE FILE 2272 - Iowa Life and Health Insurance Guaranty Association — Miscellaneous Changes**

BY COMMITTEE ON COMMERCE. This Act relates to the Iowa Life and Health Insurance Guaranty Association and to the Iowa Insurance Guaranty Association.

*IOWA LIFE AND HEALTH INSURANCE GUARANTY ASSOCIATION.* The Act amends various provisions in the Iowa Life and Health Insurance Guaranty Association Act codified in Code Chapter 508C to protect certain specified persons against

failure in the performance of contractual limitations under life and health insurance policies or contracts.

Code Section 508C.3(1), which specifies who is entitled to receive benefits from the guaranty association, is amended to further define and specify additional classes of persons who are eligible to receive such benefits. This Code section is also amended to provide that such coverage is for residents and, only in special circumstances, for nonresidents.

Code Section 508C.3(3), which specifies items to which the coverage benefits of the association are not available, is amended to further define and add items to which the Code chapter does not apply.

New Code Section 508C.3(4) specifies that in performing its obligations, the association is not required to guarantee, assume, reinsure, or perform contractual duties of an insolvent or impaired insurer that do not materially affect the economic values or benefits of a covered policy or contract.

Code Section 508C.5, which provides definitions for terms used in the chapter, is amended by modifying definitions of "contractual obligation," "impaired insurer," "insolvent insurer," "member insurer," "person," and "supplemental contract"; striking and rewriting definitions of "premium" and "resident"; and adding new definitions for "extracontractual claim," "Moody's corporate bond yield average," "owner," "state," and "structured settlement annuity."

Code Section 508C.8, concerning the powers and duties of the association, is amended by detailing the power of the association to exercise its discretion to provide coverage and benefits to persons injured by insolvent member insurers.

Code Section 508C.8(6) is amended to allow the association to appear and intervene in proceedings involving impaired or insolvent insurers before any court or agency in this or other states when the association may become obligated under the Code chapter, or have rights through subrogation or otherwise.

Code Section 508C.8(7) is amended to provide that a person receiving benefits from the association is deemed to have assigned its policy or contract rights under any cause of action to the extent of the benefits received, including the provision of substitute or alternative coverages, and to detail the association's subrogation and

other rights in the case of a structured settlement annuity against the person originally responsible for losses resulting from the personal injury to which the annuity relates.

Code Section 508C.8(8)(a)(2) is amended to remove a limitation that capped aggregate life insurance benefits for one life at \$350,000, and to raise the benefit limit for certain specified health insurance benefits from \$300,000 to \$500,000. The provision is also amended to add a benefit limit of \$250,000 in present value annuity benefits for each payee of a structured settlement annuity and to provide that, with respect to specified individual benefit plans established under federal law, the association's obligation is limited to \$300,000 instead of \$350,000 in the aggregate, except as to specified health insurance benefits where the benefits are limited to \$500,000 as to any one individual.

New Code Section 508C.8(11) allows the association to elect to succeed to the rights and obligations of a ceding member insurer, specifies how the receiver and each reinsurer of the ceding member insurer shall facilitate the decision of the association to assume reinsurance contracts of the ceding insurer by providing information as requested, and details the rights and responsibilities of the association as to assumed reinsurance contracts. The provision also specifies the rights and responsibilities of the association and the reinsurer before the association elects to assume the reinsurance contracts, if the association does not assume the reinsurance contracts, and if the obligations are transferred to an assuming reinsurer. The provisions supersede state laws and affected reinsurance contracts that provide for payments of losses or events occurring after the date of the order of liquidation. The provision also specifies that the new provisions shall not be construed to abrogate specified terms, rights, and causes of action or apply to reinsurance agreements covering property or casualty risks.

New Code Section 508C.8(12) allows the board of directors of the association to exercise discretion and reasonable business judgment in carrying out the provisions of the Code chapter.

New Code Section 508C.8(13) provides that a person who receives or has been offered benefits under a plan or arrangement that satisfies the association's obligations under the Code chapter is not entitled to other benefits from the association.

New Code Section 508C.8(14) provides that venue in a suit against the association arising under the Code chapter is in Polk County District Court.

New Code Section 508C.8(15) provides that the association may issue substitute coverage as detailed, with approval of the receivership court, under specified circumstances.

*INSURANCE GUARANTY ASSOCIATION.* The Act also amends various provisions in Code Chapter 515B, which establishes the Iowa Insurance Guaranty Association, to cover claims against an insolvent insurer that provides direct insurance written under Code Chapter 515 (insurance other than life) or Code Chapter 520 (reciprocal or interinsurance).

Code Section 515B.2, which provides definitions for the Code chapter, is amended to modify the definition of "covered claim" by adding items that are not covered claims under the Code chapter. Code Section 515B.2 is also amended to add a definition for "liquidator."

Code Section 515B.5, regarding the duties and powers of the association, is amended to raise the limit for covered claims to the lesser of the policy limits or \$500,000 per claim, instead of \$300,000 per claim.

Code Section 515B.14, concerning immunity of persons involved with the association, is amended to expand that immunity to persons serving as alternates or substitutes for board members and to include immunity for failure to act as well as for actions taken.

New Code Section 515B.19 allows the association to join with other organizations of state associations of similar purpose to further the association's purposes and administration of its powers and duties, and to designate another organization to act as a liaison and to bind the association in agreements or settlements with receivers of insolvent insurance companies. The provision also requires the association to make all reasonable efforts to coordinate and cooperate with such receivers, including the use of uniform data standards.

**SENATE FILE 2324 - Cable or Video Service Franchises**

BY COMMITTEE ON COMMERCE. This Act modifies provisions relating to franchises for the provision of cable service or video service.

The Act makes several changes to requirements concerning providing notice of an intent to offer cable services or video services, contents of applications to the Utilities Board within the Department of Commerce for the issuance of a certificate

of franchise authority for the provision of such services, and certificate issuance procedures.

The Act provides that a copy of the notice which a competitive cable service provider or competitive video service provider is required to provide to each municipality with authority to grant a franchise in the service area, and to the service area's incumbent cable provider, regarding an intent to provide services in the service area, must be filed with the Utilities Board on the date that the notice is provided, and that notices must be sent by certified mail. A requirement that the board issue a certificate within 15 business days is modified in the Act to 30 calendar days.

The Act adds to information requirements to be included in an application and affidavit for a franchise, submission of documentation that the applicant possesses sufficient managerial, technical, and financial capability to provide the cable service or video service proposed, copies of advertisements or news releases announcing the applicant's intent to provide cable service or video service in the service area intended for release if the certificate is granted, and a schedule of dates by which the applicant intends to commence operation. These requirements, and additional requirements contained in Code Section 400A.3, subsection 1, must be fully satisfied prior to issuance of a certificate. The Act additionally requires an applicant for a certificate to provide notice to each municipality with authority to grant a franchise in the service area on the date that the application is submitted that the applicant has submitted an application to the Utilities Board.

The Act permits the Utilities Board to take up to an additional 60 days beyond the 30-day period for issuance of a certificate if it concludes that additional information will be necessary to determine whether application information requirements have been met, and the board may assess costs associated with processing an application to an applicant pursuant to existing assessment authority contained in Code Section 476.10, subsection 1, paragraph "a." A corresponding change is made regarding issuance of a certificate by the Utilities Board being presumed if the board fails to notify an applicant of the completeness of an application or otherwise fails to issue a certificate of franchise authority before the 90th calendar day after receipt of a completed affidavit.

Additionally, the Act provides that in the event a holder of a franchise fails to commence operation of a cable system or video service network within 12 months from the date the application is granted, the Utilities Board may revoke the certificate. In this event, and if the franchise agreement previously in effect between an incumbent cable provider and the municipality would have remained in effect for at least a 60-day period prior to expiration, the previous agreement will be reinstated for the remaining duration of that agreement. The Act requires an incumbent cable provider to comply with the terms of the prior agreement within 90 days of notification by the Utilities Board. In the event a holder of a certificate subsequently ceases to engage in construction or operation of a cable system or video service network and is no longer providing service, the Act requires the applicant to notify the municipality, the Utilities Board, and the incumbent cable provider of this occurrence on the date that construction or service is terminated. In this event, the provisions applicable to failure to commence operation regarding a franchise agreement previously in effect between an incumbent cable provider and the municipality are also applicable to termination of construction or service.

The Act takes effect April 12, 2010.

**SENATE FILE 2325 - Mortuary Science, Cemetery and Funeral Merchandise, and Funeral Services**

BY COMMITTEE ON COMMERCE. This Act relates to licensing requirements for funeral directors and to certain requirements for transfers by sellers of preneed purchase agreements for cemetery and funeral merchandise and funeral services.

The Act provides that a funeral director must fulfill a minimum number of continuing education hours in the two years immediately prior to that person's license renewal as prescribed by rule. This requirement is deemed fulfilled for a funeral director during periods of active duty military service, while the funeral director is a government employee working in the person's specialty and assigned to duty outside the United States, and for other periods of active practice and absence from the state approved by the Board of Mortuary Science.

The Act also provides that if a preneed seller buys purchase agreements as part of the sale of a business or the assets of a business and fails to file an audit by a certified public accountant regarding the adequacy of funding of those purchase agreements, the licenses of that preneed seller and sales agents of that preneed seller are suspended until the audit is filed. In addition, the Commissioner of Insurance is required to assess a penalty against that preneed seller of up to \$100 for each day that the audit remains unfiled. However, the commissioner is required to allow a 30-day grace period after the date a purchase agreement is sold or transferred before suspending a license or imposing a penalty for failure to file the audit.

**SENATE FILE 2326 - Discipline of Real Estate Brokers and Salespersons**

BY COMMITTEE ON COMMERCE. This Act modifies disciplinary provisions applicable to real estate brokers and salespersons licensed under Code Chapter 543B, making adjustments intended to clarify the distinction between provisions relating to suspension or revocation in the Code chapter, and those relating to qualification for initial licensure.

The Act removes a provision from Code Section 543B.15, which relates to qualifications for issuance of a license, subjecting a licensee to possible suspension or revocation if the licensee is found to have made a false statement of material fact on an application, or caused to be submitted, or was a party to preparing or submitting any false application. The provision is reinserted within Code Section 543B.29, subsection 1, dealing with revocation or suspension of a license.

The Act also removes a provision requiring a licensee to notify the Iowa Real Estate Commission of the conviction of specified offenses from Code Section 543B.15, and reinserts it as a new subparagraph in Code Section 543B.29, subsection 1, paragraph "e," which deals with license revocation or suspension upon conviction of specified offenses. Provisions imposing time frames for conducting a hearing after the notification, and providing notice of the outcome of the hearing to the licensee, are added.

The Act also reproduces within Code Section 543B.29, subsection 1, paragraph "e," another qualification-related provision currently contained in Code Section 543B.15, relating to factors to be considered by the commission in considering suspension or revocation of a license. The current provision in Code Section 543B.15 is modified such that it deals strictly with factors to be considered by the commission in considering whether to deny a license.

The Act additionally clarifies that when a license may be revoked or suspended based upon conviction of an offense; the current qualification of a guilty plea as a "conviction" actually refers to acceptance of such a plea by the court.

**SENATE FILE 2331 - Hawk-i — Chiropractic Services Coverage**

BY COMMITTEE ON HUMAN RESOURCES. This Act provides that chiropractic services are a benefit to be included in a qualified child health plan under the Healthy and Well Kids in Iowa (hawk-i) Program. Additionally, participating insurers are to permit a licensed chiropractor located in the geographic coverage area served by the insurer's plan who agrees to abide by the plan's terms, conditions, reimbursement rates, and quality standards to serve as a participating provider in any plan offered to eligible children, including a limited provider network plan.

**SENATE FILE 2348 - Regulation of Real Estate Closing Agents**

BY COMMITTEE ON COMMERCE. This Act adds provisions relating to the licensure and regulation of real estate closing agents to Code Chapter 535B, which also provides for the licensure and regulation of mortgage bankers and mortgage brokers.

The Act makes several changes to definitions applicable to the Code chapter. The Act clarifies that a natural person acting solely as an employee or agent of a mortgage banker, mortgage broker, or closing agent need not be separately licensed under Code Chapter 535, and deletes provisions which provide that a person who is a licensed mortgage loan originator pursuant to Code Chapter 535D is not included within the definition of a mortgage banker or mortgage broker. The Act defines a

"closing agent" as a person not a party to a real estate transaction who provides real estate closing services, and provides associated definitions of "party to the real estate transaction," "real estate closing services," "residential real estate," and "trust account."

The Act qualifies a previous exemption from most provisions of Code Chapter 535B applicable to loan companies to apply the exemption to such companies except when acting as a closing agent. The Act adds exemptions for licensed attorneys; federal, state, and local officers or employees acting in their official capacities; and qualified intermediaries or exchange accommodation titleholders facilitating an exchange pursuant to Internal Revenue Code Section 1031.

The Act provides that a closing agent affiliated with an attorney is not exempt from licensure if the closing agent engages in transactions which do not fall under the attorney's own exemption. This would entail acting other than pursuant to the attorney's direction in a transaction where the attorney's conduct is regulated by the Iowa Supreme Court. The Act also provides that licensure under or compliance with Code Chapter 535B will not exempt an attorney from the Iowa Supreme Court's regulatory authority, or that of another jurisdiction, and specifies procedures relating to notification of a complaint filed against a closing agent affiliated with an attorney to the Iowa Supreme Court.

The Act adds references to closing agents to provisions and requirements relating to general licensing, penalties for unauthorized practice, and bonding. The Act establishes a bond requirement of \$25,000 for applicants seeking to transact business as a closing agent. The bond shall be conditioned upon the applicant's faithfully conforming to and abiding by the provisions of Code Chapter 535B and rules adopted pursuant thereto, and shall require that the surety pay to the state all moneys that become due or owing to the state from the applicant pursuant to the Code chapter's provisions. This is in contrast to bonding requirements applicable to mortgage bankers and mortgage brokers, consisting of \$100,000 to be held for the use of the state and any persons who may have causes of action against an applicant. The Act clarifies that provisions regarding conducting business under any other name than that specified in a license apply to mortgage banker and mortgage broker licensees.

The Act adds new provisions concerning the civil enforcement authority of the Superintendent of the Division of Banking acting as the administrator of the Code chapter's provisions. The authority encompasses injunctive relief, investigative authority, cease and desist orders, civil penalties, and notice and hearing provisions. The Act also adds new provisions granting broad administrative authority to the administrator.

Additionally, the Act imposes trust account requirements applicable to closing agents and conditions governing the making of disbursements from such trust accounts in a real estate closing.

The Act takes effect July 1, 2011.

#### **HOUSE FILE 726 - Unincorporated Nonprofit Associations**

BY COMMITTEE ON JUDICIARY. This Act creates a new Code Chapter 501B entitled the "Revised Uniform Unincorporated Nonprofit Association Act" (new Code Section 501B.1), based on a model Act drafted by the National Conference of Commissioners on Uniform State Laws.

*DESCRIPTION.* An unincorporated nonprofit association (UNA) is a nonprofit entity created to carry out a philanthropic, beneficial, or religious purpose, which may or may not be tax-exempt, and which is not organized under another statute (new Code Section 501B.2). However, the Act excludes certain relationships which are based on the special legal status of the parties, including a trust, domestic relationship, or a joint tenancy or tenancy in common. The parties to an agreement may specifically provide that they are not subject to the new Code chapter's provisions (new Code Section 501B.2).

*GOVERNING PRINCIPLES.* A UNA is subject to "governing principles" that control the internal affairs of the organization (new Code Section 501B.2) and which may or may not be in writing (i.e., in a "record"). In most cases, the Act's provisions operate as a default mechanism applicable when a UNA has not addressed a business issue in its governing principles.

*SEPARATE LEGAL ENTITY.* A UNA is recognized as a distinct legal entity separate from its members and managers and has perpetual duration (new Code Section 501B.5). A UNA may hold, convey, or encumber real or personal property in its name (new Code Section 501B.6). The Act provides a limited shield for persons associated with UNAs (in addition to Code Section 613.19). A UNA may sue or be sued in its own name (new Code Section 501B.9), and a judgment or order against a UNA is not a judgment or order against a member or manager (new Code Section 501B.10). A UNA is allowed but not required to file a statement with the Secretary of State appointing an agent authorized to receive service of process, and the Secretary of State is authorized to charge a filing fee (new Code Section 501B.11). Otherwise, process must be served on a

manager (new Code Section 501B.12). Finally, a member of a UNA is not an agent of the association, and therefore does not have apparent authority to bind the UNA in a contractual relationship with another party solely because of the member's status (new Code Section 501B.15).

*MEMBERS.* Fundamental decisions regarding the UNA are to be made by its members (new Code Section 501B.16); members vote on a per capita basis and a majority of votes are required to approve an action (new Code Section 501B.17). A member does not have a fiduciary duty to the UNA or to another member, but does have an obligation to exercise rights and duties in accordance with the UNA's governing principles and obligations of "good faith and fair dealing" (new Code Section 501B.18). A member cannot transfer an interest in a UNA (new Code Section 501B.21).

*MANAGERS.* A UNA must have one or more managers (new Code Section 501B.22). By default all members are managers, although the members may select a manager or managers to conduct the UNA's activities. A manager has a fiduciary duty to the UNA and its members which includes a duty of loyalty and care (new Code Section 501B.23). Nevertheless, a managerial decision which would otherwise be a breach of a fiduciary duty may be excused if ratified by the membership or if the decision is made in good faith.

*ACCESS TO INFORMATION.* If the UNA keeps books or records, a member or manager has the right to inspect them during regular operating hours at a reasonable location as designated by the UNA (new Code Section 501B.25).

*DISTRIBUTIONS.* A UNA cannot provide for distributions to members or managers with limited exceptions, including the payment of reasonable expenses for services, to confer benefits on a member or manager in conformity with the UNA's purpose, to repurchase a membership or repay a member's capital contribution, or to make distributions to the UNA's membership when the UNA is winding up its affairs (new Code Section 501B.26). The UNA may also provide for the reimbursement of expenses and indemnification of members, managers, and other persons (new Code Section 501B.27).

*DISSOLUTION AND WINDING UP.* A UNA may be dissolved upon a vote by the members. Alternatively, dissolution occurs upon the UNA's discontinuance, or by court order (new Code Section 501B.28). During the dissolution process, the UNA's assets are to be allocated according to a three-tier priority system which recognizes (1) distributions to creditors, persons donating property upon condition of return, and trust property in compliance with a trust agreement; (2) distributions to persons carrying out a similar nonprofit purpose and members of the UNA; and (3) distributions as unclaimed property under Code Chapter 556 as administered by the Secretary of State (new Code Section 501B.29).

*MERGERS.* A UNA may merge into another UNA, if the "constituent organization" being absorbed, and the "surviving organization" remaining after the merger, both approve the plan of merger (new Code Section 501B.30). The plan must be in a record, contain information regarding the identify of the parties and account for conversion of the interests of the membership, and be approved by the members of the constituent organization in a record.

*CORPORATE FARMING.* The Act includes special amendments to provisions in Code Chapter 9H which restrict corporate entities from holding agricultural land, by prohibiting an unincorporated nonprofit association from acquiring agricultural land to the same extent currently applicable to other entities, including nonprofit corporations (Code Section 9H.4). Code Chapter 9H does allow certain special types of corporate entities to hold agricultural land, generally designated as a "family" entity. The Act designates a family farm unincorporated nonprofit association based on the same qualifications applicable for family farm corporations.

Code Chapter 9H creates a special classification for certain "authorized" entities including authorized corporations, authorized limited liability companies, and authorized trusts. These authorized entities along with limited partnerships (other than family farm limited partnerships) cannot hold more than 1,500 acres of agricultural land. Moreover a person belonging to an authorized entity or limited partnership cannot belong to a second authorized entity or limited partnership (Code Section 9H.5). The Act creates a new entity referred to as an authorized unincorporated nonprofit corporation based on the qualifications applicable for an authorized corporation. In order to qualify as an authorized unincorporated nonprofit corporation, its membership cannot exceed 25 in number and all members must be natural persons or persons acting in a fiduciary capacity (Code Section 9H.1). An authorized unincorporated nonprofit association also cannot hold more than 1,500 acres. In addition, a member of an authorized unincorporated nonprofit association cannot belong to another authorized entity or limited partnership.

Persons who violate a landholding limitation are subject to a civil penalty of up to \$25,000 and must divest themselves of any prohibited interest (Code Sections 9H.4 and 9H.5).

**HOUSE FILE 2075 - Health Insurance Coverage — Cancer Treatment — Clinical Trials**

BY COMMITTEE ON COMMERCE. This Act requires health benefit coverage for cancer treatment delivered pursuant to an approved cancer clinical trial. An "approved cancer clinical trial" is defined as a scientific study of a new therapy for the treatment of cancer in human beings that meets specified requirements and consists of a scientific plan of treatment. Health benefit coverage must be provided for routine patient care costs incurred for cancer treatment in an approved cancer clinical trial to the same extent that the policy or contract provides coverage for treating any other sickness, injury, disease, or condition covered under the policy or contract, if the insured has been referred for such cancer treatment by two physicians who specialize in oncology, and the cancer treatment is given pursuant to an approved cancer clinical trial as set forth in the Act. "Routine patient care costs" are medically necessary services or treatments that would be covered if the patient were receiving standard cancer treatment.

After an insured receives written consent to participate in an approved cancer clinical trial, the physician is required to provide notice to the third-party payment provider of the insured's intent to participate in the trial. Failure to provide such notice to the third-party payment provider cannot be the basis for denying coverage required under the Act.

The Act applies to specified classes of third-party payment provider contracts or policies delivered, issued for delivery, continued, or renewed in this state on or after July 1, 2010.

**HOUSE FILE 2131 - Truth in Lending References Update**

BY COMMITTEE ON COMMERCE. This Act changes dates referenced in the definition of "Truth in Lending Act" contained in Code Chapter 537, the Consumer Credit Code, to conform to the July 1, 2010, amended version of that Act, and regulations issued pursuant to the Act prior to July 1, 2010. Currently, the definition contained in Code Section 537.1302 references January 1, 2008. This change updates references to the Act throughout the Consumer Credit Code, and in several other Code chapters where the Act is cited.

**HOUSE FILE 2229 - Dental Insurance Coverage and Fee Schedules**

BY COMMITTEE ON COMMERCE. This Act prohibits a dental plan from setting fee schedules for dental services that are not covered by the plan. The Act also prohibits a third-party administrator from making a dentist in its provider network available to a dental plan that sets fees for dental services that are not covered by the plan.

For the purposes of the Act, a "covered service" is a service reimbursed under the applicable dental plan. A "dental plan" is any policy or contract of insurance that provides for coverage of dental services not in connection with a medical plan which

provides for the coverage of medical services. The Act does not limit the ability of an insurer or third-party administrator to restrict balance billing, waiting periods, frequency limitations, deductibles, or maximum annual benefits as related to covered services.

**HOUSE FILE 2409 - Regulation of Financial Institutions and Mortgage Loan Practices**

BY COMMITTEE ON COMMERCE. This Act repeals a provision in Code Chapter 535A, relating to prohibiting the practice of red-lining in mortgage lending, which requires a reporting financial institution to file a copy of its federally required mortgage loan disclosure statement with the Iowa Finance Authority by March 31 following the calendar year covered by the statement.

The Act makes conforming changes as necessary to other sections of the Code chapter, and repeals Code Section 535A.5, relating to responsibility for administration of specified Code sections, and reinserts it in a modified form in Code Section 535A.2 to which it remains applicable.

The Act also deletes definitions of "reporting financial institution" and "mortgage loan disclosure statement" currently contained in the Code chapter.

**HOUSE FILE 2478 - Limited Liability Companies and Business Corporations — Miscellaneous Changes**

BY COMMITTEE ON JUDICIARY. This Act amends provisions regulating the formation and management of a limited liability company (LLC) under Code Chapter 489 and a business corporation under Code Chapter 490.

**Division I — Limited Liability Companies**

The following provisions apply to LLCs.

*REGISTERED OFFICES AND REGISTERED AGENTS.* The Act provides that a registered office is the same for an LLC regardless of whether it is formed in this state or in another jurisdiction. In both cases an LLC must have a certificate of organization (Code Section 489.201) or a certificate of authority (Code Section 489.802) to do business in the state, and must designate a registered office and name a registered agent for purposes of accepting service of process in a court action (Code Sections 489.113 and 489.116). In both cases a registered agent must be an individual who resides in the state, or a business organized in this state or another state, and must maintain a business office which is the company's registered office.

*CHANGES IN A REGISTERED OFFICE OR REGISTERED AGENT.* The Act allows for changes in an LLC's registered office or registered agent (Code Section 489.114), provided that the street address of its registered office and the business office of its registered agent will be identical. It also requires a registered agent to notify the Secretary of State and the LLC of any change in address. Likewise, an LLC must notify the Secretary of State of any change in its registered office or its registered agent (Code Section 489.114). The LLC may notify the Secretary of State by filing a statement of change or by filing its biennial report (Code Section 489.209). The Act provides procedures for a registered agent to resign by providing notice to the Secretary of State and the LLC (Code Section 489.115).

*SERVICE OF PROCESS.* The Act provides that service of process may be accomplished by mail to the LLC's principal business office, and provides that service is delivered when the LLC receives the mail, on the date shown on any signed return receipt, or five days after its deposit in the U.S. mail (Code Section 489.116). Service may also be accomplished in any other manner specified in law.

*FEES.* The Act amends provisions for the imposition of fees (Code Section 489.117). It eliminates references to filing applications which are not provided for in the Code chapter and for which no fee is assessed. It also allows the Secretary of State to impose and collect filing fees for biennial reports.

*AUTHORIZATIONS.* The Act requires that an LLC's certificate of authority state its duration if less than perpetual (Code Section 489.208). The Act provides that a person who denies authority to act on behalf of the LLC by filing a statement of denial (Code Section 489.303), must notify the LLC and certify to the Secretary of State that the notice was accomplished.

*ADMINISTRATIVE DISSOLUTION.* The Act amends provisions allowing the Secretary of State to provide for the administrative dissolution of an LLC (Code Section 489.705). Grounds for such an action include the LLC's failure to deliver a biennial report, to notify the Secretary of State of a change of its registered office or registered agent, to notify the Secretary of State that its registered office has been discontinued or its registered agent has resigned, or the expiration of the LLC's period of duration.

Division II — Business Corporations

*ADMINISTRATIVE DISSOLUTION.* The Act amends provisions allowing the Secretary of State to provide for the administrative dissolution of a business corporation (Code Section 490.1420). The Act provides that one cause for such dissolution is the failure of the corporation to pay the Secretary of State any fee, tax, or penalty due under state law.

*BIENNIAL REPORT.* The Act provides that the information in a biennial report required to be filed with the Secretary of State (Code Section 490.1622) must be current on the date that the report is delivered to the Secretary of State.



## CHILDREN AND YOUTH

- [SENATE FILE 393](#) - Child in Need of Assistance Proceedings, Child Abuse, and Obscene Materials
- [SENATE FILE 2200](#) - Child in Need of Assistance Proceedings — Guardianships — Transfer to Probate Court
- [SENATE FILE 2298](#) - Child in Need of Assistance Proceedings — Attendance by Child at Court Hearings
- [HOUSE FILE 2283](#) - Criminal History Checks and Child Care Providers

### RELATED LEGISLATION

- [SENATE FILE 2088](#) - State Government Reorganization  
*SEE STATE GOVERNMENT.* Several divisions of this Act concern children and youth.  
  
Division XXIV relates to the state and local system for early care of very young children by replacing the Community Empowerment Initiative, administered under Code Chapter 28 for state purposes through the Department of Management, with the Early Childhood Iowa Initiative in new Code provisions.  
  
Division XXX relates to child support and directs the Department of Human Services (DHS) to establish criteria and a phased-in schedule to require, no later than June 30, 2015, payors of income to electronically transmit the amounts withheld under an income withholding order.  
  
Division XXXVI replaces the Child Care Advisory Council in DHS with a new Child Care Advisory Committee, effective July 1, 2011.  
  
Division XLVII provides that for the fiscal year beginning July 1, 2010, the maximum payment for nonrecurring expenses under the Adoption Subsidy Program is limited to \$500 and additional amounts for court costs and other related legal expenses will no longer be allowed.
- [SENATE FILE 2158](#) - Child Support — Miscellaneous Changes  
*SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.* This Act amends child support recovery provisions relating to child support obligations for minor parents, medical support, and the review and adjustment process.
- [SENATE FILE 2226](#) - Children of Military Service Members on Active Duty — Custody, Care, and Visitation  
*SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.* This Act relates to child custody, physical care, and visitation of a minor child and a parent who is serving active duty military service. The Act provides for expedited hearings and presentation of testimony and evidence by electronic means by a parent affected by active duty. The Act provides a procedure for a parent who has been granted court-ordered visitation with the parent's minor child to petition or apply to the court for temporary assignment of the parent's visitation rights to a family member of the minor child specified by the parent, prior to or during the time the parent is serving active duty. The court may grant the temporary assignment if the court finds such assignment is in the best interest of the child, and the Act provides criteria for the court to use in determining the best interest of the child. The order granting temporary assignment of visitation terminates upon notification of the court by the parent or automatically upon the parent's completion of active duty, whichever occurs first. The Act takes effect April 27, 2010.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
*SEE APPROPRIATIONS.* This Act includes changes to appropriations made to the Department of Human Services for juvenile detention and juvenile justice funding

decategorization projects and supplements appropriations made for various education programs.

**HOUSE FILE 788**

- Alcoholic Beverage Control and Persons Under Legal Age  
**SEE ALCOHOL REGULATION AND SUBSTANCE ABUSE.** The Act relates to parental or custodial and school notification requirements relating to persons under 18 years of age who consume alcohol. The Act also relates to persons under the age of 18, 19, or 20 years of age, other than a licensee or permittee, who purchase, attempt to purchase, or possess alcohol.

**HOUSE FILE 2519**

- Federal Block Grant Appropriations and Other Federal Funding  
**SEE APPROPRIATIONS.** This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The Act includes funding for various programs involving children and families, including Child Care and Development, Maternal and Child Health Services, Community Services, and Social Services block grants. See H.F. 2526 (Appropriations) for expenditure of the federal Temporary Assistance for Needy Families Block Grant, the related federal Emergency Contingent Fund, and additional Child Care and Development Block Grant funding.

**HOUSE FILE 2526**

- Appropriations — Health and Human Services  
**SEE APPROPRIATIONS.** This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes numerous provisions involving children, including the hawk-i Program and other child health initiatives, child support, child care, child protection, child welfare, juvenile drug courts, and community empowerment funding. A new Interstate Compact for Juveniles is also included.

**HOUSE FILE 2531**

- State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to grandparent and great-grandparent rights and health records provided to foster care providers. Division XII of the Act relates to income tax checkoffs for child abuse prevention.

## CHILDREN AND YOUTH

### **SENATE FILE 393 - Child in Need of Assistance Proceedings, Child Abuse, and Obscene Materials**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to obscene material in child in need of assistance proceedings and child abuse cases. These juvenile court proceedings can lead to temporary or permanent removal of a child from the child's home or involve the provision of services to the child or family.

The definition of "child in need of assistance" is modified to include situations where a child has suffered or is imminently likely to suffer harmful effects because a parent, guardian, or custodian, or person responsible for the care of the child knowingly disseminated or exhibited to the child obscene material as defined in Code Section 728.1.

The term "child abuse" is also modified to include situations where a person responsible for the care of the child knowingly allows the child access to obscene material or knowingly disseminates or exhibits such material to the child. By modifying the definition of "child abuse" to include such situations, a professional who is a mandatory reporter of child abuse is required to report the child abuse. In addition, a person who commits child abuse by knowingly allowing access to obscene material or who knowingly disseminates or exhibits such material to the child, may be subject to the child abuse registry provisions.

Under Code Section 728.2, disseminating or exhibiting obscene material to a person under age 18 is a serious misdemeanor criminal offense. Code Chapter 728 includes other offenses involving a child's access to obscene materials.

### **SENATE FILE 2200 - Child in Need of Assistance Proceedings — Guardianships — Transfer to Probate Court**

BY COMMITTEE ON JUDICIARY. This Act relates to transfer of a guardianship for a child in need of assistance from juvenile court to the probate court.

Code Section 232.104, relating to permanency hearings for children in need of assistance who are subject to an out-of-home placement order entered by the juvenile court, is amended. Under current law, once there has been an initial permanency hearing which places a child in the custody or guardianship of another person or agency, the juvenile court retains jurisdiction and annually reviews the order to ascertain whether the best interest of the child is being served. The Act allows the juvenile court instead to close the case by transferring jurisdiction over the guardianship of the child to the probate court.

Before transferring jurisdiction, the court is required to inform the proposed guardian of the guardian's duties under the Probate Code and to direct the probate clerk to issue letters of appointment for guardianship and docket the case in probate. Records from the juvenile court file are protected in accordance with the Juvenile Justice Code.

The Act applies an exception to current probate law in Code Section 633.559 which otherwise establishes an overall preference for child guardianships to be with the child's parent. That preference does not apply to transferred child in need of assistance cases.

The probate court is prohibited from entering an order terminating a transferred child in need of assistance guardianship before the child becomes age 18 unless the court finds by clear and convincing evidence that the best interests of the child warrant a return of custody to the child's parent. Otherwise, probate law would authorize the probate court to terminate the guardianship if various circumstances have changed or the court has determined the guardianship is no longer necessary for any other reason.

Unless the child or guardian dies or other exceptional circumstances arise, a petition cannot be filed asking that such a guardianship be modified or terminated until at least six months has elapsed from the date the guardian was appointed.

### **SENATE FILE 2298 - Child in Need of Assistance Proceedings — Attendance by Child at Court Hearings**

BY COMMITTEE ON JUDICIARY. This Act relates to the attendance of a child at juvenile court hearings or meetings during the pendency of a child in need of assistance case.

The Act defines "attend" to include appearances of the child at a hearing by video or telephonic means.

The Act creates a presumption that it is in the best interests of a child 14 years of age or older to attend all hearings and all staff or family meetings related to placement options or services during the pendency of a child in need of assistance case involving the child.

The Department of Human Services is required to allow the child to attend all such hearings and meetings unless the attorney

for the child finds the child's attendance is not in the best interests of the child. The Act also requires the department to maintain a written record detailing the reasons for excluding the child from a hearing or meeting and, notwithstanding statutory confidentiality provisions, a copy of the written record is to be made available to the child upon the request of the child after reaching the age of majority.

**HOUSE FILE 2283 - Criminal History Checks and Child Care Providers**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to the requirements for national criminal history record checks for certain child care providers.

Under existing law, a national criminal record check is required for persons being considered for child care licensure or registration, for employment in child care, for receiving public funding for providing child care, or for residing in a child care facility or child care home receiving public funding. For the period beginning on and after January 1, 2010, through June 30, 2013, the national criminal record check requirement only applies to licensed child care centers and to child development home providers who voluntarily license.

The Act replaces a requirement for repeating the national criminal check every four years with an authorization for the Department of Human Services to adopt rules specifying criteria in the public interest for requiring that the national check of a person be repeated.

## CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION

- [SENATE FILE 358](#) - Recognition of Foreign-Country Money Judgments
- [SENATE FILE 2108](#) - Consumer Fraud and Artisan's Liens
- [SENATE FILE 2138](#) - Anatomical Gifts — Donee Rights
- [SENATE FILE 2158](#) - Child Support — Miscellaneous Changes
- [SENATE FILE 2190](#) - Bankruptcy and Debtor's Exemptions — Personal Property
- [SENATE FILE 2226](#) - Children of Military Service Members on Active Duty — Custody, Care, and Visitation
- [SENATE FILE 2300](#) - Landlord and Tenant Law — Notice Requirements
- [SENATE FILE 2343](#) - Appointment of Judicial Officers and Senior Judges — VETOED BY THE GOVERNOR
- [SENATE FILE 2345](#) - Court Orders, Proceedings, and Administration
- [SENATE FILE 2379](#) - Weapons and Persons With Mental or Substance Abuse Disorders
- [HOUSE FILE 734](#) - Uniform Adult Guardianship and Protective Proceedings Act
- [HOUSE FILE 2200](#) - Carrying Guns in or on Vehicles on Public Highways
- [HOUSE FILE 2253](#) - Disclaimers of Property Interests
- [HOUSE FILE 2282](#) - Judgment Liens on Homesteads
- [HOUSE FILE 2483](#) - Trusts and Estates — Miscellaneous Changes

### RELATED LEGISLATION

- [SENATE FILE 434](#) - Real Estate — Municipal Infractions, Tax Sales, and Nuisance Abatement  
*SEE LOCAL GOVERNMENT.* This Act requires the indexing by the clerk of the district court of certain municipal citations and nuisance petitions and requires the properties that are subject to those citations and petitions to be withheld from tax sale. The Act also includes a method for canceling a tax sale of a parcel that contains an abandoned building, within the meaning of Code Chapter 657A, and refunding the purchase money if certain conditions are met.
- [SENATE FILE 2192](#) - Real Property — Transfer Fee Covenants  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act prohibits the running of a transfer fee covenant with the title to real property.
- [SENATE FILE 2199](#) - Manufactured and Mobile Homes — Use Tax — Title Procedures  
*SEE TAXATION.* This Act requires the use tax imposed upon the use of manufactured housing to be paid by the owner of the manufactured housing to the licensed manufactured home retailer rather than directly to the county treasurer or the Department of Transportation. The Act also establishes a procedure for an owner of a manufactured or mobile home that meets certain criteria to effectuate a surrender of the certificate of title if no record of a previous issuance or surrender exists. The Act takes effect April 7, 2010.
- [SENATE FILE 2200](#) - Child in Need of Assistance Proceedings — Guardianships — Transfer to Probate Court  
*SEE CHILDREN AND YOUTH.* This Act relates to transfer of a guardianship for a child in need of assistance from juvenile court to the probate court.
- [SENATE FILE 2215](#) - Genetic Testing and Use of Genetic Information  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act amends Code Section 729.6 concerning the use of genetic testing and genetic information. The Act provides for civil and administrative enforcement and penalties.
- [SENATE FILE 2220](#) - Motor Carrier Transportation Contracts — Indemnity Provisions  
*SEE TRANSPORTATION.* This Act prohibits motor carrier transportation contracts from containing certain indemnification or hold harmless provisions and provides that such provisions are void and unenforceable. The prohibited indemnification and hold harmless provisions are

severable from other portions of the contract. The Act applies to motor carrier transportation contracts entered into, extended, or renewed on or after July 1, 2010, but does not apply to certain intermodal contracts.

- [SENATE FILE 2333](#) - Health Care Facilities and Programs — Inspections — Dependent Adult Abuse  
*SEE HUMAN SERVICES.* This Act provides for certain requirements for health care facilities and programs including hospital inspector requirements and dependent adult abuse reporting requirements and establishes an interim study.
- [SENATE FILE 2352](#) - Emergency Hospitalization of Mentally Ill Persons — Notice of Arrest Warrants or Pending Criminal Charges — Discharge Procedures  
*SEE HEALTH AND SAFETY.* This Act relates to the emergency hospitalization of a person with a serious mental impairment. The Act requires a facility to notify a law enforcement agency prior to discharge of a person who is subject to arrest under certain circumstances.
- [SENATE FILE 2357](#) - Restrictions on Possession, Transfer, or Sale of Firearms, Ammunition, or Offensive Weapons — Domestic Abuse or Violence  
*SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.* This Act relates to prohibiting a person who is the subject of certain protective orders or no-contact orders, or who has been convicted of a misdemeanor crime of domestic violence, from possessing, transferring, or selling firearms and ammunition or offensive weapons.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
*SEE APPROPRIATIONS.* This Act includes a reduction in the appropriation made for the judicial branch.
- [SENATE FILE 2377](#) - Appropriations — Judicial Branch  
*SEE APPROPRIATIONS.* This Act makes appropriations to the judicial branch for FY 2010-2011 for salaries, maintenance, equipment, and miscellaneous purposes, and makes other related changes to address funding restrictions.
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities  
*SEE STATE GOVERNMENT.* This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt. The Act establishes a process for the coordinator to file a notice of a lien in a civil action where a person who owes a debt obligation to the state may have a claim against a third party. The Act establishes a process to settle the lien prior to the payment of any claim by the third party to the person owing a debt obligation to the state. The Act allows the coordinator viewing access to the Iowa Court Information System for the purpose of collecting personal identifying information and coordinating debt collection efforts.
- [HOUSE FILE 726](#) - Unincorporated Nonprofit Associations  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act recognizes the legal status of an unincorporated nonprofit association organized to carry out a philanthropic, beneficial, or religious purpose, and provides for its governing principles, internal procedures, the rights and obligations of its members and managers, limitations upon the distribution of its assets to members or managers, its dissolution and winding up of affairs, and mergers. In addition, the Act restricts an unincorporated nonprofit association from acquiring agricultural land consistent with restrictions on other legal entities.

- [HOUSE FILE 2197](#) - Veterans Day Leave for Military Veterans  
**SEE PUBLIC DEFENSE AND VETERANS.** This Act requires each employer in this state to provide each employee who is a veteran with a paid or unpaid holiday for Veterans Day, November 11. Any employer who violates the Act is subject to a civil penalty of not more than \$500 for each violation.
- [HOUSE FILE 2407](#) - Instruments Affecting Real Property — Definitions and Index Records  
**SEE LOCAL GOVERNMENT.** This Act defines the terms "grantor" and "grantee" for the purposes of Code Chapter 558, relating to conveyances, and amends other statutory provisions relating to the types of information kept in index records.
- [HOUSE FILE 2478](#) - Limited Liability Companies and Business Corporations — Miscellaneous Changes  
**SEE BUSINESS, BANKING, AND INSURANCE.** This Act amends provisions regulating the formation and management of limited liability companies and business corporations, including by providing for registered offices and registered agents, service of process, fees, dissolutions, and reports.
- [HOUSE FILE 2526](#) - Appropriations — Health and Human Services  
**SEE APPROPRIATIONS.** This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes numerous provisions involving civil law, including child support, juvenile justice and child welfare, and mental health funding.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to certain limitations on liability for railroad companies which alter facilities pursuant to a written agreement with certain political subdivisions, to grandparent and great-grandparent visitation rights, and to individual rights involving genetic testing.



## CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION

### **SENATE FILE 358 - Recognition of Foreign-Country Money Judgments**

BY COMMITTEE ON JUDICIARY. This Act provides for the enactment of the "Uniform Foreign-Country Money Judgments Recognition Act" promulgated in 2005 by the National Conference of Commissioners on Uniform State Laws (NCCUSL). Its purpose is to provide for the uniform enforcement of foreign-country judgments in all state courts. The Act is a revision of a model act adopted by NCCUSL in 1962, and enacted by the General Assembly in 1989 (1989 Iowa Acts, Chapter 173). The Act replaces the provisions of the old model act and enacts new provisions in the same Code Chapter 626B.

*OPERATION.* The Act provides for how a state court may recognize a foreign-country judgment for purposes of enforcement. Once recognized, the judgment creditor may proceed against a judgment debtor's property to satisfy the judgment amount. In addition, once the foreign-country judgment is recognized, it is conclusive between the parties and may be enforced as if it were a judgment of a sister state, subject to full faith and credit. In order for a district court to recognize a foreign-country judgment, two conditions must be satisfied. First, the judgment must grant or deny the recovery of money and second, the judgment must be final, conclusive, and enforceable in that foreign country.

*EXCEPTIONS.* Two classes of exceptions apply to deny recognition. First, certain money judgments are excluded, including judgments on taxes, fines or other penalties, and judgments relating to divorce or domestic relations. Second, the foreign-country proceedings or the foreign-country judgment is excluded if it is objectionable. A district court must deny recognition if the foreign-country court was biased or provided inadequate standards for due process or there was a lack of either personal jurisdiction over the defendant or subject matter jurisdiction. There are detailed standards set forth for when personal jurisdiction standards are satisfied. In addition, the district court may deny recognition based on any one of a number of grounds generally based on serious defects in the foreign-country court's proceedings, conflicts with another final and conclusive judgment, or because of public policy.

*PROCEDURE.* The party seeking to enforce a foreign-country judgment may bring an original cause of action in district court or may file a counterclaim, cross-claim, or affirmative defense in a pending action. The party seeking recognition of the foreign-country judgment has the burden to prove that it is subject to the Act's provisions. Once it is determined that recognition may be granted, the burden shifts to the resisting party to prove a specific ground exists for denying recognition. The district court may stay a proceeding if a party establishes that an appeal of a foreign-country judgment is pending, until the issue is resolved.

*STATUTE OF LIMITATIONS.* A special statute of limitations applies to enforcement of a foreign-country judgment. The limitation either applies at the end of the period in the foreign country when the judgment can no longer be enforced under its law, or after 15 years from the time the judgment is effective in the foreign country, whichever is earlier.

*APPLICABILITY.* The new provisions in the Act apply to all actions commenced on or after July 1, 2010, in which the issue of recognition of a foreign-country judgment is raised.

*DEVIATION FROM THE MODEL ACT.* The Act provides that a foreign country does not include an Indian or Alaska native community that the U.S. Secretary of the Interior recognizes as an Indian tribe (these judgments are recognized in Code Chapter 626D).

*CONFORMING PROVISIONS.* The Act amends Code Section 626.24, which provides for the attachment of a lien in cases of foreign-country money judgments (Code Chapter 626B) as well as a foreign judgment (Code Chapter 626A) or tribal judgment (Code Chapter 626D). In all these cases, a lien cannot attach until proceedings to challenge the judgment have been concluded and the judgment is recognized by the district court.

**SENATE FILE 2108 - Consumer Fraud and Artisan's Liens**

BY COMMITTEE ON JUDICIARY. This Act provides that a supplier under Code Section 537B.2 (a person offering to contract for repairs or service upon a motor vehicle), upon receipt of a written notice from the Attorney General that the Attorney General has reason to believe that the supplier has engaged in a deceptive act or practice under the Motor Vehicle Service Trade Practices Act in connection with a transaction in which the supplier is asserting an artisan's lien to personal property, is required to surrender possession of the property to the owner of the property within one business day of receiving notice during the supplier's usual business hours. In addition, an otherwise valid artisan's lien is not extinguished as a result of the supplier surrendering possession of the property and an otherwise valid artisan's lien may be foreclosed within one year of the supplier surrendering possession.

The Act provides that the Attorney General's belief that the supplier has engaged in a deceptive act or practice under the Motor Vehicle Service Trade Practices Act, the supplier's surrendering possession of the motor vehicle to the owner, and the Attorney General's service of notice on the supplier is not admissible in any litigation between the supplier and the owner of the property subject to the lien unless the supplier fails to comply with the requirements of the Act.

In addition to any other applicable remedy, the Attorney General may seek relief against a supplier for a violation of the Act to the same extent the Attorney General may seek injunctive or other relief under Iowa's Consumer Fraud Act for failure or refusal to obey a subpoena issued by the Attorney General.

The Act takes effect May 1, 2010.

**SENATE FILE 2138 - Anatomical Gifts — Donee Rights**

BY COMMITTEE ON JUDICIARY. This Act makes a technical change to clarify that the rights of a donee created by an anatomical gift pursuant to the Revised Uniform Anatomical Gift Act contained in Code Chapter 142C are superior to the authority of a designee named in a declaration under the Final Disposition Act contained in Code Chapter 144C.

**SENATE FILE 2158 - Child Support — Miscellaneous Changes**

BY COMMITTEE ON HUMAN RESOURCES. This Act amends child support recovery provisions relating to child support obligations for minor parents, medical support, and the review and adjustment process.

The Act provides for a process, consistent with other child support Code chapters, to add a party to an action in determining medical support. The amendments to Code Chapter 252F, relating to administrative establishment of paternity, correct an inconsistency in the Code chapter between the provisions for advance notice to the parent about an order which currently apply to each parent (Code Section 252F.3) and obtaining a paternity and support order which currently apply to both parents (Code Section 252F.4). The Act amends Code Section 252F.4 and makes a conforming change in Code Section 252F.1 to provide that both parties would not always have to be formally served and added or joined to a paternity and medical support proceeding, but would be added only as necessary.

The provisions of the Act relating to review and adjustment of child support orders shorten the waiting periods in regular reviews from 30 days to 15 days for both the time allowed parents to gather necessary information to submit to the Child Support Recovery Unit (CSRU) and for parents to study the revised child support calculation sent to them by the CSRU. The 30-day time period was eliminated as a mandate in federal law in 1996. The Act also makes changes to the abbreviated review process, currently used when a child is enrolled in the Family Investment Program, to also allow the shortened process in cases in which a parent requests a review or when CSRU has access to the necessary information through an automated source such as unemployment benefits, wage information, or information from the parent's current employer. In effect, the process is abbreviated by eliminating the first waiting period (used for asking and waiting for both parents to gather and send in their financial information, because the information is already available from an automated source), while retaining the regular postreview waiting period for the parents to review the child support calculation.

The Act also amends current law to conform with new child support guidelines. Previously, based on the former guidelines, minor parent payors who were still in high school were required to pay a minimum of \$25 a month in support. Under the new guidelines providing for support amounts of less than \$25 a month, such a minor parent could pay less than \$25, as is reflected in the language of the Act.

**SENATE FILE 2190 - Bankruptcy and Debtor's Exemptions — Personal Property**

BY COMMITTEE ON JUDICIARY. This Act allows a debtor in a bankruptcy action who is a resident of this state an additional exemption, up to \$1,000, for any personal property. Prior law limited this additional exemption relating to other personal property to such property not otherwise specifically exempted under Code Chapter 627.

**SENATE FILE 2226** - **Children of Military Service Members on Active Duty — Custody, Care, and Visitation**  
BY COMMITTEE ON JUDICIARY. This Act relates to child custody, physical care, and visitation of a minor child and a parent who is serving active duty military service.

The Act amends a current Code provision relating to custody and physical care of the child by providing for expedited hearings and the presentation of testimony and evidence by electronic means by a parent who is affected by active duty.

The Act also provides that a parent who has been granted court-ordered visitation with the parent's minor child may file an application for modification of a decree or a petition for modification of an order regarding child visitation, prior to or during the time the parent is serving active duty, to temporarily assign that parent's visitation rights to a family member of the minor child, as specified by the parent. The application or petition must be accompanied by an affidavit from the family member indicating the family member's knowledge of the application or petition and willingness to exercise the parent's visitation rights during the parent's absence. The application or petition must also request any change in the visitation schedule necessitated by the assignment.

The Act also provides for an expedited hearing on the application or petition if the active duty or anticipated active duty of the parent affects the parent's ability to appear at a regularly scheduled hearing and for presentation of testimony and evidence by electronic means if the parent is prevented from appearing in person due to the active duty or anticipated active duty, upon reasonable advance notice.

The court may grant the parent's request for temporary assignment of visitation if the court finds that such visitation is in the best interest of the child. The Act provides elements for the court to review in determining the best interest of the child. The assignment of visitation rights does not create separate rights to visitation for a person other than the parent. The Act directs the parent to provide a copy of the order granting assignment of visitation to the school and school district of the child to whom the order applies. The order granting temporary assignment of visitation terminates upon notification of the court by the parent or automatically upon the parent's completion of active duty, whichever occurs first.

The Act provides that after a parent completes active duty, if an application for modification of a decree or a petition for modification of an order is filed, the parent's absence due to active duty or the assignment of visitation does not constitute a substantial change in circumstances, and the court shall not consider a parent's absence due to that active duty or the assignment of visitation in making a determination regarding the best interest of the child relative to such an application or petition filed after a parent completes active duty.

"Active duty" is defined as active military duty pursuant to orders issued under Title X of the United States Code. However, the Act does not apply to active guard and reserve duty or similar full-time military duty performed by a parent when the child remains in actual custody of the parent.

The Act takes effect April 27, 2010.

**SENATE FILE 2300 - Landlord and Tenant Law — Notice Requirements**

BY COMMITTEE ON JUDICIARY. This Act amends the service of notice requirements for landlords and tenants under Code Chapters 562A and 562B, and the service of notice requirements in actions for forcible entry and detainer. The Act is in response to the Iowa Supreme Court's recent decision in *War Eagle Village Apartments v. Plummer*, 775 N.W.2d 714 (Iowa 2009).

The Act provides that notices to tenants and landlords required under Code Chapters 562A and 562B, except certain notices to quit, certain notices of termination, and notices to quit required by Code Section 648.3, must be served according to one or more specified methods. The Act also specifies the requirements for certain notices to quit, certain notices of termination, and notices to quit required by Code Section 648.3.

The Act provides that the manner of service of original notice and the times for appearance in an action for forcible entry and detainer that is commenced as a small claim are governed by the same requirements for other forcible entry and detainer actions.

The Act amends and enacts other statutory provisions relating to the service of a three days' notice to quit, service of original notice, and other requirements relating to forcible entry and detainer actions, including provisions designating the venue for such actions, the timeliness of hearings, and requiring such actions be tried in equity. The Act also provides that a default judgment shall not be entered against a defendant if original notice has not been served on the defendant as required. The Act also provides that, except for an action commenced as a small claim, the court shall determine whether a genuine issue of material fact exists in an action for forcible entry and detainer. If the court determines that a genuine issue of material fact exists, an evidentiary hearing must be held on a future date.

The Act takes effect March 2, 2010.

**SENATE FILE 2343 - Appointment of Judicial Officers and Senior Judges — VETOED BY THE GOVERNOR**

BY COMMITTEE ON JUDICIARY. This bill related to the appointment of judicial officers and senior judges.

The bill provided that, beginning with terms commencing on February 1, 2012, no more than one district judicial nominating commissioner could be appointed from a county within a judicial election district unless each county within the judicial election district has an appointed or elected commissioner or the number of appointed commissioners exceeds the number of counties within the judicial election district.

The bill would have created a new Code Section 602.2301, granting authority to the Chief Justice to delay the nomination of a Supreme Court justice, Court of Appeals judge, district judge, district associate judge, associate juvenile judge, or associate probate judge. The bill granted authority to the Chief Justice to delay the appointment of a magistrate to serve the remainder of an unexpired term, if the vacancy is due to a death, resignation, retirement, an increase in the number of positions authorized, or to the removal of a magistrate. The provision granting authority to the Chief Justice to delay the appointment of a judicial officer would have been repealed July 1, 2013.

The bill would have created a new Code Section 602.6113 authorizing the Chief Justice to apportion a vacancy in the office of district judge, district associate judge, associate juvenile judge, or associate probate judge, from the judicial election district where the vacancy occurs to another judicial election district. An apportionment from one judicial election district to another judicial election district could not occur unless the Chief Justice found that a substantial disparity existed in the allocation of judgeships and judicial workload between judicial election districts, and the judicial council, by a majority vote, approved the apportionment. The provision granting the authority to apportion a judicial office vacancy would have been repealed July 1, 2013.

The bill would have allowed a district associate judge to reside in the judicial election district at the time of appointment and throughout the entire term of office. Currently, a district associate judge is required to reside in the county where the vacancy existed at the time of appointment and throughout the entire term of office.

The bill also would have allowed a magistrate to be a resident of a county contiguous to the county of appointment during the magistrate's term of office; specified that a resident of the county of appointment shall be the preferred applicant over a resident of a county contiguous to the county of appointment; permitted the Chief Justice to assign a magistrate to hold court outside of the magistrate's county of appointment for the orderly administration of justice; and required senior judge written application forms to be prescribed by the Supreme Court.

The bill would have allowed a senior judge, upon attaining the age of 78, to serve a one-year term and one succeeding one-year term at the discretion of the Supreme Court. Currently, a senior judge, upon attaining the age of 78, serves a two-year term at the discretion of the Supreme Court.

**SENATE FILE 2345 - Court Orders, Proceedings, and Administration**

BY COMMITTEE ON JUDICIARY. This Act relates to the administration of the judicial branch and child custody and visitation matters.

The Act provides that the court may enter temporary custody and visitation orders prior to a hearing to determine whether domestic abuse has occurred under Code Chapter 236. In awarding temporary custody and visitation under the Act, the court shall give primary consideration to the safety of the alleged victim and the children.

The Act requires that prior to the issuance of a temporary order that involves a child-custody determination under Code Chapter 236 (Domestic Abuse), child custody information must be provided to the court that complies with Code Section 598B.209. The information to be provided under Code Section 598B.209 includes but is not limited to the child's present address or whereabouts, the places where the child has lived during the last five years, the names and present addresses of the persons with whom the child has lived during that period, and any other legal proceedings that could affect the child-custody determination.

The Act requires each party to an action which involves the custody of a child or visitation to participate in a court-approved course to educate and sensitize the parties to the needs of any child involved in the custody or visitation action. Prior law required the court to order the parties to attend such a course.

The Act requires the Supreme Court to appoint the administrator of the Board of Examiners of Shorthand Reporters. Prior law provides that the State Court Administrator or a designee of the State Court Administrator shall act as administrator of the board.

The Act transfers the authority to set fees for examination and admission to practice law in Iowa from the Board of Law Examiners to the Supreme Court.

The Act separates the authority of the Supreme Court to establish the mileage reimbursement rate for jurors from the authority of the Supreme Court to establish the mileage reimbursement rate for witnesses, judicial officers, and court employees. Under prior law, the mileage reimbursement rate for jurors, witnesses, judicial officers, and court employees was established under the authority of the Supreme Court pursuant to Code Section 602.1509.

The Act sets the fee for filing a tribal judgment with the clerk of the district court at \$100. The distribution of court fees collected by the clerk of the district court is governed by Code Section 602.8108. Prior law did not establish a filing fee for a tribal judgment.

The Act provides that an associate probate judge shall have the same jurisdiction to conduct probate court proceedings as any other judge of the probate court. The Act allows the chief judge to limit the exercise of probate court jurisdiction by the associate probate judge.

The Act requires that prior to punishing a person for contempt, the offender shall be served with an order to show cause against the punishment unless the person is already in the presence of the court.

The Act allows a defendant's appellate attorney and the appellate attorney for the state to have access to the presentence investigation report upon request and without a court order.

**SENATE FILE 2379 - Weapons and Persons With Mental or Substance Abuse Disorders**

BY GRONSTAL. This Act relates to permits to carry weapons and permits to acquire pistols and revolvers, including the dissemination of information relating to persons suffering from mental and substance abuse health-related disorders and the possession of firearms.

*NONPROFESSIONAL PERMIT TO CARRY WEAPONS — ISSUANCE.* The Act provides that a resident of Iowa who is not subject to the disqualifying criteria in Code Section 724.8, as amended in the Act, and who meets the training requirements of Code Section 724.9, as amended in the Act, and who files the requisite application under Code Section 724.10, as amended in the Act, shall be issued a permit to carry weapons for a five-year period. Such permits shall not be issued for a particular weapon and shall not contain information about a particular weapon. Prior law provided that even if certain criteria were

met, the issuing officer had the discretion to decide whether a permit should be issued to the applicant.

*RENEWAL PERMITS — FEES — ISSUANCE PERIOD — REVIEW OF DENIALS.* The Act provides that the training program requirements of Code Section 724.9 shall apply to a renewal applicant for a permit to carry weapons or the renewal applicant may choose to qualify on a firing range under the supervision of an instructor certified by the National Rifle Association or the Department of Public Safety or another state's department of public safety, state police department, or similar certifying body and such training or qualification must occur within the 12-month period prior to the expiration of the applicant's current permit. The Act establishes new fees relating to the issuance of professional, nonprofessional, and renewal permits to carry weapons. The appropriate issuing officer shall approve or deny an initial or renewal application submitted within 30 days of receipt of the application. A person whose application for a permit is denied may seek review of the denial. The failure to approve or deny an initial or renewal application shall result in a decision of approval.

*FIREARMS TRAINING PROGRAM.* The Act amends current law relating to a firearms training program and requires an applicant to demonstrate knowledge of firearm safety through completion of certain handgun safety training courses, completion of small arms training while serving with the armed forces of the United States, or completion of a law enforcement firearms training program that qualifies a peace officer to carry a firearm in the normal course of the peace officer's duties.

*PERMITS TO ACQUIRE PISTOLS OR REVOLVERS — ISSUANCE.* The Act provides that an Iowa resident who is not subject to the disqualifying criteria in Code Section 724.15, as amended in the Act, shall be issued an annual permit to acquire pistols or revolvers. If the issuing officer determines the applicant may be or has become disqualified under the Act, the issuing officer is required to suspend or revoke the permit and shall provide a written statement of the reasons for the suspension or revocation, which the applicant shall have the right to appeal.

*BACKGROUND CHECKS.* The Act amends Code sections 724.10 and 724.17 relating to background checks of an applicant for a permit to carry weapons and an applicant for a permit to acquire pistols or revolvers. The Act requires the issuing officer, upon receipt of an initial or renewal application for a permit to carry weapons or of an application for a permit to acquire, to conduct a background check utilizing any available state and federal data sources. In addition, the Act provides that a person who knowingly gives a false name or presents false identification or otherwise knowingly gives false material information in connection with an application for a permit to carry weapons or for a permit to acquire pistols or revolvers commits a class "D" felony, which is punishable by confinement for no more than five years and a fine of at least \$750 but not more than \$7,500.

*POSSESSION OR CARRYING OF FIREARMS WHILE UNDER THE INFLUENCE.* The Act provides that permits to carry weapons and permits to acquire pistols and revolvers issued under Code Chapter 724 are invalid if the person to whom the permit is issued is intoxicated.

*RECOGNITION.* The Act provides that a valid permit or license issued by another state to any nonresident of this state shall be considered to be a valid permit or license for such a nonresident to carry weapons in Iowa, except that such permit or license shall not be considered to be a substitute for an annual permit to acquire pistols or revolvers issued under Iowa law.

*SUSPENSION OR REVOCATION OF PERMIT TO CARRY WEAPONS AND PERMIT TO ACQUIRE PISTOLS AND REVOLVERS.* The Act provides that an issuing officer who finds that a person issued a permit to carry weapons or a permit to acquire pistols or revolvers under Iowa law has been arrested for a disqualifying offense or is the subject of proceedings that could lead to the person's ineligibility for such permit may immediately suspend such permit. In such a case, the issuing officer is required to immediately notify the permit holder of the suspension by personal service or certified mail on a form prescribed and published by the Commissioner of Public Safety and the suspension shall become effective upon the permit holder's receipt of such notice. If the suspension is based on an arrest or a proceeding that does not result in a disqualifying conviction or finding against the permit holder, the issuing officer shall immediately reinstate the permit upon receipt of proof of the matter's final disposition. If the arrest leads to a disqualifying conviction or the proceedings lead to a disqualifying finding, the issuing officer shall revoke the permit. The issuing officer may also revoke the permit of a person whom the issuing officer later finds was not qualified for such a permit at the time of issuance or who the officer finds provided materially false information on the permit application. A person aggrieved by a suspension or revocation under the Act may seek administrative review of the decision.

*DENIAL, SUSPENSION, OR REVOCATION OF PERMIT TO CARRY WEAPONS OR PERMIT TO ACQUIRE PISTOLS AND REVOLVERS.* The Act provides that if an issuing officer denies an application for or suspends or revokes a permit to carry weapons or a permit to acquire pistols or revolvers, the issuing officer shall provide a written statement of the reasons

for the denial, suspension, or revocation and the applicant or permit holder shall have the right to appeal the denial, suspension, or revocation to an administrative law judge in the Department of Inspections and Appeals within 30 days of receiving written notice of the denial, suspension, or revocation. An applicant or permit holder may file an appeal with an administrative law judge by filing a copy of the denial, suspension, or revocation notice with a written statement that clearly states the applicant's reasons rebutting the denial, suspension, or revocation, along with a fee.

The Act requires the administrative law judge, within 45 days of receipt of the request for an appeal, to set a date for a hearing to be conducted pursuant to the Iowa Administrative Procedure Act, Code Chapter 17A. Upon conclusion of the hearing, the administrative law judge shall order that the denial, suspension, or revocation of the permit be either rescinded or sustained. An applicant, permit holder, or issuing officer aggrieved by the final judgment of the administrative law judge has the right to judicial review in accordance with Code Chapter 17A. The standard of review shall be clear and convincing evidence that the issuing officer's written statement of the reasons for the denial, suspension, or revocation constituted probable cause to deny an application or to suspend or revoke a permit.

The Act provides that if the issuing officer denies an application for or suspends or revokes a permit to carry weapons or a permit to acquire pistols or revolvers solely because of an adverse determination by the National Instant Criminal Background Check System, the applicant or permit holder may pursue relief of the National Instant Criminal Background Check System determination pursuant to federal law and the outcome of such proceedings shall be binding on the issuing officer.

*RESTORATION OF RIGHTS — FIREARMS.* The Act makes conforming changes relating to the restoration of the right to possess a firearm under Code Section 724.27 and provides that a person whose pardon, restoration of civil rights, or expungement of conviction expressly forbids the person to receive, transport, or possess firearms is ineligible to have the person's civil rights regarding firearms restored.

*PERSONS SUBJECT TO MENTAL AND SUBSTANCE ABUSE HEALTH-RELATED ORDERS OR COMMITMENTS — FIREARMS — RESTORATION OF RIGHTS — REPORTS.* New Code Section 724.31 created in the Act provides that subsequent to a court order that orders commitment or treatment pursuant to Code Section 125.84 (chemical substance abuse), Code Section 222.31 (mental retardation), or Code Section 229.14 (mental health), or that finds a defendant incompetent to stand trial pursuant to Code Section 812.5, a court shall include information informing the person who is the subject of the order not to ship, possess, receive, or transport or cause the transport of firearms or ammunition. The clerk of the district court shall forward only such information as is necessary to identify a person subject to such an order to the Department of Public Safety, which in turn shall

forward the information to the Federal Bureau of Investigation for the sole purpose of inclusion in the National Instant Criminal Background Check System database.

A person who is the subject of such a court order and who has been released from commitment may petition the court that issued the order, or the court in the county where the person resides, no earlier than two years from the date of the issuance of the order for relief from the prohibition not to ship, possess, receive, or transport or cause the transport of firearms or ammunition. A copy of the petition shall also be served on the Director of Human Services and the county attorney at the county attorney's office of the county in which the original order occurred, and the director or the county attorney may appear, support, object to, and present evidence relevant to the relief sought by the petitioner. A court considering such a petition shall receive evidence concerning the circumstances surrounding the original issuance of the order, the petitioner's mental health and criminal history, the petitioner's reputation and character, and any changes in the petitioner's condition or circumstances since the issuance of the order that are relevant to the relief sought. The court shall grant relief under the petition if the court finds by a preponderance of the evidence that the petitioner will not be likely to act in a manner dangerous to the public safety and that the granting of the relief would not be contrary to the public interest. The petitioner may appeal a denial of the requested relief and the review shall be de novo. A person may file such a petition for relief not more than once every two years. If a court issues an order granting a petition for relief, the clerk of the district court shall immediately forward only such information as is necessary to identify a person granted relief to the Department of Public Safety which, upon receipt, shall immediately forward such information as is necessary to the Federal Bureau of Investigation to update the National Instant Criminal Background Check System database with the relief from disabilities.

*CONFIDENTIALITY OF RECORDS OF INVOLUNTARY HOSPITALIZATION PROCEEDINGS.* The Act provides that although all papers and records pertaining to any involuntary hospitalization or application for involuntary hospitalization of any person under Code Chapter 229, whether part of the permanent record of the court or of a file in the Department of Human Services, are subject to public inspection only upon an order of the court for good cause shown, this prohibition does not prevent a court or the Department of Public Safety from forwarding to the Federal Bureau of Investigation a copy of an order issued by a court relating to a person who is the subject of a mental health-related order or commitment and the possession of firearms by such a person under new Code Section 724.31.

*TRANSITION PROVISIONS.* The Act provides that a permit issued under Code Chapter 724 prior to January 1, 2011, remains effective and continues in effect as issued for the 12-month period following its issuance. The Act does not preclude the permit holder from seeking to renew the permit under this Act prior to the expiration of the 12-month period.

*EFFECTIVE DATE.* The Act takes effect January 1, 2011.

**HOUSE FILE 734 - Uniform Adult Guardianship and Protective Proceedings Act**

BY COMMITTEE ON JUDICIARY. This Act creates the Uniform Adult Guardianship and Protective Proceedings Act relating to the establishment, transfer, and recognition of guardianships and conservatorships in multistate cases, and includes effective date and applicability provisions.

*PART 1 — General Provisions.* Part 1 of the Act contains definitions and provisions relating to communications and cooperation between courts in different states and the taking of testimony in another state. A court of this state shall treat a foreign country as if it were a state of the United States for purposes of the Act. The Act defines "protective order" as an order appointing a conservator and defines a "guardianship order" as an order appointing a guardian.

*PART 2 — Jurisdiction.* Part 2 of the Act provides a framework of priority for determining when a particular court has jurisdiction over adult guardianships and conservatorships for an incapacitated or protected adult (respondent): the home state has first priority, followed by a significant-connection state, then followed by other jurisdictions.

Part 2 defines "home state" as either the state in which the adult has lived for at least six consecutive months immediately before the beginning of the adult guardianship or protective proceeding or the state in which the adult was physically present for at least six consecutive months ending within the six months prior to the filing of the petition for a protective order or the appointment of a guardian. A period of temporary absence in either situation is counted as part of the six-month or other period. If there is no home state or the court in the home state declines to exercise jurisdiction, the Act provides that jurisdiction is appropriate in a state in which the respondent has a significant connection. In determining whether a respondent has a significant connection with a particular state, the court must consider the location of the respondent's family, the length of time the respondent was physically present in the state and the duration of any absence, the location of the respondent's property, and the extent to which the respondent has ties to the state. Another state may have jurisdiction if the respondent does not have a home state or a significant-connection state or the respondent's home state and all significant-connection states have refused to exercise jurisdiction because another state is more appropriate.

Part 2 provides that regardless of whether a court in the state where the respondent is currently physically present has jurisdiction, the court has special jurisdiction to appoint a guardian in an emergency and a court in a state where a respondent's real or tangible personal property is located has jurisdiction to appoint a conservator or issue another type of protective order with respect to that property. A court also has special jurisdiction to consider a petition to accept the transfer of an already existing guardianship or conservatorship from another state under the transfer provisions of Part 3 of the Act.

Part 2 also provides that once a guardian or conservator is appointed or other protective order is issued, the court's jurisdiction continues until the proceeding is terminated by the court or the appointment or order expires by its own terms.

Part 2 authorizes a court to decline to exercise jurisdiction if it determines that the court of another state is a more appropriate forum, and specifies the factors to be taken into account in making this determination.

Part 2 authorizes a court that obtained jurisdiction as a result of unjustifiable conduct by a party to assess that party necessary and reasonable expenses, including attorney fees, investigative fees, court costs, communication expenses, witness fees and expenses, and travel expenses.

Part 2 provides additional notice requirements if a proceeding is brought in a state other than the respondent's home state.

Part 2 provides a procedure for resolving jurisdictional issues if petitions are pending in more than one state.

*PART 3 — Transfer of Guardianship or Conservatorship.* Part 3 of the Act provides a procedure for transferring an existing guardianship or conservatorship from one state to another state. The guardian or conservator seeking the transfer must notify the appropriate persons that would be entitled to notice. The court hearing the petition for transfer must find that the incapacitated or protected person is physically present in or is reasonably expected to move permanently to the other state, an objection to the transfer either has not been made or has not established that the transfer would be contrary to the interests of the incapacitated or protected person, and plans for care and services for the incapacitated person in the other state are reasonable and sufficient or adequate arrangements will be made for management of the protected person's property.

*PART 4 — Registration and Recognition of Orders From Other States.* Part 4 of the Act relates to the enforcement of guardianship and conservatorship orders in different states and establishes a procedure for registering an existing guardianship or conservatorship in another state allowing a guardian or conservator to act on behalf of the incapacitated or protected person in the second state. The Act requires the guardian or conservator to notify the original appointing court about the guardian or conservator's intent to register in another state. The Act allows the court receiving such notice to question the rationale for the transfer and communicate and coordinate with the court in the other state.

*PART 5 — Miscellaneous Provisions.* Part 5 of the Act provides miscellaneous provisions relating to the uniformity of application, the Federal Electronic Signatures Act, and applicability and effective date provisions.

The Act applies to guardianship and protective proceedings in existence on or after July 1, 2010, except a guardian or conservator appointed prior to that date, may petition to transfer the proceeding to another state under Part 3 of the Act and register and enforce the order in other states pursuant to Part 4 of the Act.

**HOUSE FILE 2200 - Carrying Guns in or on Vehicles on Public Highways**

BY COMMITTEE ON NATURAL RESOURCES. This Act provides that a person, except as permitted by law, shall not have or carry a gun in or on a vehicle on a public highway, unless the gun is taken down or totally contained in a securely fastened case and its barrels and attached magazines are unloaded. A person who violates the Act is subject to a scheduled

fine of either \$25 or \$50 depending on whether the violation involved an assembled, unloaded gun or a loaded gun.

**HOUSE FILE 2253 - Disclaimers of Property Interests**

BY COMMITTEE ON JUDICIARY. This Act amends Code Section 633E.4, relating to a tax qualified disclaimer or transfer of a property interest, to allow two exceptions to the requirement that a disclaimer or transfer of a property interest that is valid under Section 2518 of the Internal Revenue Code is valid for all purposes under Code Chapter 633E.

The Act amends Code Section 633E.7, relating to disclaimers of rights of survivorship in jointly held property, to provide that upon the death of a holder of jointly held property, either of the following may occur:

1. If, during the deceased holder's lifetime, the deceased holder could have unilaterally regained a portion of the property attributable to the deceased holder's contribution without the consent of any other holder, a surviving holder may disclaim, in whole or in part, a fractional share of that portion of the property attributable to the deceased holder's contributions determined by dividing the number one by the number of joint holders alive immediately after the death of the holder to whose death the disclaimer relates.
2. For all other jointly held property, a surviving holder may disclaim, in whole or in part, a fraction of the whole of the property the numerator of which is one and the denominator of which is the product of the number of joint holders alive immediately before the death of the holder to whose death the disclaimer relates multiplied by the number of joint holders alive immediately after the death of the holder to whose death the disclaimer relates.

In addition, Code Section 633E.7 is amended to allow a noncitizen, surviving spouse to make a tax-qualified disclaimer of property interests under Section 2518 of the Internal Revenue Code.

The Act amends Code Section 633E.13 to provide that there is no time limit in regard to a disclaimer of an interest in property.

The Act amends Code Section 633E.14 to prohibit common law disclaimers as an alternative to disclaimers of property interests under Code Chapter 633E.

**HOUSE FILE 2282 - Judgment Liens on Homesteads**

BY COMMITTEE ON JUDICIARY. This Act specifies that a judgment lien does not attach to real estate claimed as a homestead except for certain prior debts, certain debts created by written contract, certain home improvement debts, and if there is no survivor or issue, certain debts to which the homestead might have been subject to if it had never been held as a homestead, or if the real estate claimed as a homestead exceeds certain physical limitations.

The Act provides that a warranty of title by a former occupying homeowner in a conveyance for value constitutes a claim of exemption against all judgments against the current homeowner or the current homeowner's spouse not specifically exempted in the conveyance.

The Act provides that a claim of lien against a homestead is barred unless execution is levied within 30 days of the time the defendant, the defendant's agent, or a person with an interest in the real estate has served written demand on the owner of the judgment accompanied by an affidavit setting forth facts indicating why the judgment is not believed to be a lien against the real estate. The written demand shall be served in any manner authorized for service of original notice under the Iowa Rules of Civil Procedure or in a manner provided for service of process procedures relating to in rem relief.

The Act provides that a party serving a written demand may obtain an immediate court order releasing the claimed lien by posting a cash bond in an amount of at least 125 percent of the outstanding balance owed on the judgment. Thereafter, any execution on the judgment shall be against the bond, subject to all claims and defenses which the moving party had against the execution against the real estate, including but not limited to a lack of equity in the property to support the lien in its proper priority. The Act requires the bond to be released by the clerk of the district court upon demand of the bond's principal or surety if no execution is ordered on the judgment within 30 days of completion of service of the written demand.

**HOUSE FILE 2483 - Trusts and Estates — Miscellaneous Changes**

BY COMMITTEE ON JUDICIARY. This Act relates to trusts and estates, including provisions relating to the state inheritance tax, uniform transfers to minors, and medical assistance claims.

*STATE INHERITANCE TAX EXEMPTION.* The Act specifies that a decedent's interest in an employer-sponsored retirement plan or on a decedent's individual retirement account that will be subject to federal income tax when paid to the beneficiary is

not subject to state inheritance tax.

*TRANSFERS OF PROPERTY TO MINORS.* The Act raises the limit for transfers of property to minors by fiduciaries without court approval under Iowa's Uniform Transfers to Minors Act from \$10,000 to \$25,000.

*QUALIFICATIONS OF A RESIDENT FIDUCIARY.* The Act exempts a person who is incompetent from serving as a fiduciary under the Iowa Probate Code, in addition to any other person whom the court determines to be unsuitable. Prior law exempted a person who was "under legal incompetency" or who was a chronic alcoholic or a spendthrift from serving in such a capacity.

*MEDICAL ASSISTANCE CLAIMS.* The Act requires either the administrator of an intestate estate or the executor of a testate estate to electronically transmit a notice regarding the opening of the estate and of the appointment of the administrator or a notice of admission of the will to probate and of the appointment of the executor to the entity designated by the Department of Human Services for purposes of medical assistance claims. The Act also requires the department to provide an electronic notice relating to whether the department will make a medical assistance claim against the decedent's estate within the requisite time period.

*DISTRIBUTION OF PROPERTY BY AFFIDAVIT.* The Act allows the distribution of property by affidavit when the gross value of the decedent's personal property that would otherwise be distributed by will or intestate succession does not exceed \$25,000.

*DUTY TO INFORM AND ACCOUNT.* The Act provides that the remedies for a trustee's alleged failure to inform and account are not available for trusts created prior to July 1, 2002.

*TRUSTS — CERTIFICATIONS.* The Act provides that, for purposes of transferring property to or from a trust, a transfer agent may request a certification of the existence of the trust and the identity of the trustee. If a trustee has provided a certification of trust and a person refuses to pay, deliver, or transfer any property owed to or owned by the trust within a reasonable time, the trustee may bring an action and the court may award the trustee damages, costs of the action, a civil penalty, and reasonable attorney fees.

*TRUSTS — SUBJECT MATTER JURISDICTION.* The Act provides that letters of appointment are not required for trusts not under continuous court supervision.

*TRUSTS — REPRESENTATION.* The Act makes a provision which provides that the consent of a person who may represent and bind another person under the Trust Code is binding on the person represented unless the person represented objects to the representation before the consent would otherwise have become effective applicable only to written consents executed prior to July 1, 2010.



## CRIMINAL LAW, PROCEDURE, AND CORRECTIONS

- [SENATE FILE 205](#) - Infectious Diseases Testing of Persons on Parole, Probation, or Work Release
- [SENATE FILE 285](#) - Traffic and Wildlife Conservation Offenses and Magistrate Jurisdiction
- [SENATE FILE 431](#) - Operating-While-Intoxicated — Miscellaneous Changes
- [SENATE FILE 2095](#) - Certified Law Enforcement Officers — Authority
- [SENATE FILE 2197](#) - Providing False Identification Information, Indecent Exposure, and Criminal Citations
- [SENATE FILE 2250](#) - Aggravated Theft
- [SENATE FILE 2303](#) - Parole and Out-of-State Detainers
- [SENATE FILE 2305](#) - Sex Offender Registry Changes
- [SENATE FILE 2344](#) - Violator Facilities
- [SENATE FILE 2357](#) - Restrictions on Possession, Transfer, or Sale of Firearms, Ammunition, or Offensive Weapons — Domestic Abuse or Violence
- [HOUSE FILE 426](#) - Reserve Peace Officers' Traffic Accidents — Reporting Requirements
- [HOUSE FILE 2233](#) - Alcohol-Related Offenses — Expunging of Convictions
- [HOUSE FILE 2286](#) - Detention in a Brothel
- [HOUSE FILE 2287](#) - Simulated Public Intoxication
- [HOUSE FILE 2372](#) - Assault Causing Serious Injury
- [HOUSE FILE 2374](#) - Serious Injury — Definition
- [HOUSE FILE 2377](#) - Extensions of Length of Probation Periods
- [HOUSE FILE 2392](#) - Abuse of a Corpse
- [HOUSE FILE 2438](#) - Enticing or Attempting to Entice a Minor
- [HOUSE FILE 2473](#) - Criminal Mischief and Appearance Bonds in Criminal Proceedings

### RELATED LEGISLATION

- [SENATE FILE 393](#) - Child in Need of Assistance Proceedings, Child Abuse, and Obscene Materials  
*SEE CHILDREN AND YOUTH.* This Act relates to obscene material in child in need of assistance proceedings and child abuse cases.
- [SENATE FILE 2088](#) - State Government Reorganization  
*SEE STATE GOVERNMENT.* Divisions XLIX, L, and LI concern criminal law, procedure, and corrections.

Division XLIX reduces the minimum number of required meetings of the Board of Corrections from 12 meetings per year to quarterly meetings per year, allows the Department of Corrections to impose an administrative fee for the filing of a report of a major disciplinary rule infraction for which an inmate is found guilty, and requires the closure, by July 1, 2010, of Farm 1, and by January 1, 2010, of Farm 3, which are facilities of the Department of Corrections, and the transfer of the inmates confined at such facilities to other institutions under the control of the department. The requirement to close Farm 1 and Farm 3 takes effect March 10, 2010.

Division L eliminates the Indigent Defense Advisory Commission, requires the State Public Defender to prepare the reports required of the commission, and requires the State Public Defender, instead of the commission, to make recommendations regarding the hourly rates paid to court-appointed counsel and per-case fee limitations.

This division also appropriates, for FY 2010-2011, additional moneys to the Office of the State Public Defender of the Department of Inspections and Appeals for 16 additional local public

defender and staff positions.

Division LI provides for the charging of costs for peace officer candidates attending a training school held by the Department of Public Safety or by the Iowa Law Enforcement Academy. Division LI also provides that the academy, subject to the approval of the Iowa Law Enforcement Academy Council, shall develop and administer a pilot program consisting of training seminars for private security personnel that provide 50 hours of training for each of 10 trainees at a cost of \$50 per hour of training.

- [SENATE FILE 2199](#) - Manufactured and Mobile Homes — Use Tax — Title Procedures  
**SEE TAXATION.** This Act requires the use tax imposed upon the use of manufactured housing to be paid by the owner of the manufactured housing to the licensed manufactured home retailer rather than directly to the county treasurer or the Department of Transportation. The Act also requires the manufactured home retailer to submit an application for certificate of title on behalf of the owner. The Act provides that a person who willfully makes a false statement in regard to taxation under the Act is guilty of a fraudulent practice and establishes a penalty for persons who willfully make a false statement with the intent to evade the payment of the tax. The Act takes effect April 7, 2010.
  
- [SENATE FILE 2291](#) - Special Education  
**SEE EDUCATION.** This Act makes Code changes related to special education rights, duties, and responsibilities, and specifies that when a child requiring special education attains the age of majority or is incarcerated in a correctional institution, the rights of the child's parent or guardian transfer to the child, and any notice to that child's parent or guardian must also be provided to the child. If the child is determined to be incompetent, these rights shall be exercised by the person appointed to represent the educational interests of the child.
  
- [SENATE FILE 2304](#) - Vehicular Accident Reporting Requirements — Damage Threshold Amount  
**SEE TRANSPORTATION.** This Act increases the amount of property damage triggering the need for a motor vehicle accident report.
  
- [SENATE FILE 2340](#) - Substantive Code Corrections  
**SEE STATE GOVERNMENT.** This Act contains statutory corrections that adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities in provisions relating to traffic control devices, traffic accidents, and damages; motor vehicle equipment; operating while intoxicated; uniform citation and complaint forms; pen register or trap and trace device installation procedures; and forfeiture of appearance bonds.
  
- [SENATE FILE 2345](#) - Court Orders, Proceedings, and Administration  
**SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.** This Act allows a defendant's appellate attorney and the appellate attorney for the state to have access to the presentence investigation report upon request and without a court order.
  
- [SENATE FILE 2352](#) - Emergency Hospitalization of Mentally Ill Persons — Notice of Arrest Warrants or Pending Criminal Charges — Discharge Procedures  
**SEE HEALTH AND SAFETY.** This Act relates to the emergency hospitalization of a person with a serious mental impairment. The Act requires a facility to notify a law enforcement agency prior to discharge of a person who is subject to arrest under certain circumstances.
  
- [SENATE FILE 2354](#) - Campaign Finance — Contributions, Independent Expenditures, and Attribution Statements  
**SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.** This Act relates to political campaign activities and independent expenditures by corporations. A person who violates the provisions enacted by the Act is guilty of a serious misdemeanor.
  
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
**SEE APPROPRIATIONS.** This Act includes supplemental appropriations for the Department of Corrections, indigent defense, and U.S. Department of Defense to restore all or a portion of the reduction made by the Governor's Executive Order Number 19 making uniform reductions in appropriations, and reduces the appropriation for the judicial branch.

- [SENATE FILE 2378](#) - Appropriations — Justice System  
*SEE APPROPRIATIONS.* This Act increases the fines for numerous traffic-related offenses. The Act also increases the scheduled fine for a first offense pseudoephedrine violation.
- [SENATE FILE 2381](#) - Appropriations — Transportation  
*SEE APPROPRIATIONS.* This Act contains requirements for the use of child restraint systems and seat belts by motor vehicle passengers under 18 years of age and provides that a passenger who is 14 years of age or older shall be charged in lieu of the driver when the passenger fails to use a seat belt.
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities  
*SEE STATE GOVERNMENT.* This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt. The Act establishes a Debt Amnesty Program to be administered by the Department of Revenue from September 1, 2010, through November 30, 2010, that permits the state to forgive an amount equal to 50 percent of certain fines and fees assessed in a criminal case. The Act also establishes a Debt Settlement Program to be administered by the State Debt Coordinator from January 1, 2011, through December 31, 2013, that permits the state to forgive an amount up to 50 percent of certain fines and fees assessed in a criminal case.
- [HOUSE FILE 674](#) - Reporting Treatment of Serious Injuries  
*SEE HEALTH AND SAFETY.* This Act relates to the reporting of the treatment of or the application for the treatment of a serious wound to a local law enforcement agency. The Act provides that a person licensed under Code Chapter 147A (emergency medical care) may report the treatment of or the application for the treatment of a serious wound related to the commission of a criminal offense to a law enforcement agency within whose jurisdiction the treatment was applied for or administered or to a law enforcement agency where the offense or accident is alleged to have occurred.
- [HOUSE FILE 2137](#) - Public Defense — Military Service and Military Justice  
*SEE PUBLIC DEFENSE AND VETERANS.* This Act relates to the Iowa Code of Military Justice. The Act provides that process issued in court-martial cases under the Iowa Code of Military Justice to compel witnesses and to compel the production of other evidence may run to other states, as well as the United States and its territories and possessions, in accordance with the law of the place where the witness or evidence sought is located. In addition, the Act adds an additional punitive article to the Iowa Code of Military Justice relating to wrongful use, possession, distribution, or manufacture of certain controlled substances.

- [HOUSE FILE 2193](#) - Emergency Medical Care — Providers, Programs, Training, and Authorization  
*SEE HEALTH AND SAFETY.* This Act relates to the training and licensing of emergency medical care providers, programs, and emergency medical care training programs; penalties are provided ranging from a serious misdemeanor to a class "D" felony.
- [HOUSE FILE 2288](#) - Cowl Lamps on Motor Vehicles  
*SEE TRANSPORTATION.* This Act repeals Code Section 321.406, which limits the use of side cowl or fender lamps on motor vehicles to no more than two such lamps.
- [HOUSE FILE 2307](#) - Medicaid and Criminal Restitution — Payments  
*SEE HUMAN SERVICES.* This Act includes as last in the listing of entities that may be paid restitution by a criminal offender, the Medical Assistance (Medicaid) Program for expenditures paid on behalf of the victim that were the result of the offender's criminal activities. The Act also adds the Medicaid program to the list of entities that are to be paid restitution only after the victim is paid in full.
- [HOUSE FILE 2321](#) - Veterans Services for Inmates of Jails or Municipal Holding Facilities  
*SEE LOCAL GOVERNMENT.* This Act relates to providing veteran services to prisoners incarcerated at a county jail or municipal holding facility. The Act requires the personnel of a jail or holding facility to permit veterans who are incarcerated in the jail or holding facility to contact the county commission of veteran affairs of the county where the jail or facility is located to request a visit from a veteran service officer.
- [HOUSE FILE 2403](#) - Controlled Substances — Miscellaneous Changes  
*SEE HEALTH AND SAFETY.* This Act makes changes to the Uniform Controlled Substances Act. The Act adds the substances "tapentadol" and "lacosamide" to the list of controlled substances to maintain uniformity between state and federal regulations.
- [HOUSE FILE 2452](#) - Driver's License Sanctions and Restrictions — Miscellaneous Changes  
*SEE TRANSPORTATION.* This Act relates to driver's license sanctions for certain operating-while-intoxicated offenses including the issuance of temporary restricted licenses and requirements relating to ignition interlock devices.
- [HOUSE FILE 2456](#) - Use of Electronic Communication Devices While Driving  
*SEE TRANSPORTATION.* This Act restricts the use of most electronic devices by young novice drivers; prohibits the writing, sending, or reading of a text message by all drivers; and includes penalties.
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding  
*SEE APPROPRIATIONS.* This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The Act includes funding for various programs involving criminals and corrections, including the Stop Violence Against Women Grant Program, the Residential Substance Abuse Treatment for State Prisoners Formula Grant Program, and the Edward Byrne Justice Assistance Grants Program.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division XI of the Act relates to the Criminal and Juvenile Justice Planning Advisory Council and the establishment of a Public Safety Advisory Board.

## CRIMINAL LAW, PROCEDURE, AND CORRECTIONS

**SENATE FILE 205** - **Infectious Diseases Testing of Persons on Parole, Probation, or Work Release**  
BY COMMITTEE ON JUDICIARY. This Act relates to required testing for infectious diseases of persons under the supervision of a judicial district department of correctional services.

A person under the supervision of a judicial district department of correctional services who assaults another by hitting, casting bodily fluids, or acting in a manner that results in an exchange of bodily fluids shall submit to the withdrawal of a bodily fluid for testing to determine if the person is infected with a contagious infectious disease. If the person refuses to submit to the withdrawal of bodily fluid, the director of the judicial district department of correctional services may make an application to the court for an order compelling the person to submit to a withdrawal.

In addition, failure to comply with a court order issued pursuant to the Act may result in the revocation of the person's probation, parole, or work release.

**SENATE FILE 285** - **Traffic and Wildlife Conservation Offenses and Magistrate Jurisdiction**  
BY COMMITTEE ON JUDICIARY. This Act relates to magistrate jurisdiction, specifies certain traffic-related offenses as simple misdemeanors, and makes other related changes to simple misdemeanor offenses.

Under the Act, the following traffic-related offenses, which are commonly referred to as nonscheduled violations, are specified as simple misdemeanors: violations under Code Sections 321.24 (issuance of registration or title); 321.95 (right of inspection); 321.96 (prohibited plates); 321.122 (truck, truck tractor, and road tractor registration fees); 321.189 (motorized bicycles); 321.208A (out-of-service orders); 321.285 (speed restrictions); 321.371 (clearing up wrecks); 321.373 (required school bus construction); 321.406 (cowl lamps — Code Section 321.406 subsequently repealed by H.F. 2288, see Transportation); 321.408 (back-up lamps); 321.431 (adequacy of brakes); 321.452 (scope and effect of size and weight limitations); 321.463 (overweight trucks); 321.467 (retractable axles); 321.484 (offenses by owners of vehicles); 321.487 (promises to appear); and 321E.11 (movement under permit).

The Act amends Code Section 321.236 (relating to the powers of local authorities) to specify that a violation of a local ordinance, rule, or regulation promulgated under the authority of Code Section 321.236 shall be prosecuted under the local ordinance, rule, or regulation without reference to Code Section 321.236.

The Act amends Code Section 481A.135 (relating to repeat offenders) to provide that an indictment or trial information for a violation requiring an enhanced penalty related to wildlife conservation under Code Section 481A.135 shall specify the underlying violation committed by the person.

The Act also amends Code Section 602.6405 specifying that a magistrate has jurisdiction over any simple misdemeanor regardless of the fine amount.

**SENATE FILE 431** - **Operating-While-Intoxicated — Miscellaneous Changes**  
BY COMMITTEE ON JUDICIARY. This Act reorganizes and restructures Code Section 321J.2 relating to operating-while-intoxicated (OWI) criminal offenses.

The Act reorganizes criminal penalty, sentencing, and related license revocation provisions currently in Code Section 321J.2. The Act also duplicates certain provisions in Code Sections 321J.4, 903.1, 907.3, and 907.14 relating to license revocation, ignition interlock devices, temporary restricted licenses, and sentences, and places such provisions in Code Section 321J.2. All of the revisions are nonsubstantive.

The Act makes conforming changes in Code Section 707.6A (homicide or serious injury by vehicle), Code Section 902.3 (indeterminate sentences), and Code Chapter 910 (victim restitution).

The Act takes effect December 1, 2010.

Note: House File 2531 (see Appropriations) amends Code Section 321J.2(3)(d)(1,2) to reconcile the restructuring of Code Section 321J.2 made in this Act with the amendments made to that same Code section in H.F. 2452 (allowing the Department of Transportation to issue a temporary restricted license under Code Chapter 321J without requiring the court to order the department to do so — see Transportation). The reconciliation provision and the duplicative provision in H.F. 2452, Section 3, which is repealed, take effect December 1, 2010.

**SENATE FILE 2095 - Certified Law Enforcement Officers — Authority**

BY COMMITTEE ON JUDICIARY. This Act provides that a law enforcement officer certified by the Iowa Law Enforcement Academy may administer oaths, acknowledge signatures, and take voluntary testimony pursuant to the officer's duties as provided by law. The Act makes a conforming change relating to exempting persons who perform notarial acts, including the administration of oaths and the acknowledgement of signatures, from using a stamp or seal.

**SENATE FILE 2197 - Providing False Identification Information, Indecent Exposure, and Criminal Citations**

BY COMMITTEE ON JUDICIARY. This Act creates a new crime of providing false identification information and provides that a person who knowingly presents false identification information to anyone known by the person to be a peace officer, emergency medical care provider under Code Chapter 147A, or a fire fighter, whether paid or volunteer, in the performance of any act which is within the scope of the lawful duty or authority of that officer, emergency medical care provider, or a fire fighter, commits a simple misdemeanor. A simple misdemeanor is punishable by confinement for no more than 30 days or a fine of at least \$65 but not more than \$625 or by both.

The Act provides that a person commits a serious misdemeanor for permitting public indecent exposure in a theater, concert hall, art center, museum, or similar establishment which is primarily devoted to the arts if such person allows or permits a minor to engage in a live act intended to arouse or satisfy the sexual desires or appeal to the prurient interests of patrons.

The Act also makes conforming changes to procedural provisions relating to the issuance of citations in lieu of arrest under Code Chapter 805.

**SENATE FILE 2250 - Aggravated Theft**

BY COMMITTEE ON JUDICIARY. This Act creates the criminal offense of aggravated theft. A person commits aggravated theft under the Act if, while committing an assault as defined in Code Section 708.1, subsection 1, that is punishable as a simple misdemeanor under Code Section 708.2, subsection 6, the person removes or attempts to remove property not exceeding \$200 in value from a store or has concealed such property in or outside the premises of the store.

Under prior law, a person who committed an aggravated theft as defined in the Act committed robbery in the second degree punishable as a class "C" felony and was subject to the 70 percent sentencing provisions of Code Section 902.12.

The Act specifies that aggravated theft is not a lesser included offense of robbery in the first degree or robbery in the second degree.

A person who commits aggravated theft commits an aggravated misdemeanor for a first offense and a class "D" felony for a second or subsequent offense.

Under the Act, a deferred judgment for an aggravated theft or a conviction of the equivalent of a deferred judgment of a substantially similar offense in another jurisdiction shall be counted as a previous offense.

**SENATE FILE 2303 - Parole and Out-of-State Detainers**

BY COMMITTEE ON JUDICIARY. This Act permits a person paroled who has a detainer lodged against the person under the provisions of Code Chapter 821 to be paroled directly to the receiving state rather than to a residential facility operated by a judicial district department of correctional services in this state.

A detainer is a formal notification filed under the procedures of Code Chapter 821 advising the jurisdiction holding an inmate that the same inmate is wanted for untried criminal charges in the notifying jurisdiction.

**SENATE FILE 2305 - Sex Offender Registry Changes**

BY COMMITTEE ON JUDICIARY. This Act modifies sex offender registry provisions.

The Act provides that any conviction for an offense specified in the laws of another jurisdiction or any conviction for an offense prosecuted in federal, military, or foreign court, that is comparable to any offense listed in current law in Code Section 692A.101(2), shall be considered an aggravated offense against a minor if the offense was against a minor or

otherwise involved a minor, making the offender subject to the sex offender residency restrictions under Code Section 692A.114.

The Act modifies the definition of "sex offense" to mean an indictable offense for which a conviction has been entered that is enumerated in Code Section 692A.102 (list of offenses requiring registration). The Act eliminates a specific reference that the offense also involve a sex act, sexual contact, or sexual conduct.

The Act defines "sexually motivated" to mean the same as defined in Code Section 229A.2.

A person convicted for an indictable offense in violation of Code Chapter 708 (Assault) or Code Chapter 726 (Protection of Family and Dependent Persons) shall register as a sex offender if the offense is committed against a minor and the offense is determined to be sexually motivated.

The Act requires that a conviction under Code Section 725.2 (Pimping) requires registration if the offense is committed against a minor and the offense is determined to be sexually motivated. The Act makes the offense a tier I offense. An offense classified as a tier I offense is classified as the least serious offense. A tier I offender must report to the county sheriff once a year and is prohibited from applying for modification of the sex offender registry provisions for two years from the date of the commencement of the requirement to register.

A conviction under Code Section 725.3 (Pandering) requires registration. The Act makes the offense a tier II offense. An offense classified as a tier II offense is a more serious offense than a tier I offense but not as serious as a tier III offense. A tier II offender must report to the county sheriff every six months and is prohibited from applying for modification of the sex offender registry provisions for five years from the date of the commencement of the requirement to register.

The Act makes the criminal offense of penetration of the genitalia or anus with an object under Code Section 708.2(5) an offense that requires registration as a sex offender. The Act makes the offense a tier III offense. An offense classified as a tier III offense is considered the most serious of offenses. A tier III offender must report to the county sheriff every three months and is prohibited from applying for modification of the sex offender registry requirements for five years from the date of the commencement of the requirement to register.

If a sex offender is placed on probation, parole, or work release and such status is subsequently revoked, the registration period for the sex offender shall commence anew upon release from custody.

Any violation of Code Chapter 692A prior to July 1, 2009, shall be considered a previous offense for purposes of enhancing any penalty or period of registration in Code Chapter 692A.

A person required to register as a sex offender in another jurisdiction for an offense that involved a minor shall comply with the exclusion zone and prohibitive employment provisions under Code Section 692A.113. A person who violates the exclusion zone or prohibitive employment provisions commits an aggravated misdemeanor for a first offense and a class "D" felony for any second or subsequent offense pursuant to Code Section 692A.111.

The Act provides immunity to schools, public libraries, and child care facilities and the employees of such entities, from liability for acts or omissions arising from a good faith effort to comply with Code Chapter 692A. Prior law provided such immunity to criminal and juvenile justice agencies and state agencies and their employees.

Any person who is sentenced for a criminal offense prior to July 1, 2009, that requires serving a special sentence shall register as a sex offender.

Any person convicted of an offense enumerated in Code Section 692A.126(1) prior to July 1, 2009, shall be required to register as a sex offender if the Department of Public Safety determines the offense was sexually motivated. A person, including a juvenile, who is convicted in another jurisdiction of an offense that is comparable to an offense enumerated in Code Section 692A.126(1) prior to, on, or after July 1, 2009, shall also register as a sex offender if the department determines that the offense was sexually motivated. The determination made by the department is subject to judicial review in accordance with Code Chapter 17A.

The Act specifies that in certain burglary related convictions, a person shall register as a sex offender if a judge or jury determines that the offense was sexually motivated. Prior law specified this determination in Code Section 692A.126, but not in the existing burglary offense provisions.

The Act takes effect March 26, 2010.

**SENATE FILE 2344 - Violator Facilities**

BY COMMITTEE ON JUDICIARY. This Act provides that the Newton Correctional Facility may include a minimum security facility and a violator facility. Prior law requires such facilities to be located at the Newton Correctional Facility.

**SENATE FILE 2357 - Restrictions on Possession, Transfer, or Sale of Firearms, Ammunition, or Offensive Weapons — Domestic Abuse or Violence**

BY COMMITTEE ON JUDICIARY. This Act relates to prohibiting a person who is the subject of certain protective orders or no-contact orders, or who has been convicted of a misdemeanor crime of domestic violence, from possessing, transferring, or selling firearms and ammunition or offensive weapons.

The Act provides that a protective order issued under Code Chapter 236 (Domestic Abuse) or a no-contact order issued under Code Chapter 664A (criminal no-contact orders) shall specifically include a notice provision that the person who is the subject of the order may be required to relinquish all firearms, offensive weapons, and ammunition upon the issuance of a permanent protective or no-contact order.

The Act additionally provides that, except as noted, a person who is subject to a protective order under 18 U.S.C. § 922(g)(8) or who has been convicted of a misdemeanor crime of domestic violence under 18 U.S.C. § 922(g)(9), who knowingly possesses, ships, transports, or receives a firearm, offensive weapon, or ammunition is guilty of a class "D" felony. This prohibition does not apply to the possession, shipment, transportation, or receipt of a firearm, offensive weapon, or ammunition issued by a state department or agency or political subdivision for use in the performance of the official duties of the person who is the subject of a protective order under 18 U.S.C. § 922(g)(8).

Upon the issuance of such a protective order or entry of a judgment of conviction, the court shall enter certain identifying information about the person who is the subject of the order or conviction into the Iowa Criminal Justice Information System and shall inform the person that the person shall not possess, ship, transport, or receive a firearm, offensive weapon, or ammunition while such order is in effect, until such conviction is vacated, or until the person's rights have been restored. Except for certain state forfeiture provisions, a court that issues such an order or that enters a judgment of conviction and that finds the subject of the order or conviction to be in possession of any firearm, offensive weapon, or ammunition shall order that such firearm, offensive weapon, or ammunition be sold or transferred by a certain date to the custody of a qualified person in this state, as determined by the court. If the court is unable to identify a qualified person, the court shall order that the firearm, offensive weapon, or ammunition be transferred to the county sheriff or a local law enforcement agency designated by the court for safekeeping until a qualified person is identified, until such order is no longer in effect, until such conviction is vacated, or until the person's rights have been restored. If the firearm, offensive weapon, or ammunition is to be transferred to the sheriff's office or a local law enforcement agency, the court shall assess the person the reasonable cost of storing the firearm, offensive weapon, or ammunition, payable to the county sheriff or the local law enforcement agency. If a firearm, offensive weapon, or ammunition has been transferred to a qualified person and the protective order is no longer in effect, the firearm, offensive weapon, or ammunition shall be returned to the person who was subject to the protective order within five days of that person's request to have the firearm, offensive weapon, or ammunition returned.

The Act defines a "misdemeanor crime of domestic violence" as an assault under Code Section 708.1, subsection 1 or 3, committed by a current or former spouse, parent, or guardian of the victim, by a person with whom the victim shares a child in common, by a person who is cohabiting with or who has cohabited with the victim as a spouse, parent, or guardian, or by a person similarly situated to a spouse, parent, or guardian of the victim.

**HOUSE FILE 426 - Reserve Peace Officers' Traffic Accidents — Reporting Requirements**

BY COMMITTEE ON PUBLIC SAFETY. This Act provides that a traffic accident involving the operation of a motor vehicle by a law enforcement officer or a reserve peace officer shall be reported to the Department of Transportation by the law enforcement officer's employer or the reserve peace officer's employer. The employer shall certify to the department whether or not the accident occurred in the line of duty while operating an official government vehicle.

**HOUSE FILE 2233 - Alcohol-Related Offenses — Expunging of Convictions**

BY COMMITTEE ON JUDICIARY. This Act modifies provisions relating to expunging the record of a conviction for public intoxication after two years. Under the Act, two years after conviction for public intoxication a person may petition the court to expunge the record of the conviction if the person has not had other criminal convictions other than simple misdemeanor violations of Code Chapter 321 during the two-year period. If the record of conviction is expunged, the Act requires the Department of Public Safety (DPS) to remove the record of conviction from the criminal history data files of the

department. Under prior law, a person was allowed to petition the court for an order exonerating the person as a matter of law.

The Act establishes a similar expungement provision for possessing, purchasing, or attempting to purchase alcohol under legal age including violations of similar local ordinances. Under the Act, two years after conviction for possessing, purchasing, or attempting to purchase alcohol under legal age or a conviction of a similar local ordinance, a person may petition the court to expunge the record of the conviction if the person has not had other criminal convictions other than local traffic violations or simple misdemeanor violations of Code Chapter 321 during the two-year period. If the record of conviction is expunged for a state violation, the Act requires DPS to remove the record of conviction from the criminal history data files of the department. The Act also provides that the expunged conviction for possessing, purchasing, or attempting to purchase alcohol or violations of a similar local ordinance shall not be considered a prior offense for purposes of enhancement under state law or under a local ordinance unless the new violation occurred prior to entry of the order of expungement.

**HOUSE FILE 2286 - Detention in a Brothel**

BY COMMITTEE ON PUBLIC SAFETY. This Act repeals the criminal offense of detention in a brothel. The offense criminalized the detention of another in a brothel by force, intimidation, false pretense, or against the will of another. A similar criminal offense exists in Code Chapter 710A (Human Trafficking).

**HOUSE FILE 2287 - Simulated Public Intoxication**

BY COMMITTEE ON PUBLIC SAFETY. This Act transfers the criminal offense of simulated public intoxication in a public place from Code Section 123.46, subsection 2, to a new subsection in Code Section 123.46. The Act does not modify the criminal penalty for simulated public intoxication. A person who commits simulated public intoxication in a public place commits a simple misdemeanor.

**HOUSE FILE 2372 - Assault Causing Serious Injury**

BY COMMITTEE ON JUDICIARY. This Act provides that a person who commits an assault without the intent to inflict serious injury, but who causes serious injury, commits a class "D" felony. The Act exempts the modified assault provision from the definition of forcible felony under Code Section 702.11. By exempting the modified

assault provision from the definition of forcible felony, a person convicted of such an offense is eligible to receive a deferred judgment or a suspended or deferred sentence under Code Section 907.3.

The Act does not modify related criminal offense provisions for unjustified acts intended to cause serious injury under Code Sections 708.2 and 708.4.

**HOUSE FILE 2374 - Serious Injury — Definition**

BY COMMITTEE ON JUDICIARY. This Act modifies the definition of "serious injury" in Code Chapters 235B (Dependent Adult Abuse Services — Information Registry), 321J (Operating While Intoxicated), and 462A (Water Navigation Regulations). The Act, by modifying the definitions of "serious injury" in the affected Code chapters, makes the definition of "serious injury" consistent with the definition of "serious injury" in Code Section 702.18, applicable to the Iowa Criminal Code.

**HOUSE FILE 2377 - Extensions of Length of Probation Periods**

BY COMMITTEE ON JUDICIARY. This Act relates to the extension of a period of probation. The Act provides that a judge may extend a period of probation for up to one year, including one year beyond the maximum period, if a violation of probation has been established.

The maximum period of probation for a misdemeanor offense is two years and for a felony offense the maximum period of probation is five years.

The Act applies to criminal offenses committed on or after July 1, 2010.

**HOUSE FILE 2392 - Abuse of a Corpse**

BY COMMITTEE ON JUDICIARY. This Act relates to the criminal offense of abuse of a corpse.

The Act transfers certain "abuse of a corpse" provisions from Code Section 709.18 to Code Chapter 708 (Assault) and creates new Code Section 708.14. The Act renames the "abuse of a corpse" offense remaining in Code Section 709.18 as "sexual abuse of a corpse."

The Act requires a person who commits sexual abuse of a corpse to register as a tier II sex offender. A tier II offender must verify the offender's relevant information with the county sheriff of the offender's principal place of residence every six months.

The Act does not modify the penalty classification for the criminal offense that remains in Code Section 709.18 or for the criminal offenses transferred to new Code Section 708.14. A person who commits a violation of the Act commits a class "D" felony.

The Act affects the criminal penalties applicable to the criminal offenses transferred to new Code Section 708.14. Under the Act, as a result of transferring the criminal offenses to new Code Section 708.14, these transferred offenses are no longer sexual offenses under Code Chapter 709 and are therefore not subject to a special sentence pursuant to Code Section 903B.2.

**HOUSE FILE 2438 - Enticing or Attempting to Entice a Minor**

BY COMMITTEE ON JUDICIARY. This Act renames the criminal offense of enticing away a minor to enticing a minor, and eliminates the provisions related to enticing "away" a minor.

The Act changes the criminal penalty for attempting to entice a person reasonably believed to be under the age of 13 with the intent to commit sexual abuse or sexual exploitation. Under the Act, the criminal penalty is changed from an aggravated misdemeanor to a class "C" felony. The penalty for enticing a minor reasonably believed to be under the age of 13 remains a class "C" felony.

The Act provides that a person who entices or attempts to entice a person reasonably believed to be under the age of 16 with the intent to commit an illegal sex act or sexual exploitation, commits a class "D" felony.

The Act provides that a person who entices a person reasonably believed to be under the age of 16 with the intent to commit an illegal act, commits a class "D" felony.

The Act provides that a person who attempts to entice a person reasonably believed to be under the age of 16 with the intent to commit an illegal act, commits an aggravated misdemeanor.

A person shall not be convicted of a violation of the Act unless the person commits an overt act evidencing a purpose to entice.

Under the Act, a person who commits enticing or attempting to entice a minor is subject to an additional special sentence pursuant to Code Chapter 903B and shall register as a sex offender for 10 years plus the length of any special sentence. However, the Act provides that a person who is guilty of attempting to entice a person reasonably believed to be under the age of 16 with the intent to commit an illegal act shall not be required to register as a sex offender under Code Chapter 692A unless the finder of fact determines that the illegal act was sexually motivated.

**HOUSE FILE 2473 - Criminal Mischief and Appearance Bonds in Criminal Proceedings**

BY COMMITTEE ON JUDICIARY. This Act relates to criminal mischief in the fourth degree and unsecured appearance bonds.

*CRIMINAL MISCHIEF FOURTH DEGREE.* A person commits criminal mischief in the fourth degree under the Act if the person intentionally injures, destroys, disturbs, or removes any monument, as defined in Code Section 355.1, that is placed on any tract of land, street, or highway, designating any point, course, or line on the boundary of the tract of land, street, or highway, and the monument was placed at such location by a licensed land surveyor or by any person directed by a licensed land surveyor. A governmental entity and employees of such an entity are exempt from prosecution under the Act for projects performed pursuant to Code Section 314.8, relating to preservation of government monuments in the course of highway construction. A licensed land surveyor and persons under the direction of the surveyor are also exempt from prosecution under the Act for removing an existing monument in order to place an upgraded or more suitable monument in the same location.

A person also commits criminal mischief in the fourth degree under the Act if the person intentionally injures, destroys, disturbs, or removes any monument that has been established by the National Geodetic Survey, Iowa Geodetic Survey, or any county geographic information system for use in the determination of spatial location relative to the specified Iowa State Plane Coordinate System or precise elevation datum. A governmental entity and employees of such an entity are exempt from prosecution under the Act for projects performed pursuant to Code Section 314.8.

A person who commits criminal mischief in the fourth degree commits a serious misdemeanor.

*UNSECURED APPEARANCE BOND.* The Act also allows the forfeiture of an unsecured appearance bond for a simple misdemeanor to be set aside upon a showing of good cause if a motion is filed within 90 days of the entry of the judgment of forfeiture. The Act limits a good cause showing to mistake, inadvertence, surprise, excusable neglect, or unavoidable casualty.



## ECONOMIC DEVELOPMENT

- [SENATE FILE 2076](#) - Economic Development — Programs and Administration
- [HOUSE FILE 2076](#) - Economic Development and Targeted Industries — Innovation Council
- [HOUSE FILE 2370](#) - Enterprise Zones — Application Deadline Extension
- [HOUSE FILE 2449](#) - Small Business Assistance for Disabled Veterans
- [HOUSE FILE 2487](#) - Recovery Zone Bonds

### RELATED LEGISLATION

- [SENATE FILE 2088](#) - State Government Reorganization  
**SEE STATE GOVERNMENT.** Divisions XXI and XXII of this Act concern economic development. Division XXI eliminates the Small Business Advisory Council and the Microenterprise Development Advisory Committee. In addition, the division eliminates the Agricultural Products Advisory Council and provides that applications for assistance under the value-added agriculture component of the Grow Iowa Values Fund, previously considered by this council, will now be considered by the Due Diligence Committee of the Economic Development Board. Division XXII transfers authority for the administration of the Shelter Assistance Fund from the Department of Economic Development to the Iowa Finance Authority. Division XXII also directs the department and the authority to conduct a joint review of the housing-related programs they currently administer, including all federal programs, and to submit a report to the Governor, the Department of Management, and the General Assembly by September 1, 2010.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
**SEE APPROPRIATIONS.** This Act includes a reduction in the appropriation made to the Grow Iowa Values Fund and related appropriations to the Department of Economic Development.
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects  
**SEE APPROPRIATIONS.** Division VIII of this Act makes changes to certain standing appropriations relating to the Grow Iowa Values Fund including appropriations from the Rebuild Iowa Infrastructure Fund. Division IX makes changes to the Small Business Linked Investments Program. Division X relates to the preparation of sites for economic development. Division XI directs the Department of Economic Development to create an Internet site that brings together all the information on financial and technical assistance the state offers to businesses. Division XII requests the Legislative Council to establish a regulatory assistance interim study committee for small businesses. Division XIII creates a Save Our Small Businesses Fund and Program effective April 26, 2010. Division XV provides for the use of funds previously allocated to the Department of Natural Resources for floodplain mapping. Division XVIII creates an Iowa Jobs II Program to assist in the development and completion of public construction projects relating to disaster prevention and authorizes the Treasurer of State to issue and sell bonds in amounts which provide aggregate net proceeds of not more than \$150 million for purposes of the Iowa Jobs II Program and for qualified state projects.
- [HOUSE FILE 2148](#) - Home Ownership Assistance Program for Military Members — Lenders  
**SEE PUBLIC DEFENSE AND VETERANS.** This Act allows persons eligible for the Home Ownership Assistance Program for Military Members to use a lender that does not participate in the Iowa Finance Authority's other programs for homebuyers if an application submitted by the lender is approved by the Iowa Finance Authority.
- [HOUSE FILE 2318](#) - City Development Board — Membership Terms  
**SEE LOCAL GOVERNMENT.** This Act amends provisions relating to the length of terms and the limitation on length of service for City Development Board members. The Act reduces the length of each term from six years to four years and eliminates the prohibition on members serving more than two complete terms. The Act takes effect March 10, 2010, and applies to appointments to the City Development Board to fill vacancies resulting from an expired term made on or after that date.

- [HOUSE FILE 2376](#) - Annexation and Severance of Property by Cities  
**SEE LOCAL GOVERNMENT.** This Act allows real property owners within the boundaries of a city to file a petition for severance with the city council if the petitioners' real property would be eligible for annexation by a different city if severed. The petition must be filed with both the city from which severance is sought and the city to which annexation is requested. The petition must then be approved by both city councils and the City Development Board. Approval by either city council may be conditioned upon a transition agreement between the cities. The City Development Board may only approve the severance and annexation requested in the petition if the board also approves the transition agreement, if applicable. The severance and annexation is not subject to approval at an election.
- [HOUSE FILE 2422](#) - Disaster Recovery Case Management  
**SEE HUMAN SERVICES.** This Act creates a Business Disaster Case Management Task Force to research disaster recovery case management assistance needed for businesses following a major disaster.
- [HOUSE FILE 2460](#) - Department of Transportation Contracts — Small or Disadvantaged Business Enterprises  
**SEE TRANSPORTATION.** This Act relates to small businesses and disadvantaged business enterprises involved with the awarding of contracts by the Department of Transportation.
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding  
**SEE APPROPRIATIONS.** This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The Act includes funding for economic development programs, including the federal Community Development Block Grant.
- [HOUSE FILE 2522](#) - Appropriations — Economic Development  
**SEE APPROPRIATIONS.** This Act makes appropriations and transfers from the General Fund of the State and other funds to the Department of Cultural Affairs, the Department of Economic Development, the University of Iowa, the University of Northern Iowa, Iowa State University, the Department of Workforce Development, and the Public Employment Relations Board for FY 2010-2011, and provides for certain related matters.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to a trade office in Taipei, Taiwan; the encouragement of projects utilizing biomass; historic preservation responsibilities of the Department of Cultural Affairs; the Council on Homelessness; and the Workforce Housing Assistance Grant Fund.

## ECONOMIC DEVELOPMENT

### **SENATE FILE 2076 - Economic Development — Programs and Administration**

BY COMMITTEE ON ECONOMIC GROWTH. This Act makes miscellaneous changes to certain economic development programs and staggers the terms served by members of the Economic Development Board.

Currently, the tax incentives for the High Quality Jobs Program do not include incentives for a business creating 31 or more jobs unless that business invests \$10 million or more. Division I of the Act adjusts the program's incentive schedule so that incentives may be provided to businesses investing less than \$10 million if such businesses create at least 16 jobs.

Division I of the Act allows students who graduated from an Iowa high school, but who now attend an institution of higher learning in another state, to participate in the Department of Economic Development's (DED) Targeted Industries Internship Program.

Currently, the State Board of Regents must prepare an annual report for the Governor, the General Assembly, DED, and the Legislative Services Agency regarding the activities, projects, and programs funded with the \$5 million received by the regents as part of the annual allocation of moneys under the Grow Iowa Values Fund. Division I of the Act directs the state board and DED to mutually agree on certain metrics and criteria for evaluating the success of the activities, projects, and programs funded with those moneys, particularly as they relate to the areas of technology commercialization, entrepreneurship, regional development, and market research.

Currently, the Economic Development Board's 15 members appointed by the Governor all serve four-year terms that expire on April 30 of the same year. Division II of the Act provides for the staggering of these terms.

The Act takes effect March 19, 2010.

### **HOUSE FILE 2076 - Economic Development and Targeted Industries — Innovation Council**

BY COMMITTEE ON ECONOMIC GROWTH. This Act establishes an Iowa Innovation Council within the Department of Economic Development (DED) and amends the duties of the Economic Development Board with regard to its report on certain targeted industries, technology commercialization, and the Iowa Innovation Council.

The Iowa Innovation Council consists of 29 voting members. Twenty of the members are selected by the Economic Development Board to serve staggered two-year terms. Of the members selected by the board, seven are representatives from businesses in the targeted industries and 13 are individuals who also serve on the Technology Commercialization Committee created in Code Section 15.116, or other committees of the board, and who have expertise with the targeted industries. At least 10 of the members selected by the board must be executives actively engaged in the management of a business in a targeted industry. The remaining nine members consist of the following: one member, selected by the Governor, who also serves on the Iowa Capital Investment Board, the director of DED or the director's designee, the chief technology officer, the chief information officer from the Department of Administrative Services, the presidents of the regents universities or their designees, and two community college presidents.

There are four legislative members — two from the Senate and two from the House of Representatives — serving on the council in a nonvoting, ex officio capacity. These four members are appointed by majority and minority leadership and there may not be more than one member from each chamber from the same political party.

The chief technology officer is the chairperson of the council and is responsible for convening meetings of the council and coordinating its activities. The council must annually elect one of the voting members to serve as vice chairperson. The chief technology officer cannot convene a meeting of the council unless the director of DED, or the director's designee, is present at the meeting.

The purpose of the council is to advise DED on the development and implementation of public policies that enhance innovation and entrepreneurship in the targeted industries, with a particular focus on the information, technology, and skills that increasingly dominate the twenty-first century economy.

The council must create a comprehensive strategic plan for implementing specific policies that further the purpose of the council; review annually all the economic development programs administered by DED and the board that relate to the targeted industries and make recommendations for adjustments that enhance efficiency and effectiveness; act as a forum where issues affecting the research community, the targeted industries, and policymakers can be discussed and addressed and where collaborative relationships can be formed; coordinate state government applications for federal funds relating to research and economic development affecting the targeted industries; and conduct industry research and draft documents that provide background information for use by the General Assembly, the Governor, DED, and other policymaking bodies within state government.

**HOUSE FILE 2370 - Enterprise Zones — Application Deadline Extension**

BY THOMAS, et al. This Act relates to the administration of the Enterprise Zone Program.

Currently, to be eligible for assistance under the Enterprise Zone Program administered by the Department of Economic Development under Code Sections 15E.192 and 15E.194, an applicant must apply by July 1, 2010. The Act extends the program application deadline to July 1, 2012.

Currently, Code Section 15E.192 also provides for a \$25 million limit on the amount of assistance provided to certain transportation enterprise zones for the fiscal period beginning July 1, 2007, and ending June 30, 2010. In 2009, the General Assembly placed the Enterprise Zone Program under an aggregate tax credit limit pursuant to Code Section 15.119, which applies to assistance granted under the program through July 1, 2012, so the Act removes the fiscal period limitation language.

**HOUSE FILE 2449 - Small Business Assistance for Disabled Veterans**

BY COMMITTEE ON ECONOMIC GROWTH. This Act directs the Department of Economic Development to encourage and assist small businesses owned and operated by disabled veterans to obtain state contracts.

**HOUSE FILE 2487 - Recovery Zone Bonds**

BY COMMITTEE ON REBUILD IOWA AND DISASTER RECOVERY. This Act relates to the issuance of recovery zone bonds authorized under the federal American Recovery and Reinvestment Act of 2009. The Act requires the Iowa Finance Authority (IFA) to provide written notice to each county and large municipality, as defined in the Act, of the amount of the recovery zone bond allocation designated for each county and large municipality.

The Act establishes reporting requirements for each county or large municipality relating to the issuance of recovery zone bonds, and establishes requirements and a timeline for the waiver of recovery zone bond allocations and the recapture and reallocation of recovery zone bond allocations.

The Act requires IFA to promulgate rules to implement the Act, including any rules necessary to assure compliance with federal laws relating to the issuance of recovery zone bonds.

The Act takes effect April 7, 2010.

**EDUCATION**

- [SENATE FILE 2033](#) - Lowest-Achieving, Charter, and Innovation Zone Schools
- [SENATE FILE 2045](#) - School Finance — Allowable Growth
- [SENATE FILE 2046](#) - School Finance — Categorical Allowable Growth
- [SENATE FILE 2178](#) - School Textbooks and Electronic or Other Personal Portable Computing Devices
- [SENATE FILE 2289](#) - School District Deaccreditation
- [SENATE FILE 2291](#) - Special Education
- [HOUSE FILE 2030](#) - School Finance and Cash Flow — School Budget Review Committee
- [HOUSE FILE 2295](#) - Area Education Agencies — Task Force
- [HOUSE FILE 2432](#) - Minority Teacher Recruitment Study
- [HOUSE FILE 2461](#) - School Business Official Training and Authorization

**RELATED LEGISLATION**

- [SENATE FILE 2088](#) - State Government Reorganization  
*SEE STATE GOVERNMENT.* Divisions VI, XXIII, XXV, XXVI, XXVII, and XXVIII of this Act concern education. Division VI requires the State Board of Regents and its institutions to coordinate interagency cooperation with state agencies in the area of purchasing and information technology, with the goal of annually increasing the amount of joint purchasing. The state board and its institutions are directed to engage Department of Administrative Services, the Chief Information Officer of the state, and other state agencies authorized to purchase goods and services in pursuing mutually beneficial activities relating to purchasing items and acquiring information technology. Division XXIII of this Act amends Code sections relating to area education agencies, repeals the Code chapter creating the Iowa Learning Technology Initiative, and eliminates the Council for Agricultural Education. Division XXV relates to community college accreditation. Division XXVI requires the College Student Aid Commission to post an application for registration of a postsecondary school on its Internet site. The Code section requiring the commission to establish an advisory committee on postsecondary registration to review and make recommendations relating to applications is repealed. Division XXVII eliminates the medical library and the position of medical librarian, makes conforming changes, and takes effect March 10, 2010. Division XXVIII amends Code Chapter 336, which provides for the establishment of library districts.
  
- [SENATE FILE 2194](#) - Elections and Voter Registration  
*SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.* This Act makes technical changes to the laws relating to school district and merged area elections. Code Section 47.6 is amended to change the deadline for schools to deliver the full text of a public measure to the county commissioner. The current deadline of 32 days before the election is changed to 46 days before the election. The amendment applies to elections held on or after May 15, 2010. Code Section 48A.5 is amended to specify that voter registrants who will be 18 years of age by the date of a pending election may request and cast an absentee ballot for that election. The amendment takes effect March 10, 2010. Code Section 260C.13 is amended to provide that director districts for a merged area board shall be drawn after each federal decennial census regardless of whether changes in population have taken place. Code Section 260C.13 is also amended to specify that a city shall not be divided into two or more merged area director districts unless the population of that portion of the city within a merged area is greater than the ideal population for the district. A corresponding amendment is made to Code Section 275.23A, relating to the drawing of boundaries for school district director districts. Code Section 260C.15 changes from 65 days to 64 days the deadline for filing nomination petitions for a candidate for a member of a merged area board of directors. Code Section 275.37A is amended to change the transition provisions when a school district changes its board of directors representation from a seven-member board to a five-member board. Code Section 279.1 is amended to provide that the term of president of a school

district board of directors is for one year. Code Section 279.7, relating to vacancies on a school district board of directors, is amended to provide that deadlines for filling the vacancy begin running from the day following the day the vacancy becomes known by the board or the secretary, rather than the day the vacancy occurs. Code Section 298.2 is amended to specify that the proposition to approve a physical plant and equipment levy may be submitted on one of the special election dates prescribed by law for schools.

[SENATE FILE 2196](#) - Administration of Elections  
**SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.** This Act makes changes relating to the policy administration of the election laws by the Secretary of State. Code Section 260C.15 is amended to establish a procedure for objections to the nomination petition or eligibility of a candidate for member of the board of directors of a merged area.

[SENATE FILE 2274](#) - National Security and Military Education Benefits and Programs  
**SEE PUBLIC DEFENSE AND VETERANS.** This Act provides education-related benefits for military persons and veterans, and certain registration, tuition, and fee options for postsecondary students who are spouses of guard members or reservists ordered to service. The Act also directs the Department of Education to work with the State Board of Regents to convene a working group to explore the possibility of participating in a federal program whose goal is to build a broad pool of internationally competent individuals who are available for recruitment into the federal national security community, and directs the Department of Veterans Affairs to conduct a study of the need to provide greater undergraduate benefits for veterans and their dependents.

[SENATE FILE 2340](#) - Substantive Code Corrections  
**SEE STATE GOVERNMENT.** This Act contains statutory corrections that adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities in provisions relating to school district food purchases for federal school meal programs; the Math and Science Grant Program; public broadcasting division governance standards; child development services grants; special education; Early Intervention Block Grant Program expenditures; charter schools; Research and Development School Advisory Council membership; gifted and talented children; use of competent private instruction weighted enrollment revenue; apprenticeship programs; accreditation of community college programs; University of Iowa hospital reporting; school textbooks and supplies; reorganization of school districts; community education programs; teacher contracts and remuneration; vocational agricultural education; school tuition fees; whole grade sharing; and open enrollment. The repeal of Code Section 294A.22, relating to the payments for the former Educational Excellence Program, takes effect March 19, 2010, and applies retroactively to July 1, 2009.

[SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
**SEE APPROPRIATIONS.** This Act includes supplemental appropriations for various education and higher education programs to restore all or a portion of the reduction made by the Governor's order making uniform reductions in appropriations, and

provides authorization for the Department of Administrative Services in making payments to setoff for liabilities owed to community colleges.

- [SENATE FILE 2376](#) - Appropriations — Education  
**SEE APPROPRIATIONS.** This Act appropriates moneys for FY 2010-2011 from the General Fund of the State to the Department for the Blind, the College Student Aid Commission, the Department of Education, and the State Board of Regents and its institutions; and from the Iowa Comprehensive Petroleum Underground Storage Tank Fund for the regents universities and the Iowa School for the Deaf and the Iowa Braille and Sight Saving School. The Act also makes a number of changes to statutory education law.
- [SENATE FILE 2384](#) - Nursing Workforce — Information and Incentives  
**SEE HEALTH AND SAFETY.** This Act includes provisions relating to the nursing workforce. Two accounts are added to the existing Health Care Workforce Shortage Fund: the Iowa Needs Nurses Now Infrastructure Account and the Nurse Residency State Matching Grants Program Account. The Act changes the name of the Nursing Workforce Shortage Initiative within the Health Care Workforce Support Initiative to the Iowa Needs Nurses Now Initiative and makes a similar change to the name of the account for the initiative. The Act also requires the College Student Aid Commission, which currently controls the Iowa Needs Nurses Now Initiative, to consult with the Iowa Board of Nursing, the Department of Education, and the Iowa Nurses Association in adopting rules for the initiative and distributing funds. The Act adds two programs to the Iowa Needs Nurses Now Initiative: the Nurse Educator Scholarship Program and the Nurse Educator Scholarship-in-Exchange-for-Service Program. Implementation of the Act is subject to the extent funding is available.
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects  
**SEE APPROPRIATIONS.** This Act makes appropriations to state departments and agencies, including the State Board of Regents, from various funds. Division XIV provides for the establishment of an interim study by the Legislative Council to study the use of alternative project delivery for public projects at institutions under the control of the State Board of Regents.
- [HOUSE FILE 823](#) - Environmentally Preferable Cleaning and Maintenance Policy for State and Public Education Facilities  
**SEE ENVIRONMENTAL PROTECTION.** This Act requires school districts, community colleges, regents institutions, and state agencies utilizing state buildings, to conduct an evaluation and assessment regarding implementation of an environmentally preferable cleaning policy. On or after July 1, 2012, the Act requires state agencies to purchase only cleaning and maintenance products identified by the Department of Administrative Services as being environmentally preferable cleaning and maintenance products or that meet nationally recognized standards, and also applies this requirement to school districts, community colleges, and regents institutions, unless they opt out of compliance.
- [HOUSE FILE 2144](#) - Public Health — Miscellaneous Activities and Regulations  
**SEE HEALTH AND SAFETY.** This Act pertains to activities under the purview of the Department of Public Health (DPH), and provides that if a public health disaster exists, DPH, in conjunction with the Department of Education, may order temporary closure of any public school or nonpublic school, to prevent or control the transmission of a communicable disease; amends the timeframes for an elementary school child to have a required dental screening and the timeframe for students enrolled in high school to have a required dental screening; and amends the annual date, from June 30 to May

31, by which each school board shall furnish DPH with evidence that each student enrolled in the local board's jurisdiction has met the dental screening requirements.

- [HOUSE FILE 2466](#) - Driver Education Instructor Qualifications  
**SEE TRANSPORTATION.** This Act relates to requirements for individuals who provide classroom and street and highway driving instruction. The Act takes effect March 19, 2010.
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding  
**SEE APPROPRIATIONS.** This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011, including funding made available to the state for a number of education programs. Significant ARRA funding is appropriated in place of state funding providing aid for education.
- [HOUSE FILE 2525](#) - Appropriations — Agriculture and Natural Resources  
**SEE APPROPRIATIONS.** This Act relates to agriculture and natural resources, and includes a provision making an appropriation to Iowa State University for use in supporting the College of Veterinary Medicine for the operation of the Veterinary Diagnostic Laboratory.
- [HOUSE FILE 2526](#) - Appropriations — Health and Human Services  
**SEE APPROPRIATIONS.** This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes numerous provisions involving children, including funding for child care programs and training associated with community empowerment areas and early education.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division II of the Act limits, revises, and supplements various education appropriations. Division VII relates to a study of the Iowa Braille and Sight Saving School, provides a waiver for the required percentage of School Ready Children Grant funding committed to family support, establishes certain informational requirements for annual reports filed by school districts with the Department of Education, and provides for the payment of dues for the Midwestern Higher Education Compact.

## EDUCATION

### **SENATE FILE 2033 - Lowest-Achieving, Charter, and Innovation Zone Schools**

BY COMMITTEE ON EDUCATION. This Act relates to the approval and revocation of charter schools, the establishment of innovation zone schools by a consortium of two or more school districts and an area education agency, and provides for the implementation of interventions for the state's lowest-achieving public schools.

*PERSISTENTLY LOWEST-ACHIEVING SCHOOLS.* The Director of the Department of Education must require a school district that has one or more attendance centers identified by the department as a persistently lowest-achieving school to implement one or more of the four interventions mandated by the U.S. Department of Education. The school district and the employee organization representing the school district's teachers must meet at reasonable times to negotiate a memorandum of understanding (MOU) that contains an agreement on the specific intervention to be implemented and a provision stating that the terms of any collective bargaining agreement between the parties shall remain in effect and unaltered except as specifically agreed to in the MOU. If the parties are unable to reach an agreement within 45 days, they must select an impartial and disinterested person to serve as a mediator, who shall not compel the parties to agree. If mediation fails after 30 days, the school district shall not receive any federal school improvement funds for the attendance center identified as a persistently lowest-achieving school. The MOU remains in effect for the period of time that an attendance center is identified as a persistently lowest-achieving school unless a duration period is included in the MOU or the parties mutually agree to amend the MOU.

*CHARTER SCHOOLS.* The Act eliminates references to the pilot program status of the state's charter school law; eliminates a limitation on the number of charter schools the State Board of Education may approve for operation; adds a factor for which a charter school contract may be revoked; and eliminates the future repeal of Code Chapter 256F, which provides for the creation or conversion of charter schools by school districts. The additional factor for which the state board or a school board may revoke a charter school contract is when an assessment of student progress administered in accordance with state and locally determined indicators does not show improvement in student progress over that which existed in the same student population prior to establishment of the charter school. House File 2531 (see Appropriations) includes conforming amendments.

*INNOVATION ZONES.* The Act provides for the establishment of innovation zone schools by two or more school districts and an area education agency as part of the state's program of public education. The purpose of an innovation zone school is to improve student learning. Like charter schools, an innovation zone school is not required to comply with state statutes, rules, or regulations applicable to a school, a school board, or a school district, except those relating to applicable federal, state, and local health and safety requirements; civil and human rights; financial audit requirements; collective bargaining and practitioner contracts; professional development and practitioner evaluation; special education; transportation of students; comprehensive school improvement plan requirements; and core curriculum and core content standards requirements. Innovation zone schools are subject to the same general operating; contract; renewal and revocation, including student progress assessment; and report requirements as charter schools.

### **SENATE FILE 2045 - School Finance — Allowable Growth**

BY COMMITTEE ON EDUCATION. This Act delays establishing the state percent of growth under the State School Foundation Program for the budget year beginning July 1, 2011, until within 30 days after the submission of the Governor's budget for the fiscal year beginning July 1, 2011.

The Act takes effect January 20, 2010.

### **SENATE FILE 2046 - School Finance — Categorical Allowable Growth**

BY COMMITTEE ON EDUCATION. This Act delays establishing the categorical state percent of growth under the State School Foundation Program for the budget year beginning July 1, 2011, until within 30 days after the submission of the Governor's budget for the fiscal year beginning July 1, 2011.

The Act takes effect January 20, 2010.

### **SENATE FILE 2178 - School Textbooks and Electronic or Other Personal Portable Computing Devices**

BY COMMITTEE ON EDUCATION. This Act relates to the use of state funds allocated to school districts for purposes of making textbooks available to accredited nonpublic school pupils. Currently, the definition of textbooks is limited to books, supplementary instructional materials, and electronic textbooks, including but not limited to computer software. The Act

expands the definition to include laptop computers or other portable personal computing devices which are used for nonreligious instructional use only.

**SENATE FILE 2289 - School District Deaccreditation**

BY COMMITTEE ON EDUCATION. This Act amends Code language to provide a process for the deaccreditation of school districts and nonpublic schools.

The Director of the Department of Education is authorized to order that the positive fund balances held by a deaccredited school district be transferred to the district's general fund if the district's general fund has a negative fund balance. Code language that permitted the State Board of Education to decide whether or not to require payment of tuition for a deaccredited school district's students is stricken. The Act also eliminates references to "nonaccredited," "merge," and "removal of accreditation" and refers instead to "deaccreditation" of a school district or nonpublic school.

If a school district whose accreditation was removed by action of the State Board of Education effective July 1, 2008, had a negative fund balance in its general fund at the time its accreditation was removed, the director is authorized to and shall by August 1, 2010, approve the transfer of any positive balance from one or more funds of the school district to the school district's general fund. The only school district to meet this criteria is the Russell School District. The school board of the district to which the former school district's territory was merged is exempt from any liability resulting from the transfer if the school board, within 30 days of the date the director takes action to transfer the funds, adopts a resolution to accept the action taken by the director. On the date on which the director approves the transfer of funds, the department must provide notice of the director's approval of the funds transfer to the affected school boards and shall transmit to the state board a record of the director's approval of the funds transfer. The provisions providing for authorization and validation of fund transfers take effect March 19, 2010.

**SENATE FILE 2291 - Special Education**

BY COMMITTEE ON EDUCATION. This Act makes Code changes related to special education rights, duties, and responsibilities.

The Act amends Code Section 256B.2 to add to the definition of "children requiring special education" a provision allowing such a child who reaches age 21 during an academic year to elect to continue to receive special education services until the academic year ends. Also, when a child requiring special education attains the age of majority or is incarcerated in a correctional institution, the rights of the child's parent or guardian transfer to the child, and any notice to that child's parent or guardian must also be provided to the child. If the child is determined to be incompetent, these rights shall be exercised by the person appointed to represent the educational interests of the child.

The Director of the Department of Education may establish standards and procedures for determining whether a public agency is competent to determine whether a child is unable to provide informed educational consent, and may authorize an area education agency (AEA) to submit a statement assuring its special education instruction and support program plan meets the specific requirements established in Code, rather than require the agency to submit the actual plan to the department for approval.

AEAs are directed to transfer to the Department of Human Services, rather than the Department of Education as provided in current law, an amount equal to the nonfederal share of the payments to be received from the Medical Assistance Program, rather than 84 percent as provided in current law, of payments received for medical assistance services provided to children requiring special education.

A pupil who is eligible for special education weighting is not also eligible for supplementary weighting unless the course generating the supplementary weighting has no relationship to the pupil's disability.

The Department of Education's Division of Special Education is directed to submit copies of all reports it provides to the U.S. Department of Education under Part B of the federal Individuals with Disabilities Education Act, including but not limited to any report concerning disproportionate representation in special education based on race or ethnicity, to the General Assembly on the date each such report is provided to the U.S. Department of Education.

**HOUSE FILE 2030 - School Finance and Cash Flow — School Budget Review Committee**

BY COMMITTEE ON EDUCATION. This Act requires the School Budget Review Committee to review the amount of a school district's unexpended fund balance prior to making any decision regarding unusual financial circumstances affecting the district and prior to making any decision about increasing the district's modified allowable growth. If the School Budget

Review Committee determines the school district's unexpended fund balance is excessive, the school district may be required to use those funds prior to levying additional property taxes. The Act defines "unexpended fund balance" as a district's unreserved and undesignated fund balances.

The Act also changes the Director of the Department of Education from a voting member to an ex officio, nonvoting member of the School Budget Review Committee and adds to the committee a fourth Governor-appointed voting member who is knowledgeable in the areas of school finance or public finance issues. The Act provides for emergency rules to implement the provisions of the Act.

The Act takes effect January 20, 2010.

**HOUSE FILE 2295 - Area Education Agencies — Task Force**

BY COMMITTEE ON EDUCATION. This Act establishes a task force to review the present mission, structure, governance, and funding of the area education agency (AEA) system to determine if the current model is applicable to the challenges and requirements of 21st century learning. Senate File 2376 (see Appropriations) amends this Act to require the task force to review how AEA administrative services are funded and the percentages of state, federal, and local moneys used to pay for administrative services and salaries, the services provided by AEAs, the number of students served by each AEA, and the funding options for AEAs subject to across-the-board cuts ordered in 2009 by the Governor pursuant to Executive Order Number 19.

The task force membership must be comprised of education stakeholders and consumers of AEA services, including the Department of Education, AEAs, the Iowa Association of School Boards, the Iowa State Education Association, the School Administrators of Iowa, accredited nonpublic schools, a parent or guardian of a child receiving special education services, and the chairpersons and ranking members of the Senate and House standing committees on Education. The task force must submit a report to the General Assembly by December 15, 2010.

**HOUSE FILE 2432 - Minority Teacher Recruitment Study**

BY COMMITTEE ON EDUCATION. This Act requires representatives of the Department of Education, area education agencies, and public and private colleges and universities to study opportunities for the recruitment and retention of racial and ethnic minority teachers. The representatives have three specific issues to examine: encouraging racial and ethnic minority high school students to enter the teaching profession, recruiting interested racial and ethnic minority students into Iowa post-secondary teacher preparatory programs, and encouraging racial and ethnic minority teachers to continue their careers as school administrators in the state. The representatives must report their findings to the General Assembly by January 10, 2011.

**HOUSE FILE 2461 - School Business Official Training and Authorization**

BY COMMITTEE ON EDUCATION. This Act directs the State Board of Education to set standards and procedures for the approval of training programs for individuals who seek an authorization issued by the Board of Educational Examiners (BOEE) for employment as school business officials responsible for the financial operations of school districts, requires the BOEE to adopt rules for the issuance of a school business official authorization to an individual who successfully completes a program that meets the state board's standards and who complies with the BOEE's rules, and directs the Department of Education, in consultation with the BOEE, to convene a school business official training program and authorization advisory committee.

A person hired on or after July 1, 2012, as a school business official who does not have prior experience as a school business official in Iowa must hold the school business official authorization issued by the BOEE or obtain the authorization within two years of the starting employment date. An individual employed as a school business official prior to July 1, 2012, who meets BOEE requirements other than the training program requirements, must be issued, with no fee for issuance (as amended by S.F. 2376, see Appropriations), an initial authorization by the BOEE, but the individual must meet the board's renewal requirements by the time specified by the board.

The state board must work with higher education institutions to ensure that the training programs are offered throughout the state at convenient times and reasonable costs.

The advisory committee is charged with determining the standards and procedures, content, and processes of training programs for individuals who seek an authorization issued by the BOEE. The advisory committee is comprised of representatives of the Iowa Association of School Business Officials; individuals holding financial leadership roles in large, medium, and small school districts; and a public member of the School Budget Review Committee. The advisory committee

must submit a report to the state board and to the BOEE by December 31, 2010.

## ELECTIONS, ETHICS, AND CAMPAIGN FINANCE

- [SENATE FILE 2067](#) - Ethics — Additional Miscellaneous Changes
- [SENATE FILE 2128](#) - Campaign Finance Reporting Requirements — Electronic Format
- [SENATE FILE 2194](#) - Elections and Voter Registration
- [SENATE FILE 2195](#) - Campaign Finance Regulation and Reporting
- [SENATE FILE 2196](#) - Administration of Elections
- [SENATE FILE 2218](#) - Elections — Double Election Boards and Automatic Tabulating Equipment
- [SENATE FILE 2354](#) - Campaign Finance — Contributions, Independent Expenditures, and Attribution Statements
- [HOUSE FILE 2109](#) - Ethics — Miscellaneous Changes

### RELATED LEGISLATION

- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to public library property tax levy voting dates.



## ELECTIONS, ETHICS, AND CAMPAIGN FINANCE

### [SENATE FILE 2067](#) - Ethics — Additional Miscellaneous Changes

BY COMMITTEE ON STATE GOVERNMENT. This Act relates to ethics regulations for the executive branch, legislative branch, and local officials and employees.

The Act adds an opinion of the Ethics and Campaign Disclosure Board to the list of exceptions that are not considered an administrative rule under the definition of "rule" as defined in Code Chapter 17A.

Previously, there were restrictions on the ability of an official, a state employee, a member of the General Assembly, or a legislative employee to sell goods or services of a certain value to any state agency unless the sale was made pursuant to an award or contract let after public notice and competitive bidding. The Act provides that an official, a state employee, a member of the General Assembly, or a legislative employee may sell such goods or services if the sale is conducted as part of the official duties of the person. The Act also provides that an official or an employee of the executive branch making such a sale shall file a report with the Ethics and Campaign Disclosure Board within 20 days of making the sale.

The Act provides that the Ethics and Campaign Disclosure Board shall receive all registrations and reports required to be filed with the board under Code Chapter 68B and Code Section 8.7. The Act provides that the board, under its own motion, may initiate action, conduct hearings, impose sanctions, and order administrative resolutions relating to reporting requirements.

The Act allows the Ethics and Campaign Disclosure Board to impose penalties upon, or refer matters relating to, persons who provide false information to the board during a board investigation of a potential violation. The board is given rulemaking authority to administer this penalty provision.

The Act takes effect March 19, 2010.

### [SENATE FILE 2128](#) - Campaign Finance Reporting Requirements — Electronic Format

BY COMMITTEE ON STATE GOVERNMENT. This Act relates to campaign finance filing requirements.

The Act makes changes relating to electronic filing of campaign finance statements and reports. It transfers current language codified as Code Section 68A.201(5) and recodifies it as separate Code Section 68A.201A, requiring that contributions in excess of \$50 from federal and out-of-state committees or organizations be disclosed to the Iowa Ethics and Campaign Disclosure Board. Effective January 1, 2011, the disclosure shall be filed in an electronic format.

Under current law, effective January 1, 2010, all statements and reports filed by new committees for state office must be filed electronically. Effective January 1, 2012, all statements and reports filed by all committees for state office must be filed electronically. Commencing May 1, 2010, this requirement will also apply to a state statutory political committee and to a political committee expressly advocating for or against the nomination, election, or defeat of a candidate for statewide office or the General Assembly. The Act provides that, commencing January 1, 2011, a county statutory political committee and any other candidate or committee involved in a county, city, school, or other political subdivision election that accepts monetary or in-kind contributions in excess of \$2,000 or incurs indebtedness in excess of \$2,000 in the aggregate in a calendar year or makes expenditures in excess of \$2,000 in a calendar year to expressly advocate for or against a clearly identified candidate or ballot issue shall file all statements and reports in an electronic format until being certified as dissolved.

### [SENATE FILE 2194](#) - Elections and Voter Registration

BY COMMITTEE ON STATE GOVERNMENT. This Act makes technical changes to the laws relating to elections and voter registration.

Code Section 43.4 is amended to change from 14 days to 60 days the time period by which certain information must be certified to the county commissioner after a political party precinct caucus.

Code Section 43.30, relating to sample ballots for a primary election, is amended to remove the requirement that the words "sample ballot" be printed in red ink on the ballots and instead requires only that the ballots be clearly marked as sample ballots. The Code section is also amended to remove the requirement that sample ballots contain the signature of the county commissioner of elections. The amendment applies to elections held on or after May 15, 2010.

Code Section 43.38, relating to marking and returning ballots, is amended to provide that primary election ballots shall be marked and returned in the same manner as for other elections. The amendment applies to elections held on or after May 15, 2010.

Code Sections 43.43 and 49.77 are amended to provide that it is optional for a voter to include the voter's telephone number on a declaration of eligibility signed by the voter.

Code Section 43.45 is amended to remove a reference to the use of conventional paper ballots in a primary election, which, under current law, is no longer allowed. The amendment applies to elections held on or after May 15, 2010.

Code Section 43.46 is amended to delete the requirement that primary election ballots be delivered to the board of supervisors during the canvass of the election.

Currently, a write-in candidate receiving less than 2 percent of the votes cast in a primary election is included on the abstract of votes under the collective heading "scattering." Code Section 43.49 is amended to increase that percentage threshold to less than 5 percent of the votes received as is the case for write-in candidates for other elections under Code Section 50.24. The Code section is also amended to strike the requirement that the abstract of votes state its required information in "words written at length." The amendment applies to elections held on or after May 15, 2010.

Code Sections 43.61 and 43.72, relating to preservation of original returns and abstracts of votes for a primary election, are amended to remove references to "election book" while retaining the requirement that the information be preserved by the applicable commissioner of elections. Code Section 43.72 is further amended to authorize the State Commissioner of Elections to preserve the abstracts in an electronic format. The amendments to Code Sections 43.61 and 43.72 apply to elections held on or after May 15, 2010.

Code Section 47.6 is amended to change the deadline for cities, counties, and schools to deliver the full text of a public measure to the county commissioner. The current deadline of 32 days before the election is changed to 46 days before the election. This change is also made to Code Sections 357J.16 and 384.12, relating to emergency response districts and a city's supplemental levy, respectively. The amendments apply to elections held on or after May 15, 2010.

Code Section 48A.5 is amended to specify that voter registrants who will be 18 years of age by the date of a pending election may request and cast an absentee ballot for that election. The amendment applies to elections held on or after May 15, 2010.

Code Section 48A.27 is amended to require that changes to a voter registration record be signed by the registered voter. The Code section is further amended to provide that such change may be submitted to the commissioner in person, by mail, by facsimile, or by electronic mail.

Code Section 49.3 is amended to add the requirement that election precincts be named or numbered by the entity redrawing the districts.

Code Section 49.13 is amended to specify that political party balance among precinct election officials is required for elections in which a partisan office is on the ballot.

Code Section 49.26 is amended to provide that the use of conventional paper ballots at certain elections that the county commissioner of elections has determined will have low voter turnout is discretionary with the commissioner. Under current law, if the county commissioner makes such a determination, the use of conventional paper ballots is required. The Code section is also amended to require the county commissioner, when using conventional paper ballots in an election, to use ballots and instructions similar to those used at elections using automatic tabulating equipment (i.e., optical scan equipment). The amendment applies to elections held on or after May 15, 2010.

Code Section 49.30 is amended to strike the requirement that when conventional paper ballots are used for an election, separate ballots must be used for certain offices and public measures.

Code Section 49.70 is amended to strike the requirement that instructions addressing the rights of voters be titled "Rights of Voters," and that instructions relative to voting be titled "Instructions for Voting." The amendment applies to elections held on or after May 15, 2010.

Code Section 49.77 is amended to add to the list of persons who may view the roster of voters who have signed declarations of eligibility at the polling place those persons who have filed a notice of intent to be present at the polling place as an

observer with an interest in a public measure on the ballot if the election is not a primary or general election.

Code Section 49.79 is amended to provide that a registered voter, other than a precinct election official, challenging a prospective voter must use the challenge form prescribed by the State Commissioner of Elections. The amendment applies to elections held on or after May 15, 2010.

Code Section 50.19 is amended to specify that both the tally lists and the abstracts of votes shall be preserved by the commissioner after an election if such records have not been electronically recorded.

Code Section 50.24 is amended to provide that the election canvass summary prepared by the county commissioner shall not include overvotes and undervotes if conventional paper ballots are used in the election. The Code section is also amended to strike the requirement that the board of supervisors, when canvassing an election, prepare a certificate showing the total number of people who cast ballots in the election.

Code Section 50.30A is amended to require the county commissioner to forward to the State Commissioner of Elections a copy of the election canvass summary report within 13 days of a special election to fill a vacancy in the office of representative in the United States Congress or senator or representative in the General Assembly.

Code Section 50.46 provides that when an election is to fill a vacancy in the office of representative in the United States Congress or senator or representative in the General Assembly, the election shall be canvassed on the second day following the election. If the second day after the election is a public holiday, then the canvass will take place on the next following day that is not a public holiday.

Code Section 53.2 is amended to allow the county commissioner to update a voter's identification number if the voter includes it on an absentee ballot request. The amendment applies to elections held on or after May 15, 2010.

Code Sections 53.39 and 53.40, relating to absentee voting by overseas and military persons, are amended to conform to changes in federal law relating to military voters. Code Section 53.39 is amended to provide that primary and general election ballots mailed to overseas and military voters must be printed and available for sending at least 45 days before the respective elections. Code Section 53.40 is amended to provide that a written request for absentee ballots shall be for one calendar year rather than two general election cycles. The amendments to Code Sections 53.39 and 53.40 apply to elections held on or after May 15, 2010.

Code Section 260C.13 is amended to provide that director districts for a merged area board shall be drawn after each federal decennial census regardless of whether changes in population have taken place. The Code section is also amended to specify that a city shall not be divided into two or more merged area director districts unless the population of that portion of the city within a merged area is greater than the ideal population for the district. A corresponding amendment is made to Code Section 275.23A, relating to the drawing of boundaries for school district director districts.

Code Section 260C.15 changes from 65 days to 64 days the deadline for filing nomination petitions for a candidate for a member of a merged area board of directors.

Code Section 275.37A is amended to change the transition provisions when a school district changes its board of directors representation from a seven-member board to a five-member board.

Code Section 279.1 is amended to provide that the term of president of a school district board of directors is for one year.

Code Section 279.7, relating to vacancies on a school district board of directors, is amended to provide that deadlines for filling the vacancy begin running from the day following the day the vacancy becomes known by the board or the secretary, rather than the day the vacancy occurs.

Code Section 298.2 is amended to specify that the proposition to approve a physical plant and equipment levy (PPEL) may be submitted on one of the special election dates prescribed by law for schools.

Code Section 331.207, relating to changes in county supervisor representation plans, is amended to provide that the special election on changing the plan shall be held on the first Tuesday in August of the odd-numbered year, and if a plan is approved that requires drawing supervisor districts, districts shall be drawn no later than November 1 following the election.

Code Section 331.425 is amended to provide that the canvass of a county special levy election or the canvass of an election to

approve a city supplemental levy shall be held no earlier than 1:00 p.m. on the second day that is not a holiday following the election.

Code Sections 331.501, 331.551, 331.601, and 331.751, relating to the offices of county auditor, county treasurer, county recorder, and county attorney, respectively, are amended to specify that when a vacancy in office occurs, a successor shall be elected or appointed as provided in Code Chapter 69.

Code Section 359.11 is amended to change the transition provisions for election of township officers when a new township is formed.

Code Section 376.4 is amended to specify that nomination petitions for city office may only be delivered by the city clerk to the commissioner of elections on the day following the deadline for filing nomination petitions with the city clerk.

Code Section 376.7 is amended to specify that for each office on a city primary election ballot, a voter may only vote for the number of persons to be elected to that office at the regular city election.

Code Section 376.9 is amended to provide that the canvass of a regular city election for a city that has a runoff election shall be held no earlier than 1:00 p.m. on the second day following the regular city election.

Code Section 376.11 is amended to specify that if a person elected by write-in votes resigns following the election, and there is more than one person who received the next highest number of votes in city elections in which there were only write-in votes, "the next highest vote getter" shall be determined by lot, as is already provided in Code Section 50.44.

**SENATE FILE 2195 - Campaign Finance Regulation and Reporting**

BY COMMITTEE ON STATE GOVERNMENT. This Act makes a number of changes to Code Chapter 68A relating to campaign finance requirements and reporting. The Act revises the definition of "political committee" to include any corporation, government or governmental subdivision or agency, business trust, estate, trust, partnership or association, labor union, or any other legal entity which accepts contributions, makes expenditures, or incurs indebtedness in excess of \$750 in any one calendar year, to expressly advocate that an individual should or should not seek election to a public office prior to the individual becoming a candidate.

Code Section 68A.202, subsection 2, currently provides that a political action committee (PAC) cannot expressly advocate the nomination, election, or defeat of only one candidate for office, but a PAC may be established to expressly advocate the passage or defeat of approval of a single judge standing for retention. The Act amends this Code section to apply the prohibition against advocacy only to actual candidates for election as defined in Code Section 68A.102.

The Act provides the Ethics and Campaign Finance Disclosure Board with rulemaking authority to define the term "fair market value" as that term relates to the disposition of campaign property.

The Act provides that only a candidate actually participating in a runoff election is required to file a report five days before the runoff election.

Code Section 68A.402 in part requires that permanent organizations temporarily engaging in certain political activity shall organize a political committee. The Act provides that contributions to any committee constitutes political activity and must be reported.

Code Section 68A.503 prohibits the owner, publisher, or editor of a sham newspaper from using the sham newspaper to promote that person's own candidacy for public office. The Act extends that prohibition to include the candidacy of any person.

**SENATE FILE 2196 - Administration of Elections**

BY COMMITTEE ON STATE GOVERNMENT. This Act makes changes relating to the policy administration of the election laws by the Secretary of State.

Code Section 49.4, relating to the drawing of election precincts, is amended to specify that the requirement that election precincts be composed of contiguous territory within a single county, the boundaries of which are to follow the boundaries of census tracts, takes precedence over the requirement that townships of over 2,000 population be divided into precincts of "reasonably equal" population.

Code Section 49.8 provides exceptions to the limitation that election precincts be redrawn or changed only in the year following the federal decennial census. The Code section is amended to provide that a city may revise its precinct boundaries if there are revisions to the city's population data certified by the U.S. Census Bureau. If such revised population data affects the population equality of supervisor districts, the temporary county redistricting commission shall be reconvened to revise the boundaries of those districts.

Code Section 49.13 is amended to authorize the county commissioner of elections, when appointing an election board panel for nonpartisan elections, to give preference to persons identified by a city or school district as willing to serve without pay. This provision takes effect March 3, 2010.

Code Section 49.14 is amended to allow for the substitution of a precinct chairperson during the course of the election day and to allow for the substitution of an election official from a political party other than that of the official vacating if such substitution would not cause the political party balance among the precinct election officials to be out of compliance with statutory requirements. This provision takes effect March 3, 2010.

Code Section 49.15 is amended to provide that the city council of any city may notify the county commissioner of elections of persons in the city willing to serve on precinct election boards at a city election without pay. This provision takes effect March 3, 2010.

Code Section 51.11, relating to double counting election boards appointed by the county commissioner of elections for each election in which a high voter turnout is anticipated, is amended to include observers appointed to observe at the polling place as persons who may be admitted to the room to witness the counting of ballots. Note: Code Chapter 51 is repealed by S.F. 2218.

Code Section 53.19 prescribes procedures to be followed on election day regarding persons who requested to vote absentee for that election. The Act provides that a person who received an absentee ballot and who did not surrender the ballot at the polling place, or a person who was notified of a deficiency on the affidavit accompanying a returned absentee ballot, is required to vote a provisional ballot only if the precinct election officials at the polling place are unable to confirm whether the commissioner received an absentee ballot from the voter or whether the voter completed the affidavit or voted a replacement absentee ballot, whichever is applicable.

Code Section 260C.15 is amended to establish a procedure for objections to the nomination petition or eligibility of a candidate for member of the board of directors of a merged area.

**SENATE FILE 2218 - Elections — Double Election Boards and Automatic Tabulating Equipment**  
 BY COMMITTEE ON STATE GOVERNMENT. This Act makes changes to the election laws relating to double election boards and to the use of automatic tabulating equipment in certain elections.

Division I of the Act repeals Code Chapter 51, eliminating the option of the county commissioner of elections to appoint a double election board. Previously, a county commissioner of elections was authorized to appoint up to five additional precinct election officials if a high voter turnout at an election was anticipated.

Division II of the Act provides that the use of conventional paper ballots at certain elections that the county commissioner of elections has determined will have low voter turnout is discretionary with the commissioner. The county commissioner is required, when using conventional paper ballots in an election, to use ballots and instructions similar to those used at elections using automatic tabulating equipment (i.e., optical scan equipment). The county commissioner is also required to use automatic tabulating equipment at those elections if the commissioner receives a petition signed by not less than 100 eligible electors requesting that automatic tabulating equipment be used at the election. Division II takes effect March 19, 2010.

**SENATE FILE 2354 - Campaign Finance — Contributions, Independent Expenditures, and Attribution Statements**

BY COMMITTEE ON STATE GOVERNMENT. This Act relates to political campaign activities and independent expenditures by corporations and contains penalties. The Act creates new disclosure and other requirements in response to the decision of the U.S. Supreme Court in *Citizens United v. Federal Election Commission*. That decision held that corporations possess free speech rights allowing them to make independent expenditures on behalf of candidates for public office and on issues put to a public vote. An independent expenditure, such as a television commercial or a paid political advertisement, is made independently by the entity, with no coordination with a candidate or a political party.

The Act requires that a political committee and a candidate's committee receiving an in-kind contribution shall report the estimated fair market value of the contribution at the time it is provided. A person providing an in-kind contribution must notify the committee of the estimated fair market value of the in-kind contribution. The value of the in-kind contribution shall be reported regardless of whether the person has been billed for the cost of the in-kind contribution.

The Act requires that both unions and corporations which make independent expenditures obtain authorization of a majority of the entity's organizational leadership body for an independent expenditure involving a candidate or ballot issue committee. The authorization must occur in the same calendar year in which the independent expenditure is incurred.

A foreign national cannot make an independent expenditure.

An entity making an independent expenditure must file an independent expenditure statement within 48 hours of the making of an independent expenditure in excess of \$750 in the aggregate and with the Ethics and Campaign Finance Disclosure Board; an initial report must be filed at the same time. Subsequent reports shall be filed if the entity making the independent expenditure either raises or expends more than \$1,000.

The statement must contain a variety of information, including a certification by an officer of the corporation that the board of directors, executive council, or similar organizational leadership body expressly authorized the independent expenditure.

Published campaign material, which includes television, video, or motion picture advertising, must contain an attribution statement. If the entity responsible is a corporation, the words "paid for by," the name and address of the corporation, and the name and title of the corporation's chief executive officer must appear on the material. If the published material is the result of an independent expenditure, the published material must include a statement that the published material was not authorized by any candidate, candidate's committee, or ballot issue committee. The person responsible for the published material has the sole responsibility and liability for the attribution statement.

Generally, an insurance company, savings and loan association, bank, credit union, or corporation cannot make a monetary or in-kind contribution to a candidate or committee except for a ballot issue committee. They may solicit stockholders, administrative officers, professional employees, and members for contributions to a political committee sponsored by that entity. Other employees may voluntarily contribute to such a political committee but shall not be solicited for contributions.

An insurance company, savings and loan association, bank, credit union, or corporation may use its funds to encourage registration of voters and participation in the political process; to publicize public issues; to expressly advocate the passage or defeat of ballot issues; to place campaign signs as permitted by law; and to make independent expenditures.

A person who violates these provisions is guilty of a serious misdemeanor.

The Act takes effect April 8, 2010.

**HOUSE FILE 2109 - Ethics — Miscellaneous Changes**

BY COMMITTEE ON ETHICS. This Act relates to ethics laws by establishing disclosure requirements, providing jurisdictional authority, and allowing certain procedures in resolving ethics complaints.

The Act amends an exception to the gift law that requires public disclosure of expenses for a function sponsored by a restricted donor where every member of the General Assembly is invited to attend a function that takes place during a regular session of the General Assembly. Previously, a report had to be filed with the General Assembly detailing expenses by the function sponsor within five business days following the date of the function, and a copy of the report had to be forwarded to the Iowa Ethics and Campaign Disclosure Board. The Act changes the five-business-day deadline to 28 calendar days following the date of the function. The Act requires a function registration to be filed with the General Assembly and the board prior to the function taking place, and requires the function report to be filed with both the General Assembly and the board. The Act also allows the receipt of food, beverages, and entertainment by anyone attending such a function.

The Act provides that complaints may be filed with the Ethics Committee of either the Senate or the House of Representatives against a client of a lobbyist alleging violations of Code Chapter 68B, the Code of Ethics, or Rules Governing Lobbyists. The Act also provides for the issuance of advisory opinions relating to clients of lobbyists.

The Act allows the Ethics Committees in the Senate and House of Representatives to adopt rules enabling the committees to take certain types of action on valid complaints without requesting the appointment of independent special counsel and without requiring action by the appropriate chamber. Such action may only be taken if the committee determines that there is

no dispute between the parties regarding material facts establishing a violation.

The Act requires lobbyist registration statements to include a list of clients of the lobbyist. The Act eliminates a requirement that a letter of authorization be filed by all federal, state, and local officials or employees representing the official positions of their departments, commissions, boards, or agencies.

Previously, the client of a lobbyist was required to file an annual report that contained information on all salaries, fees, retainers, and reimbursement of expenses paid by the lobbyist's client to the lobbyist for lobbying purposes during the preceding 12 calendar months. The Act provides that the amount reported to the General Assembly and the Ethics and Campaign Disclosure Board shall include the total amount of all salaries, fees, retainers, and reimbursement of expenses paid to a lobbyist for lobbying both the legislative and executive branches. Previously, a lobbyist before the General Assembly and a lobbyist before a state agency or the Office of the Governor was required to file periodic reports disclosing information related to campaign contributions, lobbying expenditures, and a listing of clients. The Act eliminates those periodic reports and makes conforming amendments.

The Act takes effect February 10, 2010.



## ENERGY AND PUBLIC UTILITIES

- [SENATE FILE 2313](#) - Electric Power Agencies
- [HOUSE FILE 2399](#) - Rate-Regulated Public Utilities and Nuclear Generating Facilities

### RELATED LEGISLATION

- [SENATE FILE 2297](#) - Veterans and Military Service — Miscellaneous Provisions  
*SEE PUBLIC DEFENSE AND VETERANS.* This Act contains various provisions concerning veterans and military service. The Act provides, in part, that a public utility furnishing gas or electricity shall not disconnect service to a residence in which one of the heads of household is a service member deployed for military service prior to a date 90 days after the end of the service member's deployment.
- [SENATE FILE 2373](#) - Replacement Taxes on Cogeneration Facilities  
*SEE TAXATION.* This Act modifies provisions relating to the imposition of a replacement tax on electricity and natural gas providers. The modifications include but are not limited to provision of a definition for a new cogeneration facility, and extension of the time period during which the Utility Replacement Tax Task Force is in existence for an additional three years.
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities  
*SEE STATE GOVERNMENT.* This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt. The Act allows the Department of Revenue to subpoena certain records held by public and private utilities in order to obtain a telephone number and last known address of a person who owes a debt obligation to the state.
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding  
*SEE APPROPRIATIONS.* This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The Act includes funding for the Low-Income Home Energy Assistance Program, known as LIHEAP.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to the encouragement of projects utilizing biomass and the leasing of facilities for Part III connections associated with the operation of the Iowa Communications Network.



## ENERGY AND PUBLIC UTILITIES

### **SENATE FILE 2313 - Electric Power Agencies**

BY COMMITTEE ON ENVIRONMENT AND ENERGY INDEPENDENCE. This Act modifies provisions applicable to the formation and operation of electric power agencies. Such agencies were previously authorized pursuant to Code Chapters 28F and 476A, Subchapter II, to enter into joint agreements with other agencies or entities for the financing, acquisition, and operation of projects for the generation and transmission of electric energy.

The Act deletes provisions previously contained in Code Chapter 28F requiring voter approval for a city to join another entity to finance electric power facilities and prohibiting submission of the same or similar proposal to the voters sooner than one year from the date of the election at which the proposal was defeated.

The Act transfers several Code sections which previously constituted Code Chapter 476A, Subchapter II, to a new subchapter in Code Chapter 390, which relates to joint electrical utilities. The Act expands the definition of "facility," as transferred to the new Code subchapter in Code Section 390.9, to refer to a joint facility, electric power facility, or project, and to include a joint facility as defined in Code Section 390.1, subsection 7. That definition refers to all property necessary or useful for generating, purchasing, obtaining by exchange or otherwise acquiring, or transmitting electric power and energy, which is owned and operated pursuant to a joint agreement.

Additionally, the Act provides that an electric power agency may be organized under Code Chapter 390 as a nonprofit corporation, limited liability company, or as a separate administrative or legal entity pursuant to Code Chapter 28E. When the electric power agency is comprised solely of cities or solely of cities and other political subdivisions, the Act specifies that the electric power agency shall be a political subdivision of the state of Iowa for purposes of exercising the powers conferred in Code Chapter 390.

The Act makes conforming changes consistent with the transfer from Code Chapter 476A to Code Chapter 390.

### **HOUSE FILE 2399 - Rate-Regulated Public Utilities and Nuclear Generating Facilities**

BY COMMITTEE ON COMMERCE. This Act modifies provisions applicable to electric generating and transmission facilities, and both establishes new legislative intent and modifies existing intent regarding the development of such facilities.

The Act states that it is the intent of the General Assembly to require a rate-regulated electric utility that was subject to a revenue sharing settlement agreement with regard to its electric base rates as of January 1, 2010, to recover, through a rider and pursuant to a tariff filing made on or before December 31, 2013, the reasonable and prudent costs of analyzing and preparing for the possible construction of a nuclear generating facility. The Act specifies how cost recovery shall be applied and limits its duration to 36 months, after which the Iowa Utilities Board is directed to evaluate the reasonableness and prudence of the cost recovery with the authority to order an adjustment if determined necessary or appropriate.

The Act additionally states that it is the intent of the General Assembly to encourage rate-regulated public utilities to consider altering existing electric generating facilities, where reasonable, to manage carbon emission intensity in order to facilitate the transition to a carbon-constrained environment. With regard to current legislative intent to attract the development of electric power generating and transmission facilities within the state in sufficient quantity to ensure reliable electric service to consumers, as contained in Code Section 476.53, subsection 1, the Act provides that this shall be implemented by considering the diversity of the types of fuel used to generate electricity, the availability and reliability of fuel supplies, and the impact of the volatility of fuel costs.

With regard to rate-making principles applicable to electric power generating and transmission facilities, the Act modifies provisions pertaining to applications for the construction of such facilities to include the significant alteration of an existing generating facility, provides four categories of existing facility conversion or addition qualifying for the establishment of rate-making principles, and sets forth provisions regarding eligibility and board review.

Additionally, the Act deletes outdated provisions referencing a cogeneration pilot program that was repealed effective July 1, 2007.

The Act takes effect April 28, 2010.



**ENVIRONMENTAL PROTECTION**

- [SENATE FILE 2243](#) - Natural Resources Department — Data, Reports, Funds
- [SENATE FILE 2248](#) - National Pollutant Discharge Elimination System Permits
- [HOUSE FILE 823](#) - Environmentally Preferable Cleaning and Maintenance Policy for State and Public Education Facilities
- [HOUSE FILE 2319](#) - Fire Safety and Aboveground Storage Tanks
- [HOUSE FILE 2418](#) - Periodic Evaluations of Air Quality Standards
- [HOUSE FILE 2437](#) - Property Transfers, Private Sewage Disposal System Inspections, and Groundwater Hazard Statements
- [HOUSE FILE 2459](#) - Watershed Management and Planning
- [HOUSE FILE 2496](#) - Recycling and Environmental Management — Certification

**RELATED LEGISLATION**

- [SENATE FILE 2310](#) - Natural Resources and Outdoor Recreation Trust Fund  
*SEE NATURAL RESOURCES AND OUTDOOR RECREATION.* This Act implements a proposed amendment to the Constitution of the State of Iowa, on the ballot for public ratification on November 2, 2010, to dedicate a portion of state revenue from an increase in the state’s sales tax for deposit into a Natural Resources and Outdoor Recreation Trust Fund. The Act establishes the fund to support various initiatives to be carried out by the Department of Natural Resources, the Department of Agriculture and Land Stewardship, and the Department of Transportation. The initiatives include supporting soil conservation and watershed protection; the conservation of highly erodible land; crop management practices; and the protection, restoration, or enhancement of water quality in the state.
- [SENATE FILE 2371](#) - Sand and Gravel Removal From State-Owned Lands  
*SEE NATURAL RESOURCES AND OUTDOOR RECREATION.* This Act requires reduced royalty fees for the removal of sand and gravel from certain state-owned lands and waters on the Cedar River for the purposes of flood control. The Act takes effect April 23, 2010.
- [HOUSE FILE 2525](#) - Appropriations — Agriculture and Natural Resources  
*SEE APPROPRIATIONS.* This Act relates to agriculture and natural resources, including by making appropriations to the Department of Agriculture and Land Stewardship (DALs) and the Department of Natural Resources from a number of sources for fiscal year 2010-2011. The Act appropriates unassigned revenue from the Groundwater Protection Fund and allocates moneys dedicated to the fund’s Solid Waste Account for use by the Department of Natural Resources in awarding beautification grants. It also creates a Mississippi River Basin Healthy Watersheds Initiative administered by DALs for purposes of improving the health of the Mississippi River basin.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act makes various appropriations from the Iowa Comprehensive Petroleum Underground Storage Tank Fund and relates to the Pharmaceutical Collection and Disposal Pilot Program, the marketing campaign developed by the Water Resources Coordinating Council, the formation of a chapter of the Association of State Flood Plain Managers in Iowa, and educational efforts regarding flooding issues. Division XV relates to the Iowa Comprehensive Petroleum Underground Storage Tank Fund and regulation of petroleum underground storage tanks.



## ENVIRONMENTAL PROTECTION

### SENATE FILE 2243 - Natural Resources Department — Data, Reports, Funds

BY COMMITTEE ON ENVIRONMENT AND ENERGY INDEPENDENCE. This Act makes specified changes regarding matters within the purview of the Department of Natural Resources (DNR).

The Act directs the DNR to coordinate the collection of data from greenhouse gas producers, as required in Code Section 455B.152, with the U.S. Environmental Protection Agency upon enactment by the agency of a federal mandatory greenhouse gas emissions reporting rule, and changes the date contained in Code Section 455B.851, subsection 9, by which the DNR is required to submit a report to the Governor and the General Assembly regarding greenhouse gas emissions in the state, from September 1 to December 31 annually. It should be noted that Code Section 455B.851, establishing the Climate Change Advisory Council, is repealed effective July 1, 2011, in Division XX of Senate File 2088 (see State Government), Section 258, and the provisions currently contained in Code Section 455B.851, subsection 9, relating to submission of the greenhouse gas emissions report are transferred to Code Section 455B.104, new subsection 4. The date change from September 1 to December 31 annually relating to submission of the report as provided in this Act is correspondingly applied to Code Section 455B.104, new subsection 4, in section 54 of House File 2531 (see Appropriations).

The Act additionally authorizes the DNR to apply for loans for the construction of facilities for the supply, treatment, and distribution of drinking water pursuant to the State Water Pollution Control Works and Drinking Water Facilities Financing Program. Code Section 456A.17 currently authorizes such loans with regard to the construction of facilities for the collection and treatment of waste water. This authorization takes effect March 10, 2010.

### SENATE FILE 2248 - National Pollutant Discharge Elimination System Permits

BY COMMITTEE ON ENVIRONMENT AND ENERGY INDEPENDENCE. This Act provides for water pollution control permits issued by the Department of Natural Resources (DNR) under the National Pollutant Discharge Elimination System (NPDES).

#### Division I — Persons Contesting the Denial of Applications or Permits Issued Under NPDES

Prior to the enactment of this Act, Code Section 455B.174 provided that a person denied an NPDES permit or issued an NPDES permit by the DNR could appeal the decision to the Environmental Protection Commission (EPC). The EPC's decision would be the DNR's final decision (or final agency action) under the Iowa Administrative Procedure Act (Code Chapter 17A), meaning that the person could appeal the decision to district court (Code Section 17A.19). This division provides a substitute procedure. In lieu of an EPC hearing, a contested case proceeding must be heard by an administrative law judge.

#### Division II — NPDES Permits Issued to Confinement Feeding Operations

Generally, a confinement feeding operation is prohibited from discharging manure directly into water of the state or into a tile line that discharges directly into water of the state (Code Section 459.311). This division provides that a confinement feeding operation that is classified as a concentrated animal feeding operation under the NPDES must comply with its applicable permit requirements pursuant to rules adopted by the EPC. The rules cannot be more stringent than federal law.

A person who violates a provision in Code Chapter 459 relating to water quality is subject to penalties as provided in Code Section 455B.109 or 455B.191 (see Code Section 459.603). A person in violation of a requirement may be assessed a civil penalty by the EPC, according to a schedule, not to exceed \$10,000, or may be assessed a judicially assessed civil penalty of up to \$5,000 per each day of the violation.

**HOUSE FILE 823 - Environmentally Preferable Cleaning and Maintenance Policy for State and Public Education Facilities**

BY McCARTHY. This Act requires school districts, community colleges, regents institutions, and state agencies utilizing state buildings, to conduct an evaluation and assessment regarding implementation of an environmentally preferable cleaning policy, and on or after July 1, 2012, to purchase only cleaning and maintenance products identified by the Department of Administrative Services (DAS) as being environmentally preferable cleaning and maintenance products or that meet nationally recognized standards. The Act permits existing supply stocks to be depleted and the requirements implemented in the procurement cycle for the following year, and provides that products regulated by the federal Insecticide, Fungicide, and Rodenticide Act are not precluded from use when necessary to protect public health and when used responsibly.

The Act permits a school district, community college, or regents institution to opt out of the requirement upon the affirmative vote of their governing bodies, and in this event requires that notice of this decision be supplied to the Department of Education, the State Board for Community Colleges, and the State Board of Regents, respectively.

The Act directs DAS to provide information on its Internet site regarding environmentally preferable products utilized by DAS, and provides that DAS may include information regarding other products which meet nationally recognized standards, and information regarding those standards and the entity establishing the standards.

**HOUSE FILE 2319 - Fire Safety and Aboveground Storage Tanks**

BY COMMITTEE ON PUBLIC SAFETY. This Act relates to activities of the Department of Public Safety (DPS) including regulating the storage of flammable and combustible liquids in aboveground storage tanks and retaining fees.

Previously, DPS retained, as repayment receipts, certain fees collected pursuant to Code Chapter 100C relating to the regulation of fire extinguishing and alarm systems contractors and installers. The Act allows such repayment receipts that remain unencumbered or unobligated at the close of a fiscal year to be retained by the department for succeeding fiscal years.

The Act changes a number of provisions regarding the storage of fuel and liquefied gases in aboveground storage tanks in Code Chapter 101. The Act adds a definition of "combustible liquid" and changes the definitional standards for flammable liquids. Previously, the Code referred to "petroleum" storage tanks in Code Chapter 101. The Act changes these references to "flammable or combustible liquid storage tanks" where appropriate.

The Act requires an owner or operator of aboveground flammable or combustible liquid storage tanks existing on July 1, 2010, to notify the State Fire Marshal of their existence prior to October 1, 2010, and provide additional information such as the age, size, type, location, and uses of the tanks. The Act requires an owner or operator of a tank that is taken out of operation on or before July 1, 2010, to notify the State Fire Marshal of the existence of the tank by October 1, 2010.

**HOUSE FILE 2418 - Periodic Evaluations of Air Quality Standards**

BY COMMITTEE ON ENVIRONMENTAL PROTECTION. This Act relates to periodic evaluations of certain air quality standards and includes reporting requirements.

The Act requires the Director of the Department of Natural Resources to convene meetings not later than June 1 during the second calendar year following the adoption of new or revised federal ambient air quality standards by the U.S. Environmental Protection Agency to review emission limitations or standards relating to the maximum quantities of air contaminants that may be emitted from any air contaminant source. The department must submit a report to the Governor and General Assembly by November 1 of the same calendar year.

The Act requires the department to convene meetings as necessary to develop recommendations for the establishment of state implementation plans sufficient to control the direct emissions of certain particulate matter and emissions of precursor compounds that contribute to the formation of certain particulate matter and to prevent ambient concentrations from exceeding the federal ambient air quality standards for certain particulate matter. The department must submit its recommendations in a report to the Governor and the General Assembly by January 1, 2011.

**HOUSE FILE 2437 - Property Transfers, Private Sewage Disposal System Inspections, and Groundwater Hazard Statements**

BY COMMITTEE ON ENVIRONMENTAL PROTECTION. This Act relates to private sewage disposal system inspections and groundwater hazard statements.

Previously, a building where a person resides, congregates, or is employed that is served by a private sewage disposal system was required to have the sewage disposal system serving the building inspected prior to any transfer of ownership of the building. Certain types of transfers of ownership did not trigger the inspection requirement. The Act adds certain types of transfers of ownership to that list of transfers that are not subject to the inspection requirement. The Act eliminates the requirement that title abstracts to property with private sewage disposal systems include documentation of an inspection.

The Act provides that state requirements related to the inspection of private sewage disposal systems in association with the transfer of ownership of a building preempt any city or county ordinance.

Previously, when a declaration of value was submitted to the county recorder, a statement was submitted to the recorder relating to the property and any known private burial sites, known wells, known disposal sites, known underground storage tanks, and known hazardous waste. The Act titles this statement a "groundwater hazard statement." The Act provides that the statement shall also include whether a known private sewage disposal system exists, and if one exists, that the system has been inspected if an inspection is required.

**HOUSE FILE 2459 - Watershed Management and Planning**

BY COMMITTEE ON ENVIRONMENTAL PROTECTION. This Act relates to watersheds.

The Act establishes a Watershed Planning Advisory Council to annually submit recommendations to the Governor, the General Assembly, the Department of Agriculture and Land Stewardship (DALs), the Department of Natural Resources (DNR), and the Water Resources Coordinating Council regarding improving water quality; creating economic incentives; facilitating the implementation of total maximum daily loads, urban storm water control programs, and certain nonpoint source management practices; providing incentives, methods, and practices for the development of new and more accurate and reliable pollution control quantification protocols and procedures; providing greater flexibility for broader public involvement; assigning responsibility for monitoring flood risk, flood mitigation, and coordination with federal agencies; and involving cities, counties, and other local and regional public and private entities in watershed improvement.

The Act requires the DNR and DALs, in collaboration and cooperation with other entities, to seek funding to plan, implement, and monitor one or more watershed demonstration pilot projects for urban and rural areas involving a 12-digit hydrologic unit code subwatershed.

The Act authorizes two or more political subdivisions to create, by a Code Chapter 28E agreement, a watershed management authority. The participating political subdivisions of an authority must be located in the same hydrologic unit code 8 watershed. An authority may assess the flood risks in the watershed, assess the water quality in the watershed, assess options for reducing flood risk and improving water quality in the watershed, monitor federal flood risk planning and activities, educate residents of the watershed area regarding water quality and flood risks, allocate moneys made available to the authority for purposes of water quality and flood mitigation, and make and enter into any necessary contracts. An authority may coordinate its activities with the DNR, DALs, Councils of Governments, public drinking water utilities, and soil and water conservation districts.

**HOUSE FILE 2496 - Recycling and Environmental Management — Certification**

BY COMMITTEE ON ENVIRONMENTAL PROTECTION. This Act relates to recycling initiatives.

The Act establishes a Green Advisory Committee and requires the advisory committee to submit a report to the General Assembly by January 1, 2011, with recommendations for the creation of a Green Certification Program as provided for in a report by the comprehensive recycling planning task force; and also requires the advisory committee to make recommendations to the Department of Natural Resources regarding the development and implementation of a recycling

vendor and resource green list and of an ongoing, statewide communication and outreach educational resource program for all recycling sectors.

The Act requires the department to collaborate with the advisory committee and other organizations in pursuing the recommendations made by the advisory committee. The department may contract with a nonprofit third-party vendor to perform the requirements of the Act and may use certain moneys in the Solid Waste Account of the Groundwater Protection Fund. The Act requires the department to convene meetings as necessary to develop recommendations regarding waste tires.

The Act is repealed January 1, 2012.

## GAMING

### RELATED LEGISLATION

- [SENATE FILE 2378](#) - Appropriations — Justice System  
*SEE APPROPRIATIONS.* This Act creates a Gaming Enforcement Revolving Fund. The Act provides that the portion of the regulatory fees collected from gaming interests to pay special agents and gaming enforcement officers plus any direct and indirect support costs for such agents and officers is deposited into the fund. The Act further provides that all direct and indirect support costs for such agents and officers are paid from the fund as provided in appropriations from the fund.
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects  
*SEE APPROPRIATIONS.* Division XVIII of this Act makes changes to Code Section 8.57 relating to the distribution of wagering tax allocations for purposes of pledging a revenue stream for the new revenue bonds issued under the Act. This provision of this division of the Act takes effect April 26, 2010.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to licensure requirements for bingo occasions, raffle ticket purchases, eligible qualified organizations for raffles, and gaming enforcement costs.



**HEALTH AND SAFETY**

- [SENATE FILE 153](#) - Medical or Osteopathic Physician and Physician Assistant Limited Liability Companies or Corporations
- [SENATE FILE 2117](#) - Pharmaceutical-Delivering Contact Lenses and Therapeutically Certified Optometrists
- [SENATE FILE 2149](#) - Health Care Services Providers and Employees — Criminal History and Abuse Record Checks
- [SENATE FILE 2263](#) - Long-Term Care Resident’s Advocate
- [SENATE FILE 2266](#) - Local Public Health Governance
- [SENATE FILE 2352](#) - Emergency Hospitalization of Mentally Ill Persons — Notice of Arrest Warrants or Pending Criminal Charges — Discharge Procedures
- [SENATE FILE 2356](#) - Health Insurance Coverage — IowaCare and Insurance Information Exchange
- [SENATE FILE 2384](#) - Nursing Workforce — Information and Incentives
- [SENATE FILE 2388](#) - Hospital Health Care Access Assessment Program
- [S.J.R. 2009](#) - Nullification of Administrative Rule — Automatic Residential Fire Sprinkler Systems
- [HOUSE FILE 674](#) - Reporting Treatment of Serious Injuries
- [HOUSE FILE 2144](#) - Public Health — Miscellaneous Activities and Regulations
- [HOUSE FILE 2193](#) - Emergency Medical Care — Providers, Programs, Training, and Authorization
- [HOUSE FILE 2284](#) - Public Health Regulation — Miscellaneous Changes
- [HOUSE FILE 2402](#) - Stroke Triage System and Registry
- [HOUSE FILE 2403](#) - Controlled Substances — Miscellaneous Changes

**RELATED LEGISLATION**

- [SENATE FILE 205](#) - Infectious Diseases Testing of Persons on Parole, Probation, or Work Release  
*SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.* This Act relates to required testing for infectious diseases of persons who cast about bodily fluids and who are under the supervision of a judicial district department of correctional services.
- [SENATE FILE 393](#) - Child in Need of Assistance Proceedings, Child Abuse, and Obscene Materials  
*SEE CHILDREN AND YOUTH.* This Act relates to obscene material in child in need of assistance proceedings and child abuse cases.
- [SENATE FILE 2088](#) - State Government Reorganization  
*SEE STATE GOVERNMENT.* Division XLI of this Act eliminates the State Substitute Medical Decision-making Board (Code Section 135.28). The Department of Public Health is required to no longer operate advisory committees on swimming pools, radiation therapy and nuclear medicine, and anatomical gift public awareness.
- [SENATE FILE 2151](#) - Appropriation Reductions, Transfers, and Supplementals — Health and Human Services  
*SEE APPROPRIATIONS.* This Act makes and revises certain appropriations made for health and human services for fiscal year 2009-2010, by switching the funding sources for various appropriations, as adjusted for the Governor's uniform reduction in appropriations made for the fiscal year, in Executive Order Number 19.

- [SENATE FILE 2156](#) - IowaCare Program Changes  
**SEE HUMAN SERVICES.** This Act provides for the renewal of the IowaCare program, which was established under Code Chapter 249J pursuant to a Medicaid program waiver in 2005 and was subject to repeal or renewal beginning June 30, 2010.
- [SENATE FILE 2201](#) - Insurance and Insurance Division Regulatory Authority  
**SEE BUSINESS, BANKING, AND INSURANCE.** This Act contains numerous provisions related to health insurance coverage, including an annual work group to study reducing health insurance and health care costs; public hearings and notification concerning proposed health insurance rate increases; substance abuse coverage benefits for veterans; and an annual review of health mandate costs.
- [SENATE FILE 2202](#) - Persons With Disabilities — Miscellaneous Provisions  
**SEE STATE GOVERNMENT.** This Act relates to rights of persons with disabilities relating to public employment, use of public facilities and accommodations, and zoning for housing, by changing numerous Code references from "persons with physical disabilities" to "persons with disabilities," and revising the accessibility requirements for curb ramps and sloped areas in intersections with streets, roads, and highways.
- [SENATE FILE 2215](#) - Genetic Testing and Use of Genetic Information  
**SEE BUSINESS, BANKING, AND INSURANCE.** This Act amends Code Section 729.6, concerning the use of genetic testing and genetic information. The Act provides for civil and administrative enforcement and penalties.
- [SENATE FILE 2246](#) - Motor Vehicle Regulation — Miscellaneous Changes  
**SEE TRANSPORTATION.** This Act broadens the applicability of current law establishing a \$60 registration fee for certain motor vehicles equipped for a person with a disability or used by a person who relies on a wheelchair. The Act also allows the Department of Transportation to waive certain proof-of-identity requirements when an application for a temporary Persons With Disabilities Parking Permit is made on behalf of a person under one year of age.
- [SENATE FILE 2331](#) - Hawk-i — Chiropractic Services Coverage  
**SEE BUSINESS, BANKING, AND INSURANCE.** This Act provides that chiropractic services are an included benefit in a qualified child health plan under the Healthy and Well Kids in Iowa (hawk-i) Program.
- [SENATE FILE 2333](#) - Health Care Facilities and Programs — Inspections — Dependent Adult Abuse  
**SEE HUMAN SERVICES.** This Act provides for certain requirements for health care facilities and programs including hospital inspector requirements and dependent adult abuse reporting requirements and establishes an interim study.
- [SENATE FILE 2340](#) - Substantive Code Corrections  
**SEE STATE GOVERNMENT.** This Act contains statutory corrections that adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities in provisions relating to the State Hygienic Laboratory; reports on pseudoephedrine product sales; professional and occupational licensing and discipline; liability for required child death and abuse reporting; health facility violation citations; University of Iowa hospital reporting; and sanitary districts.
- [SENATE FILE 2355](#) - Fire Protection System Installation and Maintenance — Licensure  
**SEE STATE GOVERNMENT.** The Act provides a number of grammatical and substantive changes to current law relating to the installation of fire protection systems.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
**SEE APPROPRIATIONS.** This Act includes supplemental appropriations for various Department of Public Health appropriations to restore all or a portion of the reduction made by the Governor's order making uniform reductions in appropriations, and a contingent authorization to restore a portion of a reduction made in Medicaid reimbursement of nursing facilities.

- [SENATE FILE 2381](#) - Appropriations — Transportation  
**SEE APPROPRIATIONS.** This Act contains requirements for the use of child restraint systems and seat belts by motor vehicle passengers under 18 years of age.
- [HOUSE FILE 2075](#) - Health Insurance Coverage — Cancer Treatment — Clinical Trials  
**SEE BUSINESS, BANKING, AND INSURANCE.** This Act requires health benefit coverage for cancer treatment delivered pursuant to an approved cancer clinical trial.
- [HOUSE FILE 2183](#) - State Board of Health — Organization and Duties  
**SEE STATE GOVERNMENT.** This Act relates to the organization and duties of the State Board of Health; it also revises the membership of the Board of Health.
- [HOUSE FILE 2200](#) - Carrying Guns in or on Vehicles on Public Highways  
**SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.** This Act relates to the carrying of a gun in or on a vehicle on a public highway.
- [HOUSE FILE 2229](#) - Dental Insurance Coverage and Fee Schedules  
**SEE BUSINESS, BANKING, AND INSURANCE.** This Act prohibits a dental plan from setting fee schedules for dental services that are not covered by the plan.
- [HOUSE FILE 2283](#) - Criminal History Checks and Child Care Providers  
**SEE CHILDREN AND YOUTH.** This Act replaces a requirement to repeat a national criminal history check for child care providers every four years with an authorization for the Department of Human Services to adopt rules specifying criteria as to when the check is to be repeated.
- [HOUSE FILE 2294](#) - Disaster Aid Individual Assistance Grant Fund — Expense Verification Process  
**SEE HUMAN SERVICES.** This Act relates to the distribution of moneys from the Disaster Aid Individual Assistance Grant Fund.
- [HOUSE FILE 2319](#) - Fire Safety and Aboveground Storage Tanks  
**SEE ENVIRONMENTAL PROTECTION.** This Act relates to regulating the storage of flammable and combustible liquids in aboveground storage tanks.
- [HOUSE FILE 2418](#) - Periodic Evaluations of Air Quality Standards  
**SEE ENVIRONMENTAL PROTECTION.** This Act relates to periodic evaluations of certain air quality standards and includes reporting requirements.
- [HOUSE FILE 2459](#) - Watershed Management and Planning  
**SEE ENVIRONMENTAL PROTECTION.** This Act establishes a Watershed Planning Council and authorizes the creation of watershed management authorities.
- [HOUSE FILE 2484](#) - Cedar River Boat Dock Requirements  
**SEE NATURAL RESOURCES AND OUTDOOR RECREATION.** This Act exempts docks in certain boat harbors located on the Cedar River from all dock requirements of the Department of Natural Resources if the docks are in compliance with local city regulations for docks in such boat harbors. The Act takes effect April 10, 2010.
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding  
**SEE APPROPRIATIONS.** This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The Act includes funding for maternal and child health, preventive health and health services, substance abuse programs, low-income energy assistance, mental health, child care, social services, and other health and human services-related programs.
- [HOUSE FILE 2526](#) - Appropriations — Health and Human Services  
**SEE APPROPRIATIONS.** This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes numerous provisions involving health agencies, health programs, health care coverage, Medicaid program, and health regulation. The Act also includes provisions addressing funding for S.F. 2356, relating to health care and S.F. 2156 (see Human

Services), relating to the IowaCare Program. Authorization is provided for certain patients in care facilities and Medicaid program participants who are on the Sex Offender Registry to be employed in facilities providing services to dependent adults.

**HOUSE FILE 2531**

- State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes

***SEE APPROPRIATIONS.*** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to the Iowa Pharmacy Recovery Network, the Pharmaceutical Collection and Disposal Pilot Program, and genetic testing. Division XV relates to the regulation of petroleum underground storage tanks. Division XIX addresses other legislation involving the IowaCare Program and other health care-related provisions.

## HEALTH AND SAFETY

### **SENATE FILE 153 - Medical or Osteopathic Physician and Physician Assistant Limited Liability Companies or Corporations**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to the business relationships formed between medical or osteopathic physicians, physician assistants, and advanced registered nurse practitioners.

The Act allows medical or osteopathic physicians, physician assistants, and advanced registered nurse practitioners to form limited liability companies or professional corporations.

The Act specifically provides that it shall not be construed to expand the scope of practice of a physician assistant or modify the requirement in Code Section 148C.4 that a physician assistant perform medical services under the supervision of a licensed physician.

### **SENATE FILE 2117 - Pharmaceutical-Delivering Contact Lenses and Therapeutically Certified Optometrists**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to provision of contact lenses that contain one or more of the authorized therapeutic pharmaceutical agents and that deliver the agents into the wearer's eye. The Act allows therapeutically certified optometrists to employ and supply pharmaceutical-delivering contact lenses for the purpose of treatment of conditions of the human eye and adnexa.

### **SENATE FILE 2149 - Health Care Services Providers and Employees — Criminal History and Abuse Record Checks**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to criminal history and abuse registry checks for employees of health care facilities and other health-related providers and requires criminal history and abuse registry checks for certified nurse aide training program students.

The Act revises the requirements for record checks for prospective employees of nursing facilities, various types of in-home services, hospices, elder group homes, and assisted living programs. Under existing law, the prospective employees are required to have criminal history and child and dependent abuse registry checks prior to employment. If there is an abuse record or a conviction of any crime, a prospective employee cannot be employed without an evaluation performed by the Department of Human Services (DHS) to determine whether the crime or abuse record warrants prohibition of the person's employment. The law requires the employment application to include a specific question regarding abuse record and criminal convictions. The Act provides that for the criminal record check and employment application question, a simple misdemeanor offense under Code Chapter 321, relating to motor vehicles and laws of the road, is not considered to be a crime.

Criminal history and abuse registry checks are required for students in certified nurse aide training programs. The programs are authorized to access the single contact repository established by the Department of Inspections and Appeals for performing the criminal history and abuse registry checks.

If a nurse aide student has a criminal record or a record of founded child or dependent adult abuse, the student cannot be involved in a clinical education component of a certified nurse aide training program involving children or dependent adults unless an evaluation has been performed by DHS to determine whether the record warrants prohibition of the student's involvement in the component.

The Act includes an ongoing notification requirement that is similar to the requirement for other health care-related positions. If, after the record checks and any evaluation have been performed, a student is convicted of a crime or has a record of founded abuse entered, the student is required to notify the program of that information within 48 hours. Failure to comply is a criminal offense punishable as a serious misdemeanor.

Finally, the Act provides that if a health care facility conducts the training program and a student commences employment with the facility within 30 days of completing the program, the record checks of the student performed for the program are deemed to fulfill the requirement for such checks prior to employment.

### **SENATE FILE 2263 - Long-Term Care Resident's Advocate**

BY COMMITTEE ON HUMAN RESOURCES. This Act provides for the establishment of the Office of Long-Term Care Resident's Advocate, which consists of the state Long-Term Care Resident's Advocate and any local long-term care resident's advocates. The Act provides that the Director of the Department on Aging is to appoint the state Long-Term Care

Resident's Advocate and specifies the duties of the state and local long-term care resident's advocates. In addition to long-term care facilities, the duties of the state and local long-term care resident's advocates under the Act also extend to tenants of elder group homes and assisted living programs.

The Act also provides for referrals of reports, by the state or local long-term care resident's advocate to the Department of Inspections and Appeals or the Department of Human Services, as applicable, and to local law enforcement, of suspected abuse, neglect, or exploitation of a resident or tenant; provides for access to certain areas of a facility, assisted living program, or elder group home under certain circumstances; provides for access to medical and personal records of residents and tenants and provides protection of confidentiality for information relating to a complaint; establishes penalties for interference with the work of the state or a local long-term care resident's advocate and for retaliation against a person who assists a resident's advocate; requires the reporting by a facility, assisted living program, or elder group home to the office of the long-term care resident's advocate at least 30 days prior to any change in operations, programs, services, licensure, or certification that affects residents or tenants; provides immunity and confidentiality provisions relating to the duties of the resident's advocates; provides for the posting of information about the long-term care resident's advocate at each facility, program, or home; and makes other conforming changes.

**SENATE FILE 2266 - Local Public Health Governance**

BY COMMITTEE ON HUMAN RESOURCES. This Act amends Code Chapter 137, relating to local boards of health. The Act provides definitions; establishes the jurisdiction of city, county, and district boards of health; specifies powers and duties of local boards of health, their membership, and meeting requirements; provides a process for two or more geographically contiguous counties to form a district board; specifies the organizational structure of a district board as a governing body for the purposes of tort liability of governmental subdivisions and specifies a process for employing personnel; provides for the use of a county treasurer and auditor of a county within the district of the district board to serve the district health department; provides for the establishment of a district public health fund, including the disposition of unexpended balance of the fund at the end of each fiscal year; provides a process for counties to join or withdraw from a district board; provides for dissolution of county boards joining a district board; provides civil and criminal penalties for violations of the Code chapter; provides for adoption of rules by the State Board of Health to implement the Code chapter; and provides the Department of Public Health is vested with discretionary authority to interpret the provisions of the Code chapter.

**SENATE FILE 2352 - Emergency Hospitalization of Mentally Ill Persons — Notice of Arrest Warrants or Pending Criminal Charges — Discharge Procedures**

BY COMMITTEE ON JUDICIARY. This Act relates to the emergency hospitalization of a person with a serious mental impairment.

The Act provides that a facility specified in Code Section 229.22 also includes a hospital.

The Act provides that if a peace officer delivers a person to a facility for emergency hospitalization for a serious mental impairment and an arrest warrant has been issued for or charges are pending against the person, the peace officer may request that any oral or written court order require a facility to notify the law enforcement agency about the discharge of the person prior to discharge of the person from the facility.

A peace officer from the law enforcement agency may make this request to the magistrate during the communication with the magistrate at the facility prior to the magistrate issuing the written order by the close of business on the next working day or may request an order that is separate from the written order, which requires the facility to notify the law enforcement agency about the discharge of the person prior to discharge.

The Act requires the facility to notify the law enforcement agency about the discharge of the person prior to such discharge, if any order from a magistrate requires such notification. If the facility fails to notify a law enforcement agency as required by any court order, the facility is subject to contempt of court.

The Act provides that if an arrest warrant has been issued for or charges are pending against a person, but no court order exists requiring notification to a law enforcement agency, the peace officer may provide the facility written notification, on a form prescribed by the Department of Public Safety, that the law enforcement agency employing the peace officer desires notification of the release of the person prior to any discharge of the person from the facility. The Act requires the facility to notify the dispatcher of the law enforcement agency by telephone and to notify the law enforcement agency by electronic mail.

The Act requires that if the person is to be discharged prior to the end of the period of time prescribed for detention pursuant to Code Section 229.22, the law enforcement agency shall have up to six hours to retrieve the person but in no circumstances shall the detention of the person exceed the period of time prescribed for detention by Code Section 229.22.

If a facility fails to notify a law enforcement agency prior to discharge of a person as required by the Act, when the prescribed form has been provided to the facility, the facility shall pay a \$1,000 fine for a first violation and a \$2,000 fine for any second or subsequent violations.

**SENATE FILE 2356 - Health Insurance Coverage — IowaCare and Insurance Information Exchange**

BY COMMITTEE ON HUMAN RESOURCES. This Act includes provisions relating to health care and health care coverage. The Act includes two divisions.

Division I relates to the IowaCare Program and other health care options. The Act changes the health care provider network for the IowaCare Program to eliminate the state hospitals for mental illness and to add a regional provider network utilizing the federally qualified health centers and federally qualified health center look-alikes to provide primary care to IowaCare members. The Act directs the Department of Human Services (DHS) to develop a plan to phase-in the regional provider network and to consult with the Medical Assistance Projections and Assessment Council in developing the plan and prior to implementing the plan. Tertiary care for IowaCare members is to be provided by the University of Iowa Hospitals and Clinics (UIHC), and providers for Polk County residents are to include only Broadlawns Medical Center and the UIHC until such time as service capacity is reached. The Act also provides for utilization of certified public expenditures by the UIHC to maximize the availability of state funding for the program and to reimburse physicians services at the UIHC.

This division of the Act also directs DHS to review the costs of transportation under the IowaCare Program; directs the Department of Public Health to work with appropriate entities to develop a plan for coordination of care for individuals with diabetes who receive care through the Iowa Collaborative Safety Net Provider Network; directs DHS to amend the IowaCare waiver to reflect the changes in the Act; and directs Broadlawns Medical Center, the federally qualified health center located in Polk County, and the UIHC to actively collaborate to optimize effective and efficient delivery of services to IowaCare members.

Division II of the Act provides for the establishment of an Iowa insurance information exchange in the Insurance Division of the Department of Commerce under the authority of the Commissioner of Insurance. The commissioner is required to develop a plan of operation for the exchange to create an information clearinghouse that provides resources where Iowans can obtain information about health care coverage that is available in the state; report on the status of the exchange and make recommendations at meetings of the Legislative Health Care Coverage Commission; implement and maintain health insurance coverage information on the Insurance Division Internet site; and compare all public and private health care coverage that is available in the state, including costs. The commissioner may utilize independent consultants, advertise about information available from the exchange, and adopt rules to implement the exchange.

**SENATE FILE 2384 - Nursing Workforce — Information and Incentives**

BY COMMITTEE ON APPROPRIATIONS. This Act includes provisions relating to the nursing workforce.

The Act directs the Department of Workforce Development (DWFd) to establish a nursing workforce data clearinghouse for the purpose of collecting and maintaining data regarding Iowa's nursing workforce. The department is to have access to all data regarding Iowa's nursing workforce collected or maintained by any state department or agency to support the data clearinghouse, and the information maintained in the nursing workforce data clearinghouse is to be available to any state

department or agency. The Act directs DWFD to consult with the Board of Nursing, the Department of Public Health, the Department of Education, and other appropriate entities in developing recommendations to determine options for additional data collection. DWFD is required to submit an annual report to the Governor and the General Assembly regarding the data clearinghouse, and, following its establishment, the status of the nursing workforce in Iowa.

Two accounts are added to the existing Health Care Workforce Shortage Fund: the Iowa Needs Nurses Now Infrastructure Account and the Nurse Residency State Matching Grants Program Account.

The Act changes the name of the Nursing Workforce Shortage Initiative within the Health Care Workforce Support Initiative to the Iowa Needs Nurses Now Initiative and makes a similar change to the name of the account for the initiative. The Act also requires the College Student Aid Commission, which currently controls the Iowa Needs Nurses Now Initiative, to consult with the Iowa Board of Nursing, the Department of Education, and the Iowa Nurses Association in adopting rules for the initiative and distributing funds.

The Act adds two programs to the Iowa Needs Nurses Now Initiative: the Nurse Educator Scholarship Program and the Nurse Educator Scholarship-in-Exchange-for-Service Program.

Implementation of the Act is subject to the extent funding is available.

**SENATE FILE 2388 - Hospital Health Care Access Assessment Program**

BY COMMITTEE ON WAYS AND MEANS. This Act establishes the Hospital Health Care Access Assessment Program, contingent upon receiving approval from the Centers for Medicare and Medicaid Services of the U.S. Department of Health and Human Services. The Act provides definitions, including for "participating hospital," which means a nonstate owned licensed hospital that is paid on a prospective payment system basis by Medicare and Medicaid. Under the Act, a participating hospital in the state shall be assessed a hospital health care access assessment to be used in promoting access to health care services for Iowans, including those served by the Medical Assistance Program. The Act establishes the methods for calculating the assessment and reimbursement to the participating hospitals. The Act specifies the process for a participating hospital to pay the assessment to the Department of Human Services (DHS) on a quarterly basis. Revenues collected are to be deposited in the Hospital Health Care Access Trust Fund created in the Act. The Act provides for repayment of overpaid assessments as well as for payment of unpaid assessments, penalties for nonpayment of the assessment, and withholding of medical assistance payments as a means of collecting unpaid assessments. Any penalties collected are to be credited to the Hospital Health Care Access Trust Fund.

If the federal government fully funds Iowa's Medical Assistance (Medicaid) Program, if federal law changes to negatively impact the assessment program as determined by DHS, or if a federal audit determines the assessment program is invalid, DHS is required to terminate the imposition of the assessment and the program beginning on the date the federal statutory, regulatory, or interpretive change takes effect. Additionally, the Act prohibits the assessment from being imposed retroactively prior to July 1, 2010, and from being collected until DHS has received necessary federal approval.

The Act establishes the Hospital Health Care Access Trust Fund and provides for the use of the moneys in the trust fund, subject to their appropriation by the General Assembly to DHS, to reimburse participating hospitals for inpatient and outpatient hospital services. Following this payment, the remaining moneys, on an annual basis, may be used for: support of the Medicaid program utilization shortfalls; to maintain the state's capacity to provide access to and delivery of services for vulnerable Iowans; payments to nonparticipating hospitals under the IowaCare program; funding of the Health Care Workforce Support Initiative created pursuant to Code Section 135.175; supporting access to health care services for uninsured Iowans; or supporting Iowa hospital programs and services which expand access to health care services for Iowans. The DHS is directed to adopt rules to administer the trust fund and reimbursements and expenditures made from the trust fund.

The Act also establishes a Hospital Health Care Access Trust Fund Board and specifies the board membership and duties.

The Code chapter is repealed June 30, 2013.

The Act includes directives to DHS to request federal approval as necessary to implement the Act.

The Act takes effect April 14, 2010, but shall only be implemented if DHS receives such federal approval.

**SENATE JOINT RESOLUTION 2009 - Nullification of Administrative Rule — Automatic Residential Fire Sprinkler Systems**

BY GRONSTAL AND McKINLEY. This Joint Resolution relates to provisions of the State Building Code requiring sprinklers in townhouses and one-family and two-family new home construction. The Joint Resolution nullifies portions of an administrative rule adopted by the Department of Public Safety requiring the installation of automatic residential fire sprinkler systems in townhouses and one-family and two-family dwellings.

The Joint Resolution takes effect March 26, 2010.

**HOUSE FILE 674 - Reporting Treatment of Serious Injuries**

BY COMMITTEE ON PUBLIC SAFETY. This Act relates to the reporting of the treatment of serious wounds to a law enforcement agency under certain circumstances.

The Act requires a person licensed under Code Chapter 147 (health-related professions) to report the treatment of or the application for the treatment of a serious wound to a local law enforcement agency if those wounds were received in a motor vehicle accident or crash. Prior law only required the reporting of such wounds to a local law enforcement agency if the wounds appeared to have been received during the commission of a criminal offense.

The Act also provides that a person licensed under Code Chapter 147A (emergency medical care) may report the treatment of or the application for the treatment of a serious wound related to the commission of a criminal offense or a motor vehicle accident or crash to a law enforcement agency within whose jurisdiction the treatment was applied for or administered, or to the law enforcement agency where the offense or accident is alleged to have occurred.

Under the Act and in prior law, any law or rule relating to confidential information is suspended in order to effectuate the reporting of a serious wound.

A person who violates the Act commits a simple misdemeanor.

**HOUSE FILE 2144 - Public Health — Miscellaneous Activities and Regulations**

BY COMMITTEE ON HUMAN RESOURCES. This Act pertains to activities under the purview of the Department of Public Health (DPH) relating to public health disaster authority, school dental screenings, the statewide perinatal program, the Iowa Youth Survey, and regulation of the distribution of venereal disease prophylactics.

The Act amends Code Section 135.144 relating to the additional duties of DPH related to a public health disaster, to provide that if a public health disaster exists, DPH, in conjunction with the Department of Education, may order temporary closure of any public school or nonpublic school to prevent or control the transmission of a communicable disease.

The Act amends Code Section 135.17 relating to school dental screenings. The Act amends the timeframes for an elementary school child to have a required dental screening from no earlier than three years of age but prior to reaching six years of age, to no earlier than three years of age but not later than four months after enrollment in elementary school. The timeframe for students enrolled in high school to have a required dental screening is also amended from having a dental screening performed within the year prior to enrollment to no earlier than one year prior to enrollment and no later than four months after enrollment. The dental screenings may be provided by any licensed specified provider, including providers licensed outside of the state, and any person authorized to perform a dental screening may record that the screening was completed. Finally, the Act amends the annual date, from June 30 to May 31, by which each school board shall furnish DPH with evidence that each student enrolled in the local board's jurisdiction has met the dental screening requirements.

The Act amends the duties of the department to provide that program surveys and reports of the statewide perinatal program are privileged and confidential; to codify the Iowa Youth Survey as a duty of DPH; to provide for the repeal of provisions relating to regulation of the distribution of venereal disease prophylactics; and to direct the Prevention and Chronic Care Management Advisory Council to recommend strategies to collect and provide data concerning chronic disease in multicultural groups of racial and ethnic diversity in the state.

**HOUSE FILE 2193 - Emergency Medical Care — Providers, Programs, Training, and Authorization**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to the training and licensing of emergency medical care providers, programs, and emergency medical care training programs; penalties are provided.

The Act eliminates references to emergency medical technicians; licensees will now be referred to as emergency medical care

providers, which includes emergency medical responders, emergency medical technicians, advanced emergency medical technicians, paramedics, or other certification levels adopted by rule by the Department of Public Health (DPH). As part of this transition, DPH must adopt rules to recognize the previous emergency medical service training and experience of emergency medical care providers transitioning to the emergency medical responder, emergency medical technician, advanced emergency medical technician, and paramedic levels.

The DPH must also adopt rules regulating the operation of training programs, including provisions for curricula, resources, facilities, and staff.

The penalties for violating these provisions range from a serious misdemeanor to a class "D" felony.

**HOUSE FILE 2284 - Public Health Regulation — Miscellaneous Changes**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to several programs and licensing boards housed within the Department of Public Health.

The Act amends Code Section 144.31 to extend the deadline for fetal death certification from 24 hours to 72 hours, making this requirement consistent with the time frames for other death certifications.

The Act amends Code Section 148.3 to allow the submission of medical education documentation previously submitted to another state's licensing authority rather than having to provide the actual diploma.

The Act repeals Code Section 152B.13, relating to the Board of Respiratory Care. Similar language exists in Code Chapter 147, which regulates health professions generally. The Act amends Code Sections 154.1 and 154.10, relating to the practice of optometry, effective July 1, 2012. On that date, all optometrists must meet board requirements relating to diagnostic and therapeutic pharmaceutical agents.

The Act amends Code Section 157.1 by adding the practice of threading to remove superfluous hair to the scope of practice of cosmetology and esthetics.

The Act amends Code Section 157.8, by providing that a school of cosmetology arts and sciences must employ two licensed full-time instructors for the first 30 students and an additional licensed instructor for each additional 15 students. Student instructors do not count toward meeting the instructor-student ratio.

The Act strikes specific licensure requirements and provides that licensure requirements for instructors will be determined by rule.

Code Section 158.4 allows the department to issue a temporary barbering permit for persons who are demonstrating barbering techniques. The Act empowers the department to determine by rule the reasons for which a temporary permit may be issued.

**HOUSE FILE 2402 - Stroke Triage System and Registry**

BY COMMITTEE ON HUMAN RESOURCES. This Act directs the Department of Public Health, in cooperation with the Iowa Healthcare Collaborative and the American Heart Association, to develop a plan to implement a stroke triage system and registry. In developing the plan, consideration is to be given to including facilities outside of the state that are the closest and most appropriate for residents along the state's borders. The plan must be submitted to the General Assembly no later than January 15, 2011.

**HOUSE FILE 2403 - Controlled Substances — Miscellaneous Changes**

BY COMMITTEE ON HUMAN RESOURCES. This Act makes the following changes to the Uniform Controlled Substances Act:

- Adds the substance "tapentadol" to the list of opiates classified as Schedule II Controlled Substances.
- Adds the substance "fospropofol" to the list of depressants classified as Schedule IV Controlled Substances.
- Adds the substance "lacosamide [(R)-2-acetoamido-N-benzyl-3-methoxy-propionamide]" to the list of depressants classified as Schedule V Controlled Substances.

The substances added to the schedules by the Act are newly developed medications recently approved by the federal Food and Drug Administration and are added to maintain uniformity between state and federal regulations.



## HUMAN SERVICES

- [SENATE FILE 2156](#) - IowaCare Program Changes
- [SENATE FILE 2267](#) - Medicaid — Home and Community-Based Services Waiver — Home Modification
- [SENATE FILE 2333](#) - Health Care Facilities and Programs — Inspections — Dependent Adult Abuse
- [HOUSE FILE 2294](#) - Disaster Aid Individual Assistance Grant Fund — Expense Verification Process
- [HOUSE FILE 2307](#) - Medicaid and Criminal Restitution — Payments
- [HOUSE FILE 2422](#) - Disaster Recovery Case Management

### RELATED LEGISLATION

- [SENATE FILE 393](#) - Child in Need of Assistance Proceedings, Child Abuse, and Obscene Materials  
*SEE CHILDREN AND YOUTH.* This Act relates to obscene material in child in need of assistance proceedings and child abuse cases.

- [SENATE FILE 2088](#) - State Government Reorganization  
*SEE STATE GOVERNMENT.* Several divisions of this Act concern human services. Division XXIX provides directives to various state departments to develop and implement strategies to increase efficiencies and cost savings in programs relating to health and human services. Division XXIX also directs the departments of Human Services (DHS), Public Health, Corrections, and Management, and any other appropriate department, to review the provision of pharmaceuticals to populations they serve and programs under their respective purview to determine efficiencies in the purchase of pharmaceuticals.

Division XXXI establishes a state False Claims Act to provide a procedure for the state and private individuals to bring an action against another person for fraud that might result in financial loss to the government. The federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, § 6032, provided financial encouragement to states to have in effect a law dealing with false or fraudulent claims that meets certain federal requirements. If a state has such a law in place, when recoveries are made for Medicaid funds improperly paid, the share owed to the federal government will be decreased by 10 percent.

Division XXXII relates to prescription drugs under the medical assistance program (Medicaid) by directing DHS to adopt rules to restrict physicians and other prescribers to prescribing not more than a 72-hour or three-day supply of a prescription drug not included on the Medicaid preferred drug list while seeking approval to continue prescribing the medication.

Division XXXIII relates to Medicaid disease management for children and directs DHS to design and implement a disease management program for children to address the most prevalent chronic diseases among children in Iowa.

Division XXXIV relates to Medicaid home and community-based services waiver payments by directing DHS to evaluate payment records and determine the proper mechanism to trigger a review of payments for home and community-based services waiver services that are in excess of the median amount for payments through the waivers.

Division XXXV relates to transfer of assets and divestiture activities under the Medicaid program.

Division XXXVII revises the duties of the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury (MH/MR/DD/BI) Commission in Code chapters other than 225C.

Division XXXVIII amends Code Chapter 225C, relating to the services and other support available to a person with mental illness, mental retardation, a developmental disability, or a brain injury (MI/MR/DD/BI), which the Code chapter defines as "disability services," and enumerates the duties of the DHS and the MH/MR/DD/BI Commission involving disability services.

Division XXXIX changes the name of the MH/MR/DD/BI Commission to the Mental Health and Disability Services Commission and the name of the home and community-based services waiver for persons with mental retardation under the Medical Assistance (Medicaid) program to the waiver for persons with intellectual disabilities.

Division XL eliminates the following bodies: the Child Abuse Prevention Program Advisory Council (Code Section 235A.1), the Child Support Advisory Committee (Code Section 252B.18), and the Child Welfare Advisory Committee (Code Section 234.3), and reauthorizes these bodies as advisory committees established by the Council on Human Services.

Division XLII relates to the field services organization for DHS by providing for service areas to be designated by DHS and affecting local offices paid for by counties.

Division XLIII prohibits DHS, effective July 1, 2010, from accepting new applications for the Family Support Subsidy Program and from approving pending applications.

Division XLIV requires DHS to amend the Medical Assistance program home and community-based services waiver for persons with intellectual disabilities so that evaluations made subsequent to the initial diagnosis of mental retardation are for the purpose of determining the appropriate level of care rather than confirming the original diagnosis.

Division XLV requires DHS to amend the Medical Assistance program home and community-based services waiver for persons with intellectual disabilities as necessary for employment-related transportation to be covered by the supported community living services provider.

Division XLVI directs DHS to utilize electronic documentation and to continue expanding the practice of making payments to program participants and vendors by means of electronic funds transfer.

[SENATE FILE 2149](#) - Health Care Services Providers and Employees — Criminal History and Abuse Record Checks **SEE HEALTH AND SAFETY.** This Act relates to the record checks required for employees in various health care-related positions by exempting motor vehicle simple misdemeanor offenses from reporting requirements and requiring record checks for certified nurse aide training program students.

[SENATE FILE 2151](#) - Appropriation Reductions, Transfers, and Supplementals — Health and Human Services **SEE APPROPRIATIONS.** This Act makes and revises certain appropriations made for health and human services for fiscal year 2009-2010, by switching the funding sources for various appropriations, as adjusted for the Governor's uniform reduction in appropriations. The appropriations affected include the Medicaid program. An additional appropriation is made for a hospital funded under the IowaCare Program.

- [SENATE FILE 2175](#) - Mental Health Policy — Council and Commission Membership — Military Veterans  
**SEE PUBLIC DEFENSE AND VETERANS.** This Act provides representation of military veterans on the Mental Health and Disability Services Commission (formerly the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury Commission) and the Mental Health Planning and Advisory Council.
- [SENATE FILE 2200](#) - Child in Need of Assistance Proceedings — Guardianships — Transfer to Probate Court  
**SEE CHILDREN AND YOUTH.** This Act relates to transfer of a guardianship for a child in need of assistance from juvenile court to the probate court.
- [SENATE FILE 2202](#) - Persons With Disabilities — Miscellaneous Provisions  
**SEE STATE GOVERNMENT.** This Act relates to rights of persons with disabilities relating to public employment, use of public facilities and accommodations, and zoning for housing, by changing numerous Code references from "persons with physical disabilities" to "persons with disabilities," and revising the accessibility requirements for curb ramps and sloped areas in intersections with streets, roads, and highways.
- [SENATE FILE 2298](#) - Child in Need of Assistance Proceedings — Attendance by Child at Court Hearings  
**SEE CHILDREN AND YOUTH.** This Act requires the attendance of a child 14 years of age or older at a juvenile court hearing or meeting involving a child in need of assistance case during the pendency of the case. The Act defines "attend" to include an appearance of the child at a hearing by video or telephonic means.
- [SENATE FILE 2331](#) - Hawk-i — Chiropractic Services Coverage  
**SEE BUSINESS, BANKING, AND INSURANCE.** This Act provides that chiropractic services are an included benefit in a qualified child health plan under the Healthy and Well Kids in Iowa (hawk-i) Program.
- [SENATE FILE 2356](#) - Health Insurance Coverage — IowaCare and Insurance Information Exchange  
**SEE HEALTH AND SAFETY.** This Act includes provisions relating to health care and health care coverage. The Act includes two divisions. Division I relates to the IowaCare Program and other health care options relating to medical transportation costs for the IowaCare Program; development of a plan for coordination of care for individuals with diabetes receiving care through the Iowa Collaborative Safety Net Provider Network; and optimization of service delivery and outcomes under the IowaCare Program. Division II provides for the establishment of an Iowa insurance information exchange in the Insurance Division of the Department of Commerce, under the authority of the Commissioner of Insurance, as an information clearinghouse that provides resources where Iowans can obtain information about public and private health care coverage that is available in the state, including comparisons and costs.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
**SEE APPROPRIATIONS.** This Act restores a portion of a reduction made in Medicaid reimbursement of nursing facilities; revises certain juvenile justice appropriations; provides additional funding for distribution to counties for state case services for persons with mental illness, mental retardation, and developmental disabilities; and provides funding for repair of storm damage at the State Training School at Eldora.
- [SENATE FILE 2388](#) - Hospital Health Care Access Assessment Program  
**SEE HEALTH AND SAFETY.** This Act establishes the Hospital Health Care Access Assessment Program. The assessment applies to "participating hospitals," which are nonstate owned licensed hospitals that are paid on a prospective payment system basis by Medicare and Medicaid. The assessment is to be used in promoting access to health care services for Iowans, including those served by the Medical Assistance (Medicaid) Program. The Act establishes the methods for calculating the assessment, payment of the assessment, and reimbursement to the participating hospitals. Revenues collected are to be deposited in the Hospital Health Care Access Trust Fund created in the Act. Moneys in the trust fund are to be used, subject to their appropriation by the General Assembly to the Department of Human Services, to reimburse participating hospitals for inpatient and outpatient hospital services, for funding Medicaid, and for other health-related purposes specified in the Act. The Act takes effect April 14, 2010, but shall

only be implemented if DHS receives federal approval to implement the Act.

[HOUSE FILE 2283](#)

- Criminal History Checks and Child Care Providers  
**SEE CHILDREN AND YOUTH.** This Act replaces a requirement to repeat a national criminal history check for child care providers every four years with an authorization for the Department of Human Services to adopt rules specifying criteria as to when the check is to be repeated.

[HOUSE FILE 2374](#)

- Serious Injury — Definition  
**SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.** This Act modifies the definition of "serious injury" in Code Chapter 235B (dependent adult abuse) in order to make the definition consistent with the definition of "serious injury" in Code Section 702.18 (general definitions — Criminal Code).

[HOUSE FILE 2519](#)

- Federal Block Grant Appropriations and Other Federal Funding  
**SEE APPROPRIATIONS.** This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011. The Act includes funding for maternal and child health, preventive health and health services, substance abuse programs, low-income energy assistance, mental health, child care, social services, and other health and human services-related programs.

[HOUSE FILE 2526](#)

- Appropriations — Health and Human Services  
**SEE APPROPRIATIONS.** This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes numerous provisions involving human services and the Department of Human Services.

[HOUSE FILE 2531](#)

- State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to health records provided to foster care providers; funding transfers to county mental health, mental retardation, and developmental disabilities services funds; and the Medicaid program waiver for the Iowa Family Planning Network. Division XIX relates to the IowaCare Program.

## HUMAN SERVICES

### **SENATE FILE 2156 - IowaCare Program Changes**

BY COMMITTEE ON HUMAN RESOURCES. This Act provides for renewal of the IowaCare Program, which was established under Code Chapter 249J pursuant to a Medicaid program waiver in 2005, and is subject to repeal or renewal beginning June 30, 2010. The Act eliminates outdated references; eliminates provisions relating to the state hospitals for mental illness for which funding provisions were phased out during the initial waiver period; updates provisions relating to existing services, financial participation in the program, and health promotion partnerships; updates provisions relating to dental homes for children; changes data and reporting requirements for the program; updates provisions relating to the county tax levy amount dedicated to the IowaCare program to reflect current practice; and provides for the repeal of the Code chapter on October 31, 2013. The Act also makes other conforming changes.

### **SENATE FILE 2267 - Medicaid — Home and Community-Based Services Waiver — Home Modification**

BY COMMITTEE ON HUMAN RESOURCES. This Act directs the Department of Human Services in consultation with the Department on Aging, area agencies on aging, and other organizations representing the interests of older Iowans, to review the requirements for home modification under the medical assistance (Medicaid) home and community-based services waiver for the elderly, including the lifetime cap, and to present a plan to increase the lifetime cap to the General Assembly by December 31, 2011.

### **SENATE FILE 2333 - Health Care Facilities and Programs — Inspections — Dependent Adult Abuse**

BY COMMITTEE ON HUMAN RESOURCES. This Act provides for certain requirements for health care facilities and programs, including hospital inspector requirements and dependent adult abuse reporting requirements, and establishes an interim study.

*HOSPITAL INSPECTOR REQUIREMENTS.* The Act establishes certain qualifications for persons who inspect hospitals. Inspectors must have been employed in a hospital, be free of conflicts of interest, and obtain biennial continuing education.

*DEPENDENT ADULT ABUSE REPORTS — FACILITIES AND PROGRAMS.* The Act provides, with respect to dependent adult abuse reports in health care facilities and hospitals (facility) and elder group homes, assisted living programs, and adult day services programs (program), the Department of Inspections and Appeals (DIA) is required to inform the Department of Human Services about persons who should be placed on the central dependent adult abuse information registry. In addition, if DIA believes the abuse situation involves an immediate danger to the public health, safety, or welfare requiring immediate agency action to seek emergency placement on the central registry, DIA may utilize emergency adjudicative proceedings under the Iowa Administrative Procedures Act (Code Chapter 17A).

The Act provides that independent of any dependent adult abuse investigation undertaken by DIA, a facility or program employing an alleged dependent adult abuser is required to conduct a separate investigation of the alleged dependent adult abuse and shall determine what, if any, employment action should be taken which could include placing the alleged dependent adult abuser on administrative leave or reassigning or terminating the alleged dependent adult abuser. If the facility or program terminates the alleged dependent adult abuser or the alleged dependent adult abuser resigns, the alleged dependent adult abuser is required to disclose such termination or investigation to any prospective facility or program employer. An alleged dependent adult abuser who fails to disclose such termination or investigation is guilty of a simple misdemeanor.

The Act provides that upon entering any facility or program, a DIA inspector who has knowledge of or learns during the course of an investigation that alleged dependent adult abuse is suspected shall inform the facility or program that the inspector is investigating an alleged case of dependent adult abuse. Prior to the interview, DIA shall provide written notification to the person under investigation that the person is under investigation for dependent adult abuse, the nature of the abuse being investigated, the possible civil administrative consequences of founded abuse, the requirement that DIA forward a report to law enforcement if DIA's investigation reveals a potential criminal offense, that the person has the right to retain legal counsel at the person's expense and may choose to have legal counsel, union representation, or any other desired representative employed by the facility present during the interview, and the fact that the person has the right to decline to be interviewed or to terminate an interview at any time. The person under investigation shall inform DIA whether any representatives will be present during the interview. Any employer representative shall be informed of the requirement to maintain strict confidentiality and of the prohibition against redissemination of such information pursuant to Code Chapter 235B.

*DEPENDENT ADULT ABUSE FINDING — NOTIFICATION TO EMPLOYER AND EMPLOYEE.* The Act provides that upon a finding of founded dependent adult abuse by a caretaker, DIA is required to provide written notification of its findings to the caretaker and the caretaker's employer. In addition, the written notification shall detail the consequences of placement on the central dependent adult abuse information registry, the caretaker's appeal rights, and include a separate appeal request form. The written appeal request form shall clearly set forth that the caretaker shall not be placed on the registry until final agency action is taken if an appeal is filed within 15 days.

*APPEAL PROCESS — DEPENDENT ADULT ABUSE IN PROGRAM OR FACILITY.* The Act provides for an administrative appeal process for a person in a facility or program who is accused of dependent adult abuse. For a request for an appeal filed within 15 days of the issuance of the written notification of the finding, the contested case hearing shall be held within 60 days of the request. The caretaker may extend the hearing time frame one time by 30 days. Additional requests for an extension must be agreed upon by all parties or for good cause. The administrative law judge's proposed decision shall be issued within 30 days of the contested case hearing. If further review of the decision is not requested before the proposed decision becomes final, the proposed decision shall be deemed final agency action. If further review is requested, DIA's final agency action shall occur within 30 days of the issuance of the administrative law judge's proposed decision. Upon final agency action, further appeal rights shall be governed by Code Chapter 17A.

If a caretaker fails to request an appeal within 15 days, the caretaker shall have 60 days from the issuance of the written notification of the abuse findings to file an appeal pursuant to Code Chapter 17A. However, the caretaker's name shall be placed on the central abuse registry pending the outcome of the appeal. If the caretaker requests an appeal within 15 days, the caretaker may waive the expedited hearing to proceed under Code Chapter 17A, but the caretaker's name shall be placed on the central dependent adult abuse information registry pending the outcome of the appeal.

*INTERIM STUDY.* The Act provides for an interim study committee to evaluate and report about due process requirements relating to child abuse and dependent adult abuse under Code Chapters 235A and 235B.

**HOUSE FILE 2294 - Disaster Aid Individual Assistance Grant Fund — Expense Verification Process**

BY COMMITTEE ON REBUILD IOWA AND DISASTER RECOVERY. This Act relates to the distribution of moneys from the Disaster Aid Individual Assistance Grant Fund. A recipient of grant funding receives reimbursement for expenses upon presenting a receipt for an eligible expense or receives a voucher through a voucher system developed by the Department of Human Services and administered locally within the designated disaster area. The Act requires a voucher system to ensure sufficient data collection to discourage and prevent fraud. The department is required to consult with long-term disaster recovery committees and disaster recovery case management committees in developing the voucher system.

**HOUSE FILE 2307 - Medicaid and Criminal Restitution — Payments**

BY COMMITTEE ON JUDICIARY. This Act includes as last in the listing of entities that may be paid restitution by a criminal offender, the Medical Assistance (Medicaid) Program for expenditures paid on behalf of the victim that were the result of the offender's criminal activities. The Act also adds the Medicaid program to the list of entities that are to be paid restitution only after the victim is paid in full.

**HOUSE FILE 2422 - Disaster Recovery Case Management**

BY COMMITTEE ON REBUILD IOWA AND DISASTER RECOVERY. This Act relates to disaster recovery case management.

The Act requires the Rebuild Iowa Office to work with the Department of Human Services (DHS) and nonprofit, voluntary, and faith-based organizations active in disaster recovery and response in coordination with the Homeland Security and Emergency Management Division of the Department of Public Defense to establish a statewide system of disaster case management to be activated following the Governor's proclamation of a disaster emergency or the declaration of a major disaster by the President of the United States for individual assistance purposes. DHS is required to coordinate case management services locally through local committees as established in each local emergency management commission's emergency plan. Beginning July 1, 2011, DHS will assume the duties of the Rebuild Iowa Office.

The Act creates a Business Disaster Case Management Task Force to research disaster recovery case management assistance needed for businesses following a major disaster. By November 15, 2010, the task force is required to recommend steps to the Governor and General Assembly for preparing to provide such assistance following disasters.

## LABOR AND EMPLOYMENT

- [SENATE FILE 2181](#) - Employment Practices and Occupational Safety and Health Regulation
- [SENATE FILE 2279](#) - Unemployment Compensation — Voluntary Shared Work Plans
- [SENATE FILE 2286](#) - Regulation of Mixed Martial Arts Matches and Events
- [HOUSE FILE 681](#) - Business Closings and Layoffs — Notice Requirements
- [HOUSE FILE 2110](#) - Unemployment Insurance — Relocation of Spouse by Military
- [HOUSE FILE 2111](#) - Reinstatement of Dissolved Business Entities — Tax Status Notification
- [HOUSE FILE 2485](#) - Public Employee Collective Bargaining

### RELATED LEGISLATION

- [SENATE FILE 2220](#) - Motor Vehicle Transportation Contracts — Indemnity Provisions  
*SEE TRANSPORTATION.* This Act prohibits motor carrier transportation contracts from containing certain indemnification or hold harmless provisions and provides that such provisions are void and unenforceable. The Act applies to motor carrier transportation contracts entered into, extended, or renewed on or after July 1, 2010, but does not apply to certain intermodal contracts.
- [SENATE FILE 2247](#) - Designation of Gaming Enforcement Officers  
*SEE STATE GOVERNMENT.* This Act authorizes the Department of Administrative Services to change the class title designation of a "gaming enforcement officer." The Act provides that the change in designation shall not create or establish new employee rights with respect to promotional opportunities, compensation, or benefits.
- [SENATE FILE 2318](#) - Veterans and Military Members — Employment Benefits, Professional Licensing, Consumer Credit Terms  
*SEE PUBLIC DEFENSE AND VETERANS.* This Act makes changes concerning and affecting veterans and military members. Concerning employment benefits for military members, the Act provides that the Department of Administrative Services establish programs to inform state employees who are military members, and their families, of their rights and benefits while the service member is deployed. In addition, the Act allows an active member of the Peace Officers' Retirement System under Code Chapter 97A to purchase service credit for military service that is not otherwise required to be recognized by federal law upon payment of the actuarial cost of the service purchase.
- [SENATE FILE 2350](#) - Civil Service Commissioners — Prohibited Activities and Interests  
*SEE LOCAL GOVERNMENT.* This Act allows a civil service commissioner to engage in contracts or activities with the city for which they are a commissioner if the contract, sale, or job is awarded by competitive bid in writing, publicly invited, and opened.
- [SENATE FILE 2384](#) - Nursing Workforce — Information and Incentives  
*SEE HEALTH AND SAFETY.* This Act includes provisions relating to the nursing workforce. In part, the Act directs the Department of Workforce Development to establish a nursing workforce data clearinghouse to collect and maintain data regarding Iowa's nursing workforce. The department is directed to submit annual reports to the Governor and the General Assembly regarding the data clearinghouse and the status of the nursing workforce in the state.
- [HOUSE FILE 2197](#) - Veterans Day Leave for Military Veterans  
*SEE PUBLIC DEFENSE AND VETERANS.* This Act requires each employer in this state to provide each employee who is a veteran with a paid or unpaid holiday for Veterans Day, November 11.
- [HOUSE FILE 2522](#) - Appropriations — Economic Development  
*SEE APPROPRIATIONS.* This Act makes appropriations and transfers from the General Fund of the State and other funds to the Department of Cultural Affairs, the Department of Economic Development, the University of Iowa, the University of Northern Iowa, Iowa State University, the

Department of Workforce Development, and the Public Employment Relations Board for FY 2010-2011, and provides for certain related matters.

**HOUSE FILE 2526**

- Appropriations — Health and Human Services

**SEE APPROPRIATIONS.** This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes authorization for use of certain federal funding for summer youth employment programs, job training, and other employment-related programs administered by the Department of Workforce Development.

**HOUSE FILE 2531**

- State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes

**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to public employee impasse procedures and mediation. Division X relates to the Department of Workforce Development obtaining tax information for taxpayers misclassifying workers. Division XVII relates to unemployment insurance benefits.

## LABOR AND EMPLOYMENT

### **SENATE FILE 2181 - Employment Practices and Occupational Safety and Health Regulation**

BY COMMITTEE ON LABOR AND BUSINESS RELATIONS. This Act pertains to certain employment practices and safety programs administered by the Division of Labor Services of the Department of Workforce Development. The Act adopts contemporary rulemaking standards for the state occupational safety and health standards in order to comply with federal Occupational Safety and Health Administration standards.

The requirement that the Labor Commissioner report on remedial actions taken pursuant to elevators is relocated to Code Chapter 91, which contains the duties of the Division of Labor Services.

The Act strikes a provision about boilers concerning the conversion of power boilers to low pressure boilers, and adopts two new provisions concerning the conversion of power boilers to low pressure boilers in order to update standards. The Act strikes a boiler provision concerning an exemption from internal inspections for unfired steam pressure vessels manufactured without an inspection plate, and adopts new provisions exempting such vessels from internal inspections if they are manufactured without an inspection opening.

The Act makes the requirements for youth migrant labor permits more similar to regular youth labor permits.

### **SENATE FILE 2279 - Unemployment Compensation — Voluntary Shared Work Plans**

BY COMMITTEE ON LABOR AND BUSINESS RELATIONS. This Act removes the limitation that an employing unit may only be approved by the Department of Workforce Development for one voluntary shared work plan during a 24-month period. Under a voluntary shared work plan, an individual is entitled to a percentage of the work benefit amount equal to the individual's reduction in hours worked.

### **SENATE FILE 2286 - Regulation of Mixed Martial Arts Matches and Events**

BY COMMITTEE ON LABOR AND BUSINESS RELATIONS. This Act places the regulation of amateur and professional mixed martial arts (MMA) matches and events under the authority of the Labor Commissioner in a manner similar to current regulation of professional boxing and wrestling. An MMA match is defined as a professional or amateur MMA match or event that is open to the public and an admission fee is charged, a donation is requested from those in attendance, or merchandise or refreshments are available for purchase. The definition of "promoter" is expanded to include a person who organizes, holds, advertises, or conducts professional or amateur MMA matches. Promoters are accountable for the conduct of all officials and participants at MMA matches and events.

The Act permits the commissioner to suspend an MMA match or event if an MMA contestant does not pass a required preflight physical exam; if a promoter, contestant, or participant is in violation of any rules; or if an MMA contestant fails to present adequate proof of age in order to compete. The commissioner also has the authority in certain circumstances to revoke, deny, or withdraw a license for or deny participation in an MMA match or event. Promoters are required to pay taxes on the gross receipts of MMA matches and events.

The Act authorizes the commissioner to impose civil penalties that may not exceed \$10,000 per violation for acting as a promoter of an MMA or professional boxing or wrestling match or event without a license. The commissioner may issue a cease and desist order to prevent a promoter from holding an unlicensed MMA or professional boxing or wrestling event or match. An MMA contestant must be at least 18 years of age, and provide proof thereof to the commissioner, to compete.

### **HOUSE FILE 681 - Business Closings and Layoffs — Notice Requirements**

BY COMMITTEE ON LABOR. This Act creates the "Iowa Worker Adjustment and Retraining Notification Act." The Act requires employers to notify employees, or their representatives, and the Department of Workforce Development of business closings that result in the layoff of 25 or more full-time employees and of mass layoffs that are reductions in the workforce of at least 25 employees in a 30-day period.

*NOTICE.* An employer is required to give notice to employees who will be affected by a business closing or mass layoff, or to their representatives, and to the department in writing 30 days before ordering such actions, unless a collective bargaining agreement designates a different notice period, in which case, the collective bargaining agreement governs. If a business is sold in whole or in part, the seller is responsible for providing written notice of any business closings or mass layoffs which will take place up to and on the date of sale. The buyer is responsible for proper notification of such actions thereafter.

*STRIKE OR LOCKOUT.* If a business closing or mass layoff is the result of a strike or lockout that is not intended to evade

the requirements of new Code Chapter 84C, the employer is not required to give notice. An employer is not required to give notice when permanently replacing an economic striker under the federal National Labor Relations Act. An employer who hires temporary workers to replace employees who are on strike or lockout is not obligated to provide written notice of the temporary workers' termination.

*ROLLING LAYOFFS.* If an employer will not be laying off all employees on the same date, the date of the first employee to be laid off triggers the 30-day notice requirement. An employer shall give notice if the number of employment losses of two or more actions in any 90-day period triggers the notice requirements for a business closing or a mass layoff. All employment losses in any 90-day period count together toward the notice requirement levels unless the employer demonstrates to the department that the employment losses during the 90-day period are the result of separate and distinct actions and causes.

*EXTENDED NOTICE.* Additional notice is required when the date or dates of a business closing or mass layoff are extended beyond the end date of any period announced in the original notice. If the postponement is for less than 30 days, additional notice must be given to the affected employees and the department as soon as possible and must include the new date of the proposed action and the reasons for the postponement. If the postponement is for more than 30 days, the additional notice must be treated as a new notice.

*FALTERING COMPANY.* An employer with a faltering company may be exempted from the 30-day notice requirement for a business closing but not a mass layoff, but is still required to provide proper notice, if the employer was actively seeking capital or business at the time the 30-day notice was required. The employer must, at the time notice is actually given, provide an explanation for reducing the notice period. The employer must show that the capital or business sought would have been sufficient if obtained to enable the employer to avoid or postpone the shutdown of the business. The employer must also demonstrate that the employer reasonably and in good faith believed that giving notice would have prevented the employer from obtaining the capital or business.

*UNFORESEEABLE CIRCUMSTANCE.* An employer that experiences unforeseeable business circumstances may be exempted from the 30-day notice requirement, but is still required to provide proper notice, for a business closing or a mass layoff. The employer, at the time notice is actually given, must provide an explanation for reducing the notice period. An unforeseeable business circumstance is caused by a sudden, dramatic, and unexpected action or condition outside the employer's control.

*NATURAL DISASTER.* An employer that experiences a natural disaster may be exempted from the 30-day notice requirement, but is still required to provide proper notice, for a business closing or a mass layoff. The employer, at the time notice is actually given, must provide an explanation for reducing the notice period. Natural disasters include floods, earthquakes, droughts, storms, tornadoes, and similar effects of nature. An employer must demonstrate that the business closing or mass layoff is a direct result of a natural disaster.

*ENFORCEMENT AND PENALTIES.* A determination by the department about whether a violation has occurred is a final agency action. An employer who violates the notice requirements is subject to a civil penalty of not more than \$100 for each day of the violation. Any penalties collected by the department shall be forwarded to the Treasurer of State and deposited in the General Fund of the State. These penalties are the exclusive remedies for violations in new Code Chapter 84C. Under this new Code chapter, a court shall not be able to enjoin a business closing or mass layoff.

**HOUSE FILE 2110 - Unemployment Insurance — Relocation of Spouse by Military**

BY COMMITTEE ON VETERANS AFFAIRS. This Act allows unemployment insurance benefits for an individual who left employment because of the relocation of the individual's spouse due to a military assignment in another area. An individual's employer shall not be charged for any benefits paid under this exception.

**HOUSE FILE 2111 - Reinstatement of Dissolved Business Entities — Tax Status Notification**

BY COMMITTEE ON COMMERCE. This Act directs the Secretary of State to notify the Department of Workforce Development when a limited liability company, corporation, cooperative, or nonprofit corporation applies for reinstatement after a dissolution. The department must report the tax status to the Secretary of State, including any filing delinquencies or liabilities, which would include unpaid unemployment insurance tax. Any filing delinquencies or liabilities would prevent the Secretary of State from canceling the business entity's declaration or certificate of dissolution until the matter is resolved.

**HOUSE FILE 2485 - Public Employee Collective Bargaining**

BY COMMITTEE ON LABOR. This Act makes changes relative to public employee collective bargaining under Code Chapter 20.

The Act modifies what constitutes a prohibited practice relating to collective bargaining by any public employer, public employee or employee organization, respectively, by eliminating the requirement that an act giving rise to a prohibited practice must be willful to constitute a violation and by providing that oral expression of views without threat of reprisal or force shall not constitute or be evidence of a prohibited practice.

The Act allows a presiding officer in a prohibited practice hearing to hear the case through the use of technology from a location other than the county where the alleged violation occurred.

The Act also provides that Code Chapter 17A, the Iowa Administrative Procedure Act, generally governs hearing and appeal proceedings under Code Chapter 20.

The Act modifies provisions concerning certification elections for exclusive bargaining representation. The Act provides that a petition for certification as exclusive bargaining representative of a bargaining unit cannot occur if that bargaining unit is currently represented by an exclusive bargaining representative. The Act also provides that a petition for decertification of a certified exclusive bargaining representative cannot occur for one year from the date of certification or the date of its continuing certification or during the duration of a collective bargaining agreement.

The Act amends the deadlines for community college employee collective bargaining to match the deadlines applicable to other educational employee bargaining units.

The Act makes changes relative to grievance procedures by providing that an agreement with an employee organization may include procedures for the consideration of employee organization grievances in addition to public employee grievances and by providing that arbitration shall be invoked only with the approval of the employee organization in all instances and, for employee grievances, the additional approval of the employee.

The Act eliminates fact-finding from public employee collective bargaining.

Binding arbitration for public employee collective bargaining is changed to provide that arbitration will be conducted by a single arbitrator and not a panel of arbitrators and to provide for the method of selecting the arbitrator.



## LOCAL GOVERNMENT

- [SENATE FILE 434](#) - Real Estate — Municipal Infractions, Tax Sales, and Nuisance Abatement
- [SENATE FILE 2224](#) - Horizontal Property — Boards of Administration
- [SENATE FILE 2254](#) - Taxes and Assessments Against Property — Records — Collection
- [SENATE FILE 2264](#) - City Subdivision Proposal Process and Horizontal Property Regimes
- [SENATE FILE 2350](#) - Civil Service Commissioners — Prohibited Activities and Interests
- [HOUSE FILE 2318](#) - City Development Board — Membership Terms
- [HOUSE FILE 2321](#) - Veterans Services for Inmates of Jails or Municipal Holding Facilities
- [HOUSE FILE 2376](#) - Annexation and Severance of Property by Cities
- [HOUSE FILE 2407](#) - Instruments Affecting Real Property — Definitions and Index Records

### RELATED LEGISLATION

- [SENATE FILE 2128](#) - Campaign Finance Reporting Requirements — Electronic Format  
*SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.* This Act makes a number of changes to Code Chapter 68A relating to campaign finance filing requirements.
- [SENATE FILE 2151](#) - Appropriation Reductions, Transfers, and Supplementals — Health and Human Services  
*SEE APPROPRIATIONS.* This Act makes and revises certain appropriations made for health and human services for fiscal year 2009-2010, by switching the funding sources for various appropriations, as adjusted for the Governor's uniform reduction in appropriations. The appropriations affected include those involving county-funded or administered mental health, mental retardation, and developmental disabilities services. An additional appropriation is made for a hospital funded under the IowaCare Program.
- [SENATE FILE 2157](#) - Recording of Residential Real Estate Installment Sales Contracts  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act amends the recording requirements for residential real estate installment sales contracts by requiring that such contracts be recorded within 90 days rather than 180 days, as was previously required. The Act also reduces the number of days for recording certain residential real estate installment contracts from 45 days to 30 days. The Act applies to real estate installment contracts signed on or after July 1, 2010.
- [SENATE FILE 2195](#) - Campaign Finance Regulation and Reporting  
*SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.* This Act makes a number of changes to Code Chapter 68A relating to campaign finance requirements and reporting.
- [SENATE FILE 2199](#) - Manufactured and Mobile Homes — Use Tax — Title Procedures  
*SEE TAXATION.* This Act requires the use tax imposed upon the use of manufactured housing to be paid by the owner of the manufactured housing to the licensed manufactured home retailer rather than directly to the county treasurer or the Department of Transportation. Under the Act, the use tax collected by the manufactured home retailer must be forwarded to the county treasurer or the Department of Transportation from whom the certificate of title is obtained. The county treasurer is authorized to retain \$1 from each tax payment collected by a manufactured home retailer and paid to the county treasurer. The Act establishes a procedure for an owner of a manufactured or mobile home that meets certain criteria to effectuate a surrender of the certificate of title if no record of a previous issuance or surrender exists. The Act takes effect April 7, 2010.
- [SENATE FILE 2202](#) - Persons With Disabilities — Miscellaneous Provisions  
*SEE STATE GOVERNMENT.* This Act relates to rights of persons with disabilities relating to public employment, use of public facilities and accommodations, and zoning for housing, by changing numerous Code references from "persons with physical disabilities" to "persons with disabilities," and revising the accessibility requirements for curb ramps and sloped areas in intersections with streets, roads, and highways.

- [SENATE FILE 2246](#) - Motor Vehicle Regulation — Miscellaneous Changes  
*SEE TRANSPORTATION.* This Act asserts the right of local authorities to exercise home rule power to impose regulations or requirements on the operation of taxicabs and limousines engaged in nonfixed route transportation for hire.
- [SENATE FILE 2266](#) - Local Public Health Governance  
*SEE HEALTH AND SAFETY.* This Act relates to local boards of health and provides for the jurisdiction, formation, organizational structure, personnel, and dissolution of local boards of health.
- [SENATE FILE 2273](#) - Electronic Vehicle Registration and Titling  
*SEE TRANSPORTATION.* This Act requires the Department of Transportation to lead a study concerning a uniform statewide system to allow electronic transactions for the initial registration and titling of motor vehicles and expresses the General Assembly’s intent that such a system be implemented by January 1, 2012. The Act takes effect April 7, 2010.
- [SENATE FILE 2313](#) - Electric Power Agencies  
*SEE ENERGY AND PUBLIC UTILITIES.* This Act modifies provisions applicable to the formation and operation of electric power agencies.
- [SENATE FILE 2324](#) - Cable or Video Service Franchises  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act modifies provisions relating to franchises for the provision of cable service or video service. The Act takes effect April 12, 2010.
- [SENATE FILE 2340](#) - Substantive Code Corrections  
*SEE STATE GOVERNMENT.* This Act contains statutory corrections that adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities in provisions relating to aircraft and airports; county governance and finance; platting of land; rural improvement zones; sanitary districts; city legislation and finance; civil service; urban renewal; municipal support of certain projects; valuation of real property; modular home property taxes; and notice of liens on real property. The change to Code Section 435.2, relating to modular home taxation, takes effect March 19, 2010, and applies retroactively to July 1, 2009.
- [SENATE FILE 2354](#) - Campaign Finance — Contributions, Independent Expenditures, and Attribution Statements  
*SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.* This Act relates to political campaign activities and independent expenditures by corporations and contains penalties.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
*SEE APPROPRIATIONS.* This Act includes additional funding for distribution to counties for state case services for persons with mental illness, mental retardation, and developmental disabilities and for reimbursing local governments for the elderly and disabled tax credit.
- [SENATE FILE 2381](#) - Appropriations — Transportation  
*SEE APPROPRIATIONS.* This Act broadens the authority of counties and cities to regulate the operation of all-terrain vehicles and off-road utility vehicles on local roads.
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities  
*SEE STATE GOVERNMENT.* This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt. The Act allows a county treasurer to collect delinquent state taxes from a person who is applying for renewal of a motor vehicle registration. The Act also allows a county attorney to act as the coordinator’s designee when collecting certain delinquent court debt under the Debt Settlement Program. The Act also permits a city to contract with a private collection designee for the collection of debts owed to a city related to criminal and civil penalties assessed by the city. The Act permits a fee to be added to the amount of the debt deemed delinquent and to be used to compensate the private debt collection designee.
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects  
*SEE APPROPRIATIONS.* Division VII of this Act establishes smart planning principles for state agencies, local governments, and other public entities to consider during all appropriate planning,

zoning, development, and resource management decisions, and establishes an Iowa Smart Planning Task Force. The division also amends several Code provisions relating to county and city zoning and planning. Division XVIII contains a provision relating to minority-owned and female-owned businesses and bond issuance services.

- [HOUSE FILE 2273](#) - Drainage District Improvements and Bid Requirements  
**SEE AGRICULTURE.** This Act amends provisions in Code Chapter 468 which apply to a drainage district's governing body contacting for improvements, first by reducing the percentage of a bid amount required to be pledged as security by the contractor from 10 percent to 5 percent and eliminating a \$10,000 ceiling, and second by increasing the threshold dollar amount from \$15,000 to \$20,000 before the board must let bids prior to executing the contract.
- [HOUSE FILE 2370](#) - Enterprise Zones — Application Deadline Extension  
**SEE ECONOMIC DEVELOPMENT.** This Act relates to the administration of the Enterprise Zone Program by the Department of Economic Development. The Act extends the application deadline for certification of new enterprise zones.
- [HOUSE FILE 2437](#) - Property Transfers, Private Sewage Disposal System Inspections, and Groundwater Hazard Statements  
**SEE ENVIRONMENTAL PROTECTION.** This Act relates to private sewage disposal system inspections and groundwater hazard statements.
- [HOUSE FILE 2456](#) - Use of Electronic Communication Devices While Driving  
**SEE TRANSPORTATION.** This Act restricts the use of most electronic devices by young novice drivers, prohibits texting by all drivers, and preempts existing local ordinances and prohibits future local ordinances relating to the use of electronic communication devices or electronic entertainment devices by motor vehicle operators.
- [HOUSE FILE 2458](#) - Mowing on Road and Highway Medians and Rights-of-Way  
**SEE NATURAL RESOURCES AND OUTDOOR RECREATION.** This Act restricts mowing within the rights-of-way and medians of interstates, primary highways, and secondary roads before July 15. The restriction applies to counties as well as the Department of Transportation and private property owners.
- [HOUSE FILE 2484](#) - Cedar River Boat Dock Requirements  
**SEE NATURAL RESOURCES AND OUTDOOR RECREATION.** This Act exempts docks in certain boat harbors located on the Cedar River from all dock requirements of the Department of Natural Resources if the docks are in compliance with local city regulations for docks in such boat harbors. The Act takes effect April 10, 2010.
- [HOUSE FILE 2487](#) - Recovery Zone Bonds  
**SEE ECONOMIC DEVELOPMENT.** This Act relates to recovery zone bonds authorized under the federal American Recovery and Reinvestment Act of 2009 by requiring the Iowa Finance Authority to provide written notice to each county and large municipality of the amount of the recovery zone bond allocation designated for each county and large municipality and by establishing reporting requirements for each county or large municipality relating to the issuance of recovery zone bonds. The Act also establishes requirements and a timeline for the waiver of recovery zone bond allocations and the recapture and reallocation of recovery zone bond allocations. The Act takes effect April 7, 2010.
- [HOUSE FILE 2519](#) - Federal Block Grant Appropriations and Other Federal Funding  
**SEE APPROPRIATIONS.** This Act appropriates federal block grant, federal American Recovery and Reinvestment Act of 2009, and other nonstate moneys to state agencies for the federal fiscal year beginning October 1, 2010, and ending September 30, 2011, and for the state fiscal year beginning July 1, 2010, and ending June 30, 2011.
- [HOUSE FILE 2526](#) - Appropriations — Health and Human Services  
**SEE APPROPRIATIONS.** This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes numerous provisions involving local government, including funding for adult mental health, mental retardation, and developmental disabilities;

services administered by counties; community empowerment areas; and local public health authorities.

**HOUSE FILE 2531**

- State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes

***SEE APPROPRIATIONS.*** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division II of the Act addresses state reimbursement for various property tax credits. Division VII relates to funding transfers to county mental health, mental retardation, and developmental disabilities services funds, criteria for organizations to be considered a county or district fair, and public library property tax levy voting dates. Division XII relates to income tax checkoffs for the Volunteer Fire Fighter Preparedness Fund.

## LOCAL GOVERNMENT

### **SENATE FILE 434 - Real Estate — Municipal Infractions, Tax Sales, and Nuisance Abatement**

BY COMMITTEE ON LOCAL GOVERNMENT. This Act requires the indexing of certain municipal citations and nuisance petitions and requires the properties that are subject to those citations and petitions to be withheld from tax sale. The Act requires the clerk of the district court to index a municipal citation that affects real property and that charges a violation of a building, housing, or public health or safety regulation in the same manner as other civil petitions are indexed. The clerk of the district court must also file the citation with the county treasurer. The Act requires the county treasurer to include a notation of the pendency of the action in the county system until the action is concluded. The Act includes similar indexing and notation requirements for nuisance petitions filed under Code Chapters 657 and 657A.

The Act provides that an affected property that is subject to a pending action as the result of a municipal infraction citation or a nuisance petition shall not be offered for sale by the county treasurer at tax sale if such citation or petition is properly indexed and noted in the county system.

The Act includes a method for canceling a tax sale of a parcel that contains an abandoned building, within the meaning of Code Chapter 657A, and refunding the purchase money if certain conditions are met.

### **SENATE FILE 2224 - Horizontal Property — Boards of Administration**

BY COMMITTEE ON LOCAL GOVERNMENT. This Act relates to boards of administration for horizontal property.

The Act requires the bylaws that govern horizontal property to provide that board meetings must be open to all apartment owners if the form of administration is a board of administration. The Act includes requirements regarding meeting notices, meeting minutes, and official records of the board of administration. Any action taken by a board of administration at a meeting that is in violation of any of the provisions of the Act is not valid or enforceable.

### **SENATE FILE 2254 - Taxes and Assessments Against Property — Records — Collection**

BY COMMITTEE ON LOCAL GOVERNMENT. This Act provides for the powers and duties of counties, and specifically county treasurers and county auditors.

*DESTRUCTION OF DOCUMENTS.* The Act amends provisions which authorize a county treasurer to destroy or dispose of a variety of documents after waiting a prescribed 10-year period, including tax sale redemption certificates and all associated tax sale records, certain special assessment records, mobile home and manufactured home tax lists (Code Section 331.552), suspended tax list books, and tax lists (Code Section 331.559). Under the Act, these provisions apply to documents in existence before, on, or after July 1, 2003.

*ASSESSMENTS ARISING FROM FENCE DISPUTES.* The Act also amends provisions which authorize township trustees to order the construction or maintenance of a fence when the owner of the land refuses to comply. The order may arise upon request of a neighboring landowner or local authority (county or city) when livestock has strayed from the responsible landowner's land (Code Chapter 169C) or upon request by a neighboring landowner who desires a secure partition fence (Code Chapter 359A). In both cases the township trustees may intervene by having the construction or repair work done independently, ordering the responsible landowner or landowners to make payment, and collecting the amount due. The Act eliminates the duties of the county auditor and requires the county trustees to certify the amount due to the county treasurer, who must enter the information into the county system in lieu of placing the amount on the tax books. The county system is a method of data storage and retrieval approved by the Auditor of State, which includes tax lists, books, records, indexes, registers, or schedules (see Code Section 445.1). The Act provides that the amount due is collected in a manner similar to that provided for the collection of rates and charges by the governing body of a city utility (see Code Section 384.84) instead of being collected as a tax debt. The assessed amount as certified is a lien upon the land until paid.

*ASSESSMENTS ARISING FROM WATER DISTRICT IMPROVEMENTS.* The Act amends provisions which authorize a landowner to be assessed the amount of an improvement to a water district that is financed through the issuance of bonds. The Act requires that the assessment be delivered to the county auditor and the schedule of assessment be delivered to the county treasurer (Code Section 357.22). The Act does not change the procedure for collecting the debt, which is collected in installment payments in the same manner as ordinary taxes.

### **SENATE FILE 2264 - City Subdivision Proposal Process and Horizontal Property Regimes**

BY COMMITTEE ON LOCAL GOVERNMENT. This Act amends Code Section 354.9, which authorizes cities to establish jurisdiction to review subdivisions or plats of survey that are within two miles of the city's boundaries. The Act includes a

declaration for the establishment of a horizontal property regime under Code Chapter 499B (condominiums) within the definition of subdivision for purposes of Code Section 354.9. The Act also requires that a declaration for a horizontal property regime proposed to be located within an area of review established by a city be submitted to the city for review and approval.

**SENATE FILE 2350 - Civil Service Commissioners — Prohibited Activities and Interests**

BY COMMITTEE ON LOCAL GOVERNMENT. This Act amends the portion of Code Section 400.2 relating to prohibited contracts and activities for civil service commissioners. Current law prohibits civil service commissioners from entering into certain contracts and providing services or materials to the city for which they are a commissioner. The Act allows a commissioner to engage in such contracts or activities if the contract, sale, or job is awarded by competitive bid in writing, publicly invited, and opened.

**HOUSE FILE 2318 - City Development Board — Membership Terms**

BY COMMITTEE ON LOCAL GOVERNMENT. This Act amends provisions relating to the length of terms and the limitation on length of service for City Development Board members. The Act reduces the length of each term from six years to four years and eliminates the prohibition on members serving more than two complete terms.

The Act takes effect March 10, 2010, and applies to appointments to the City Development Board to fill vacancies resulting from an expired term made on or after that date.

**HOUSE FILE 2321 - Veterans Services for Inmates of Jails or Municipal Holding Facilities**

BY COMMITTEE ON VETERANS AFFAIRS. This Act relates to providing veteran services to prisoners incarcerated in a jail or municipal holding facility.

The Act requires the personnel of a jail or municipal holding facility to inform a prisoner, within 24 hours of incarceration, that if the prisoner is a veteran, the prisoner may be entitled to a visit from a veteran service officer to determine if veteran services are required or available.

If it is determined that the prisoner is a veteran, the Act requires the personnel of the jail or municipal holding facility, within 72 hours of making the determination, to provide the prisoner with the contact information for the county commission of veteran affairs of the county where the jail or facility is located, and the prisoner shall be allowed to contact the county commission of veteran affairs to request a visit from a veteran service officer.

**HOUSE FILE 2376 - Annexation and Severance of Property by Cities**

BY COMMITTEE ON ECONOMIC GROWTH. This Act allows real property owners within the boundaries of a city to file a petition for severance with the city council if the petitioners' real property would be eligible for annexation by a different city if severed. The petition must be filed with both the city from which severance is sought and the city to which annexation is requested. If both cities approve the petition, the petition is filed with the City Development Board. Approval by either city council may be conditioned upon a transition agreement between the cities. The transition agreement may provide for the transition or sharing of property tax revenues and other provisions deemed by the cities to be in the public interest.

Upon receiving a petition approved by both city councils, the City Development Board must initiate proceedings to sever and annex the owners' real property as requested in the petition, provide notice to both cities of the proceedings, and hold a public hearing. The City Development Board may only approve the severance and annexation requested in the petition if the board also approves the transition agreement, if applicable. The severance and annexation is not subject to approval at an election. A severance and annexation under the Act is complete when the City Development Board files and records certain documents with specified governmental entities and offices.

**HOUSE FILE 2407 - Instruments Affecting Real Property — Definitions and Index Records**

BY COMMITTEE ON LOCAL GOVERNMENT. This Act defines the terms "grantor" and "grantee" for the purposes of Code Chapter 558, relating to conveyances. "Grantor" is the transferor in a transaction used to create the recording index, but also may include other specified persons for other instruments affecting real estate. "Grantee" is the transferee in a transaction used to create the recording index, but also may include other specified persons for other instruments affecting real estate.

The Act requires that the index record include the description of the real estate affected by the instrument rather than the description of the real estate that was conveyed.

## NATURAL RESOURCES AND OUTDOOR RECREATION

- [SENATE FILE 2216](#) - Shooting Game Birds on Licensed Hunting Preserves
- [SENATE FILE 2310](#) - Natural Resources and Outdoor Recreation Trust Fund
- [SENATE FILE 2371](#) - Sand and Gravel Removal From State-Owned Lands
- [HOUSE FILE 2310](#) - Regulations for Pen-Reared Pheasants
- [HOUSE FILE 2458](#) - Mowing on Road and Highway Medians and Rights-of-Way
- [HOUSE FILE 2484](#) - Cedar River Boat Dock Requirements

### RELATED LEGISLATION

- [SENATE FILE 285](#) - Traffic and Wildlife Conservation Offenses and Magistrate Jurisdiction  
*SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.* This Act amends Code Section 481A.135, relating to repeat offenders, to provide that an indictment or trial information for a violation requiring an enhanced penalty related to wildlife conservation under Code Section 481A.135 shall specify the underlying violation committed by the person.
- [SENATE FILE 2297](#) - Veterans and Military Service — Miscellaneous Provisions  
*SEE PUBLIC DEFENSE AND VETERANS.* This Act contains various provisions concerning veterans and military service. The Act provides, in part, that a service member deployed for military service shall receive a refund of that portion of any fishing or hunting license fee paid by the service member representing the service member's period of military service.
- [SENATE FILE 2381](#) - Appropriations — Transportation  
*SEE APPROPRIATIONS.* This Act contains provisions for the operation of all-terrain vehicles and off-road utility vehicles on a highway.
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects  
*SEE APPROPRIATIONS.* Division XV of this Act provides for the use of funds allocated to the Department of Natural Resources for floodplain mapping from the appropriation made to the Department of Economic Development in 2009 Iowa Acts, Chapter 183, Section 67, of federal community development block grant funds awarded to the state under the federal Consolidated Security, Disaster Assistance, and Continuing Appropriations Act. The Department of Natural Resources is required to enter into an agreement in an amount of not less than \$10 million with the University of Iowa for the development of new floodplain maps by June 30, 2014, by the Iowa Flood Center.
- [HOUSE FILE 2525](#) - Appropriations — Agriculture and Natural Resources  
*SEE APPROPRIATIONS.* This Act relates to agriculture and natural resources, including by making appropriations to the Department of Natural Resources from a number of sources for fiscal year 2010-2011. The Act appropriates \$200,000 each fiscal year from moneys dedicated to the Solid Waste Account of the Groundwater Protection Fund for use by the department in awarding beautification grants each year to a qualifying organization.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to a study of the U.S.S. Iowa. Division XII relates to income tax checkoffs for the Veterans Trust Fund.



## NATURAL RESOURCES AND OUTDOOR RECREATION

### **SENATE FILE 2216 - Shooting Game Birds on Licensed Hunting Preserves**

BY COMMITTEE ON NATURAL RESOURCES. This Act provides that a person may shoot at a game bird that is released a minimum of 25 yards from that person on a licensed hunting preserve. For the purposes of the Act, a "game bird" means pen-reared birds of the family gallinae, such as pheasants and quail, and mallard ducks. A violation of this provision is punishable by a scheduled fine of \$25.

### **SENATE FILE 2310 - Natural Resources and Outdoor Recreation Trust Fund**

BY COMMITTEE ON NATURAL RESOURCES. This Act implements a proposed amendment to the Constitution of the State of Iowa on the ballot for public approval on November 2, 2010. The purpose of the amendment is to dedicate a portion of state revenue from the state's sales tax for deposit into a Natural Resources and Outdoor Recreation Trust Fund (see H.J.R. 1, passed by the General Assembly in 2009). Moneys in the fund cannot be used for any purpose other than protecting and enhancing water quality and natural areas in this state, including parks, trails, and fish and wildlife habitat, and conserving agricultural soils in this state. No revenue is credited to the trust fund until the sales tax rate is increased. Whenever the sales tax is increased, the amount generated by the increase, not to exceed three-eighths of one percent of the increase, is credited to the trust fund. If approved by a majority of Iowa voters, the Constitution of the State of Iowa is amended effective on November 2, 2010.

*GENERAL.* The Act creates a new Code chapter referred to as the Natural Resources and Outdoor Recreation Act, and creates a trust fund as authorized in the constitutional amendment. The trust fund provides for distributions of revenue to support various initiatives to be carried out by three departments: the Department of Natural Resources (DNR), the Department of Agriculture and Land Stewardship (DALs), and the Department of Transportation (DOT).

*PARTICIPATION.* In making a decision regarding the expenditure of trust fund moneys, the Director of the DNR must consult with the Natural Resource Commission, the Secretary of Agriculture must consult with the State Soil Conservation Committee, and the Director of the DOT must consult with the State Transportation Commission. The heads of the three departments must regularly meet and collaborate when making decisions.

*ADMINISTRATION.* The Act requires annual audits by the Auditor of State or a private accounting firm. The three departments must submit an annual report to the Governor and General Assembly detailing the management of the trust fund, decision making, the results of expenditures from the trust fund, and recommendations for future legislation. The departments must adopt rules necessary to carry out their responsibilities. They must also publish and maintain a public listing of how moneys contained in the fund are distributed and spent each fiscal year.

*TRUST FUND ESTABLISHED.* The Act creates the trust fund, and provides that moneys may be credited to the trust fund as provided by law or accepted by a department for placement in an account under its control. Trust fund moneys are to supplement and not replace moneys appropriated by the General Assembly to support the constitutional purposes, must be used to support voluntary initiatives, and must not be used for regulatory efforts, enforcement actions, or litigation. Moneys in the trust fund or one of its accounts remain in the trust fund or account until expended and the trust fund and accounts retain all earnings.

*TRUST FUND ALLOCATIONS.* The Act provides for the distribution of revenue dedicated to the trust fund. Twenty-three percent is allocated to a Natural Resources Account administered by DNR to support initiatives related to state lands, wildlife, recreation, natural habitat, rivers and streams, education, and state conservation law enforcement. Twenty percent is allocated to a Soil Conservation and Water Protection Account administered by DALs to support initiatives related to soil conservation and watershed protection, the conservation of highly erodible land and soil conservation or crop management practices. Fourteen percent is allocated to a Watershed Protection Account for use by DNR and DALs to support initiatives related to water resource initiatives, including for the protection, restoration, or enhancement of water quality in the state. Thirteen percent is allocated to the Iowa Resources Enhancement and Protection Fund for disbursement as provided in Code Section 455A.19. Thirteen percent is allocated to a Local Conservation Partnership Account to be disbursed by DNR to support community initiatives, including for public lands, wildlife diversity, recreation, rivers, and education. Ten percent is allocated to a Trails Account to be disbursed by DOT and DNR to support the design, establishment, maintenance, improvement, and expansion of land and water trails. Seven percent is allocated to a Lake Restoration Account to be disbursed by DNR to support initiatives related to lake restoration.

*CONTINGENT IMPLEMENTATION.* The Act is to be implemented on January 1, 2011, if the joint resolution proposing the

amendment to the Constitution of the State of Iowa is ratified.

**SENATE FILE 2371 - Sand and Gravel Removal From State-Owned Lands**

BY COMMITTEE ON WAYS AND MEANS. This Act requires the Natural Resource Commission to issue written permits with a royalty fee of 10 cents per ton for the removal of sand and gravel for the purposes of flood control from state-owned lands and waters under the commission's jurisdiction, if the removal occurs on the Cedar River in a county with a population of more than 127,000. This provision is repealed on June 30, 2015. The royalty fee for dredging in other areas remains at 25 cents per ton.

The Act takes effect April 23, 2010.

**HOUSE FILE 2310 - Regulations for Pen-Reared Pheasants**

BY ARNOLD AND BEARD. This Act provides that an owner or tenant of land may obtain pen-reared pheasants from a hatchery approved by the Department of Natural Resources, and raise or release the pen-reared pheasants on the owner's or tenant's land. The person is not subject to restrictions applicable to hunting preserves. A person taking a pen-reared pheasant must comply with all applicable hunting requirements.

**HOUSE FILE 2458 - Mowing on Road and Highway Medians and Rights-of-Way**

BY COMMITTEE ON NATURAL RESOURCES. This Act prohibits mowing within the rights-of-way and medians of interstates, primary highways, and secondary roads before July 15. The restriction applies to the Department of Transportation, counties, and private property owners. Exceptions are allowed for mowing areas within 200 yards of an inhabited dwelling; on rights-of-way within one mile of the corporate limits of a city; to promote native species of vegetation; to establish control of damaging insects, noxious weeds, or invasive plants; for visibility and safety reasons; and within rest areas, weigh stations, and wayside parks. An amendment to the Act by H.F. 2531 (see Appropriations) adds additional exceptions for mowing within 50 feet of a drainage tile or tile intake; for access to a mailbox or for other accessibility purposes; and on rights-of-way adjacent to agricultural demonstration or research plots.

Under the Act, a landowner retains the ability to harvest, in proper season, grass grown on the road along the landowner's land, as long as the harvesting is done on or after July 15 and does not conflict with an integrated roadside vegetation management plan. County efforts to control weeds or brush within the rights-of-way of county roads must be delayed until July 15, except in areas where an exception applies.

**HOUSE FILE 2484 - Cedar River Boat Dock Requirements**

BY COMMITTEE ON NATURAL RESOURCES. This Act exempts docks in boat harbors located on the Cedar River in a city with a population of more than 125,000 located in a county with a population of more than 200,000 from all dock requirements of the Department of Natural Resources if the docks are in compliance with local city regulations for docks in such boat harbors. However, such docks that prior to April 10, 2010, use as dock flotation devices containers that were not originally manufactured for that purpose, may continue to use those containers only until the containers are replaced, or in the case of a new owner, within six months of transfer of ownership of the dock, at which time the dock flotation devices must comply with the rules of the department.

The Act takes effect April 10, 2010.

**PUBLIC DEFENSE AND VETERANS**

- [SENATE FILE 2175](#) - Mental Health Policy — Council and Commission Membership — Military Veterans
- [SENATE FILE 2274](#) - National Security and Military Education Benefits and Programs
- [SENATE FILE 2297](#) - Veterans and Military Service — Miscellaneous Provisions
- [SENATE FILE 2318](#) - Veterans and Military Members — Employment Benefits, Professional Licensing, Consumer Credit Terms
- [S.J.R. 2007](#) - Battleship Iowa Restoration and Preservation
- [HOUSE FILE 755](#) - Injured Veterans Grant Program — Eligibility
- [HOUSE FILE 2137](#) - Public Defense — Military Service and Military Justice
- [HOUSE FILE 2148](#) - Home Ownership Assistance Program for Military Members — Lenders
- [HOUSE FILE 2197](#) - Veterans Day Leave for Military Veterans
- [HOUSE FILE 2384](#) - Tax Advice for Deploying Military Services Members
- [HOUSE FILE 2406](#) - U.S.S. Iowa Naval Museum
- [HOUSE FILE 2414](#) - Military Honor Guard Unit Services
- [HOUSE FILE 2454](#) - State Government Employment Opportunities and Disabled Veterans

**RELATED LEGISLATION**

- [SENATE FILE 2226](#) - Children of Military Service Members on Active Duty — Custody, Care, and Visitation  
**SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.** This Act relates to child custody, physical care, and visitation of a minor child and a parent who is serving active duty military service. The Act provides for expedited hearings and presentation of testimony and evidence by electronic means by a parent affected by active duty. The Act provides a procedure for a parent who has been granted court-ordered visitation with the parent’s minor child to petition or apply to the court for temporary assignment of the parent’s visitation rights to a family member of the minor child specified by the parent, prior to or during the time the parent is serving active duty. The Act takes effect April 27, 2010.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
**SEE APPROPRIATIONS.** This Act includes supplemental funding for the Department of Public Defense to restore all or a portion of the reduction made by the Governor’s order making uniform reductions in appropriations.
- [HOUSE FILE 2110](#) - Unemployment Insurance — Relocation of Spouse by Military  
**SEE LABOR AND EMPLOYMENT.** This Act allows unemployment insurance benefits for an individual who left employment because of the relocation of the individual’s spouse due to a military assignment in another area.
- [HOUSE FILE 2321](#) - Veterans Services for Inmates of Jails or Municipal Holding Facilities  
**SEE LOCAL GOVERNMENT.** This Act relates to providing veteran services to prisoners incarcerated at a county jail or municipal holding facility. The Act requires the personnel of a jail or holding facility to permit veterans who are incarcerated in the jail or holding facility to contact the county commission of veteran affairs of the county where the jail or facility is located to request a visit from a veteran service officer.
- [HOUSE FILE 2422](#) - Disaster Recovery Case Management  
**SEE HUMAN SERVICES.** This Act relates to disaster recovery case management.
- [HOUSE FILE 2449](#) - Small Business Assistance for Disabled Veterans  
**SEE ECONOMIC DEVELOPMENT.** This Act directs the Department of Economic Development to encourage and assist small businesses owned and operated by disabled veterans to obtain state contracts.

- [HOUSE FILE 2526](#) - Appropriations — Health and Human Services  
*SEE APPROPRIATIONS.* This Act relates to and makes appropriations for health and human services for FY 2010-2011 and includes funding and other provisions involving the Department of Veterans Affairs, the Iowa Veterans Home, and veterans programs.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to a study of the U.S.S. Iowa. Division XII relates to income tax checkoffs for the Veterans Trust Fund.
- [HOUSE FILE 2532](#) - Individual Income Tax — Veterans Trust Fund Payments  
*SEE TAXATION.* This Act provides an income tax deduction for certain benefits received from the Veterans Trust Fund.

## PUBLIC DEFENSE AND VETERANS

### **SENATE FILE 2175 - Mental Health Policy — Council and Commission Membership — Military Veterans**

BY COMMITTEE ON VETERANS AFFAIRS. This Act provides representation of military veterans on the Mental Health and Disability Services Commission (formerly the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury Commission) and the Mental Health Planning and Advisory Council. The commission is responsible for state policy under the Department of Human Services for mental health and disability services. The council was created by federal law to address mental health planning.

### **SENATE FILE 2274 - National Security and Military Education Benefits and Programs**

BY COMMITTEE ON VETERANS AFFAIRS. This Act provides education-related benefits for military persons and veterans, and certain registration, tuition, and fee options for postsecondary students who are spouses of guard members or reservists ordered to service. The Act also directs the Department of Education (DE) to work with the State Board of Regents to convene a working group to explore the possibility of participating in a federal program whose goal is to build a broad pool of internationally competent individuals who are available for recruitment into the federal national security community, and directs the Department of Veterans Affairs (DVA) to conduct a study of the need to provide greater undergraduate benefits for veterans and their dependents.

Military personnel stationed in Iowa and veterans who have resided in Iowa for at least one year or sufficient time to have filed an Iowa tax return in the preceding 12 months are eligible for in-state tuition at the state's public postsecondary institutions. Options currently offered to a military member by community colleges and the State Board of Regents, which are to withdraw and receive a full refund of tuition and mandatory fees or to make arrangements for some or all course grades or incompletes, with refunds only paid for courses for which arrangements could not be made for grades or incompletes, must also be provided to a student who is the spouse of a member of the Iowa National Guard or the reserve forces of the United States, if the member has a dependent child and if the member is ordered to state military service or federal service or duty. To maintain eligibility under the Iowa Tuition Grant program, accredited private postsecondary institutions must also offer these options.

The Act directs the Board of Educational Examiners to assign a consultant to be the single point of contact for an applicant who is licensed by another state or country and who is the spouse of a military person who is on duty or in active state duty.

The DE, in collaboration with the State Board of Regents, must convene a working group, that includes representatives of the business community, to explore the possibility of securing the cooperation and assistance of the U.S. Department of Defense, the National Defense University, and the National Security Education Board to participate in the federal National Security Education Program and establish a foreign language road map, flagship program, and timeline in this state for K-16 and graduate-level students. The working group must submit a report of its findings and recommendations to the General Assembly by January 15, 2011.

The DVA is also directed to conduct a study, in collaboration with the State Board of Regents, DE, and other postsecondary stakeholders as determined by the DVA, of the need to provide greater undergraduate education benefits for veterans and their dependents, including but not limited to dependent children of service-connected disabled veterans. The study shall include a review of current federal education benefits for veterans and their dependents, cost and participation estimates, and a review of educational benefits currently provided to veterans and their dependents by other states. The DVA must submit its findings and recommendations in a report to the General Assembly by December 31, 2010.

### **SENATE FILE 2297 - Veterans and Military Service — Miscellaneous Provisions**

BY COMMITTEE ON VETERANS AFFAIRS. This Act concerns veterans and military service, relating to fees, use of state facilities, public utilities, and disposition of remains.

The Act requires the state, or a political subdivision of the state, to allow the use of facilities under its control for certain designated military events for not more than the cost of expenses. A designated military event is defined as an event, authorized by the Adjutant General, for military family readiness groups or for returning veterans for a period of up to one year from the date of return from active duty.

The Act waives the fees for a birth or death certificate of a service member who dies while on active duty for a period of one year from the date of death for a family member of the deceased service member.

The Act also provides that a declaration for disposition of remains made by a service member on forms provided and

authorized by the U.S. Department of Defense for service members for this purpose shall constitute a valid declaration of designee.

Concerning the disconnection of utilities, the Act provides that a public utility furnishing gas or electricity shall not disconnect service to a residence in which one of the heads of household is a service member deployed for military service, prior to a date 90 days after the end of the service member's deployment.

The Act further provides that a service member deployed for military service shall receive a refund of that portion of any fishing or hunting license fee paid by the service member representing the service member's period of military service.

The Act also provides that a nonprofessional permit to carry weapons issued to a service member who is deployed for military service shall remain valid for 90 days after the end of the service member's deployment.

**SENATE FILE 2318 - Veterans and Military Members — Employment Benefits, Professional Licensing, Consumer Credit Terms**

BY COMMITTEE ON VETERANS AFFAIRS. This Act makes changes concerning and affecting veterans and military members.

Concerning employment benefits for military members, the Act provides that the Department of Administrative Services establish programs to inform state employees who are military members, and their families, of their rights and benefits while the service member is deployed.

The Act also allows an active member of the peace officers' retirement system under Code Chapter 97A to purchase service credit for military service that is not otherwise required to be recognized by federal law upon payment of the actuarial cost of the service purchase.

Concerning professional liability insurance and licensing, the Act adds a provision to the Iowa National Guard Civil Relief Act to provide that a service member's obligation or liability to pay a premium for professional liability insurance coverage shall be stayed during military service and that the service member shall be allowed to continue coverage and resume payment without penalty upon completion of military service. In addition, the Act directs the departments of Workforce Development and Veterans Affairs to establish a workgroup to identify licensing requirements for workforce shortage areas and to study, in conjunction with the relevant licensing entities, whether comparable military training could substitute for current licensing requirements.

Finally, concerning interest rate limit enforcement, the Act authorizes the Superintendent of Banking and the Superintendent of Credit Unions to enforce the percentage rate limitation imposed as a restriction or safeguard for military personnel under federal law 10 U.S.C. § 987.

**SENATE JOINT RESOLUTION 2007 - Battleship Iowa Restoration and Preservation**

BY COMMITTEE ON VETERANS AFFAIRS. This Joint Resolution relates to the preservation of the juggernaut U.S.S. Iowa as a permanent naval museum.

This Joint Resolution creates an ad hoc committee comprised of 10 members appointed by the Governor to raise funds to support efforts to relocate and preserve the battleship, and creates a fund in the State Treasury to be administered by the Department of Cultural Affairs. Staff support is to be provided to the committee by the department.

**HOUSE FILE 755 - Injured Veterans Grant Program — Eligibility**

BY COMMITTEE ON VETERANS AFFAIRS. This Act provides that a veteran who has served on active duty at any time after September 11, 2001, and who has suffered an injury in the line of duty requiring at least 30 consecutive days of hospitalization at a military hospital is eligible to receive a grant under the Injured Veterans Grant Program.

**HOUSE FILE 2137 - Public Defense — Military Service and Military Justice**

BY COMMITTEE ON VETERANS AFFAIRS. This Act relates to the Military Division of the Department of Public Defense concerning state military service and the Iowa Code of Military Justice.

As it relates to state military service, the Act provides that the Adjutant General, a deputy adjutant general, and the State Quartermaster shall not be considered state employees while performing state military service except for purposes of the Iowa Public Employees' Retirement System and state employee health, dental, and other benefit plans.

As it relates to the Iowa Code of Military Justice, the Act provides that process issued in court-martial cases to compel witnesses and to compel the production of other evidence may run to other states, as well as the United States and its territories and possessions, in accordance with the law of the place where the witness or evidence sought is located. In addition, the Act adds an additional punitive article to the Iowa Code of Military Justice relating to wrongful use, possession, distribution, or manufacture of certain controlled substances.

**HOUSE FILE 2148 - Home Ownership Assistance Program for Military Members — Lenders**

BY COMMITTEE ON VETERANS AFFAIRS. This Act allows persons eligible for the Home Ownership Assistance Program for Military Members to use a lender that does not participate in the Iowa Finance Authority's (IFA) other programs for homebuyers if an application submitted by the lender is approved by IFA. A mortgage lender that maintains an office in the state may submit an application to IFA to provide a mortgage loan or other financing under the Home Ownership Assistance Program for Military Members or other homebuyer program if the eligible person is required to participate in another program.

The Act requires IFA to establish criteria for the review and approval of applications submitted by lenders and allows IFA to determine and collect a reasonable application fee. The Act requires all fees collected to be used exclusively for costs associated with the review and approval of submitted applications.

**HOUSE FILE 2197 - Veterans Day Leave for Military Veterans**

BY COMMITTEE ON VETERANS AFFAIRS. This Act requires each employer in this state to provide each employee who is a veteran with a paid or unpaid holiday for Veterans Day, November 11. The Act requires an employee seeking time off for Veterans Day to provide their employer with at least 30 days prior notice and to submit proof of the employee's eligibility for this benefit. At least 10 days prior to Veterans Day, the employer shall notify the employee if the employee shall be provided time off for Veterans Day. An employer may deny time off for Veterans Day to the minimum number of employees needed by the employer to protect health and safety or to maintain minimum operational capacity. Any employer who violates the Act is subject to a civil penalty of not more than \$500 for each violation.

**HOUSE FILE 2384 - Tax Advice for Deploying Military Services Members**

BY COMMITTEE ON VETERANS AFFAIRS. This Act directs the Veterans Affairs Commission, in coordination with the Military Division of the Department of Public Defense, to advise service members deploying overseas about filing tax returns and paying taxes due, and to encourage such service members to contact the Department of Revenue.

**HOUSE FILE 2406 - U.S.S. Iowa Naval Museum**

BY COMMITTEE ON VETERANS AFFAIRS. This Act requires the Iowa Department of Veterans Affairs to promote and support the preservation of the battleship U.S.S. Iowa as a permanent naval museum.

**HOUSE FILE 2414 - Military Honor Guard Unit Services**

BY COMMITTEE ON VETERANS AFFAIRS. This Act relates to honor guard service. Code Section 35A.12 allows members of a recognized military veterans organization of the Iowa National Guard, the reserve forces of the United States, or a reserve officers training corps to perform any honor guard service on public property. This Act allows members of the U.S. Coast Guard Auxiliary to also serve in that capacity.

**HOUSE FILE 2454 - State Government Employment Opportunities and Disabled Veterans**

BY COMMITTEE ON VETERANS AFFAIRS. This Act requires the Department of Administrative Services to develop, in consultation with several state and federal agencies, programs to inform disabled veterans about federally funded training opportunities in state government, state government job training programs for disabled veterans who qualify for federal funding, and a noncompetitive hiring program for disabled veterans who complete a federally funded job training program.



## STATE GOVERNMENT

- [SENATE FILE 2062](#) - State Employee Retirement Incentives Program
- [SENATE FILE 2088](#) - State Government Reorganization
- [SENATE FILE 2202](#) - Persons With Disabilities — Miscellaneous Provisions
- [SENATE FILE 2237](#) - Nonsubstantive Code Corrections
- [SENATE FILE 2247](#) - Designation of Gaming Enforcement Officers
- [SENATE FILE 2340](#) - Substantive Code Corrections
- [SENATE FILE 2355](#) - Fire Protection System Installation and Maintenance — Licensure
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities
- [HOUSE FILE 2183](#) - State Board of Health — Organization and Duties
- [HOUSE FILE 2195](#) - Fine Arts Projects in State Buildings
- [HOUSE FILE 2488](#) - Appointive Board, Commission, Committee, and Council Membership — Young Adults
- [HOUSE FILE 2518](#) - Public Retirement Systems Changes

### RELATED LEGISLATION

- [SENATE FILE 153](#) - Medical or Osteopathic Physician and Physician Assistant Limited Liability Companies or Corporations  
*SEE HEALTH AND SAFETY.* This Act relates to the business relationships formed between medical or osteopathic physicians, physician assistants, and advanced registered nurse practitioners.
- [SENATE FILE 2067](#) - Ethics — Additional Miscellaneous Changes  
*SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.* This Act relates to ethics regulations for the executive branch, legislative branch, and local officials and employees.
- [SENATE FILE 2073](#) - Professional Licensure and Regulation — Commerce — Accounting  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act relates to the practice of accounting and to the organization and operation of the licensing boards for business professions.
- [SENATE FILE 2128](#) - Campaign Finance Reporting Requirements — Electronic Format  
*SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.* This Act makes a number of changes to Code Chapter 68A relating to campaign finance filing requirements.
- [SENATE FILE 2195](#) - Campaign Finance Regulation and Reporting  
*SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.* This Act makes a number of changes to Code Chapter 68A relating to campaign finance requirements and reporting.
- [SENATE FILE 2215](#) - Genetic Testing and Use of Genetic Information  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act amends Code Section 729.6 concerning the use of genetic testing and genetic information. The Act provides for civil and administrative enforcement and penalties.
- [SENATE FILE 2310](#) - Natural Resources and Outdoor Recreation Trust Fund  
*SEE NATURAL RESOURCES AND OUTDOOR RECREATION.* This Act implements a proposed amendment to the Constitution of the State of Iowa, on the ballot for public ratification on November 2, 2010, providing that an increase in the state's sales tax is to be deposited into a Natural Resources and Outdoor Recreation Trust Fund. The Act implements the amendment, if ratified, by establishing a Natural Resources and Outdoor Recreation Trust Fund for use by the Department of Natural Resources, the Department of Agriculture and Land Stewardship, and the Department of Transportation for supporting initiatives to protect and enhance water quality and natural areas in this state including parks, trails, and fish and wildlife habitat, and to conserve agricultural soils in this state.

- [SENATE FILE 2354](#) - Campaign Finance — Contributions, Independent Expenditures, and Attribution Statements  
**SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.** This Act relates to political campaign activities and independent expenditures by corporations and contains penalties.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
**SEE APPROPRIATIONS.** This Act includes authorization for the Department of Administrative Services in making payments to setoff for liabilities owed to community colleges and for the department to sell unneeded items at the former Mercy Capitol facilities.
- [SENATE FILE 2367](#) - Appropriations — Administration and Regulation  
**SEE APPROPRIATIONS.** This Act relates to and appropriates from the General Fund of the State, and from other funds, to various administrative and regulatory state departments and agencies, for FY 2010-2011. The Act also makes changes relative to the Department of Administrative Services concerning acquisition of information technology services, use of chain of custody paper in lieu of recycled paper, and audits conducted by the Auditor of State.
- [SENATE FILE 2376](#) - Appropriations — Education  
**SEE APPROPRIATIONS.** This Act appropriates moneys for FY 2010-2011 to the Department for the Blind, the College Student Aid Commission, the Department of Education, and the State Board of Regents and its institutions; makes a number of changes to statutory education law; and requests the Legislative Council to establish an interim study committee to study the inclusion under the Open Meetings and Open Records laws of nonprofit organizations that are supported in whole or in part with public funds or revenues derived from public fees, that were established by, or are operated by, governing boards whose memberships were or are substantially comprised of state or local elected officials or appointees of governmental bodies.
- [SENATE FILE 2380](#) - Taxation — Credits, Expenditures, and Incentives — Estate Taxes  
**SEE TAXATION.** This Act provides for the regular review of tax expenditures by the General Assembly; reduces the maximum amount of certain tax credits that may be approved each year; suspends the Film, Television, and Video Project Promotion Program for a period of three years; eliminates certain tax credit programs; reenacts the estate tax; and requests the legislative council to create certain interim study committees to make recommendations on certain tax credit programs.
- [SENATE FILE 2384](#) - Nursing Workforce — Information and Incentives  
**SEE HEALTH AND SAFETY.** This Act includes provisions relating to the nursing workforce. In part, the Act directs the Department of Workforce Development to establish a nursing workforce data clearinghouse to collect and maintain data regarding Iowa's nursing workforce. The department is directed to submit annual reports to the Governor and the General Assembly regarding the data clearinghouse and the status of the nursing workforce in the state.
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects  
**SEE APPROPRIATIONS.** Division VII of this Act establishes smart planning principles for state agencies, local governments, and other public entities to consider during all appropriate planning, zoning, development, and resource management decisions, and also establishes an Iowa Smart Planning Task Force. Division XVI requires the Department of Administrative Services to issue a request for proposals concerning the availability and cost of office space for state employees in downtown Des Moines and in other areas in close proximity to the State Capitol Complex and to conduct a cost-benefit analysis of utilizing existing office space in downtown Des Moines and other areas in close proximity to the State Capitol Complex in lieu of replacing or renovating the Wallace Building. The division also requires the Department of Administrative Services to evaluate and consider relocating the state vehicle fleet. Division XVIII makes changes to paper contract requirements relating to competitive bids for public improvement contracts and contains a provision relating to minority-owned and female-owned businesses and bond issuance services.
- [S.J.R. 2007](#) - Battleship Iowa Restoration and Preservation  
**SEE PUBLIC DEFENSE AND VETERANS.** This Joint Resolution relates to the preservation of the juggernaut U.S.S. Iowa battleship as a museum.

[S.J.R. 2009](#)

- Nullification of Administrative Rule — Automatic Residential Fire Sprinkler Systems  
**SEE HEALTH AND SAFETY.** This Joint Resolution relates to provisions of the State Building Code requiring sprinklers in townhouses and one-family and two-family new home construction. The Joint Resolution takes effect March 26, 2010.

[HOUSE FILE 823](#)

- Environmentally Preferable Cleaning and Maintenance Policy for State and Public Education Facilities  
**SEE ENVIRONMENTAL PROTECTION.** This Act requires school districts, community colleges, regents institutions, and state agencies utilizing state buildings, to conduct an evaluation and assessment regarding implementation of an environmentally preferable cleaning policy. On or after July 1, 2012, the Act requires state agencies to purchase only cleaning and maintenance products identified by the Department of Administrative Services as being environmentally preferable cleaning and maintenance products or that meet nationally recognized standards, and also applies this requirement to school districts, community colleges, and regents institutions, unless they opt out of compliance.

[HOUSE FILE 2109](#)

- Ethics — Miscellaneous Changes  
**SEE ELECTIONS, ETHICS, AND CAMPAIGN FINANCE.** This Act relates to ethics laws by establishing disclosure requirements, providing jurisdictional authority, and allowing certain procedures in resolving ethics complaints.

[HOUSE FILE 2137](#)

- Public Defense — Military Service and Military Justice  
**SEE PUBLIC DEFENSE AND VETERANS.** The Act provides that the Adjutant General, a deputy adjutant general, and the State Quartermaster shall not be considered state employees while performing state military service except for purposes of the Iowa Public Employees' Retirement System and state employee health, dental, and other benefit plans.

[HOUSE FILE 2193](#)

- Emergency Medical Care — Providers, Programs, Training, and Authorization  
**SEE HEALTH AND SAFETY.** This Act relates to the training and licensing of emergency medical care providers, programs, and emergency medical care training programs; penalties are provided.

- [HOUSE FILE 2280](#) - Regulation of Commercial Establishments for Nonagricultural Animals  
*SEE AGRICULTURE.* This Act provides for the regulation of commercial establishments that possess or control certain animals, other than animals used for an agricultural purpose, by the Department of Agriculture and Land Stewardship including by providing for different authorizations to operate, fees, standards of care, inspections, disciplinary action, and civil and criminal penalties. The Act takes effect March 9, 2010.
- [HOUSE FILE 2284](#) - Public Health Regulation — Miscellaneous Changes  
*SEE HEALTH AND SAFETY.* This Act relates to several programs and licensing boards housed within the Department of Public Health.
- [HOUSE FILE 2454](#) - State Government Employment Opportunities and Disabled Veterans  
*SEE PUBLIC DEFENSE AND VETERANS.* This Act requires the Department of Administrative Services to develop programs to seek out and hire qualified disabled veterans for job opportunities in state government.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
*SEE APPROPRIATIONS.* This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to licensing requirements under the Plumbing and Mechanical Systems Board, biennial report fees for limited liability companies, licensure requirements for bingo occasions, raffle ticket purchases, eligible qualified organizations for raffles, certification of pharmacy technicians and pharmacy technician trainees, criteria for organizations to be considered a fair, and state employee insurance coverage for autism spectrum disorders. Division XIV relates to medication therapy management coverage for certain state employees. Division XVI relates to the bonding authority for the Iowa Comprehensive Petroleum Underground Storage Tank Fund. Division XVIII relates to operation expenses for Terrace Hill.

## STATE GOVERNMENT

### [SENATE FILE 2062](#) - State Employee Retirement Incentives Program

BY COMMITTEE ON STATE GOVERNMENT. This Act establishes a State Employee Retirement Incentive Program for eligible employees of the executive branch of the state, including employees in the offices of statewide elective officials, employees of a judicial district department of correctional services of the Department of Justice, and if the State Board of Regents approves, employees of the State Board of Regents and its institutions. The Act permits, but does not require, both the legislative branch and the judicial branch to establish an early retirement program consistent with the program provided in the Act.

Elected officials and employees eligible for an enhanced sick leave conversion program under Code Section 70A.23(4) are excluded from participating in the program. The Act permits eligible executive branch employees who have completed an application for benefits under the Iowa Public Employees' Retirement System (IPERS) with an intended first month of entitlement of no later than July 2010, to separate from service with the state and receive a benefit under the program. To receive the incentive benefit, an eligible employee must submit an application to participate in the program by April 15, 2010, be accepted to participate in the program by the departments of Administrative Services and Management, separate from state employment by June 24, 2010, and acknowledge the employee's ineligibility to return to employment with the state.

The benefit provided to an eligible employee who participates in the program is an amount equal to the entire value of the eligible employee's accumulated but unused vacation plus, if the employee has at least 10 years of state employment, \$1,000 for each year of state employment up to 25 years. This amount shall be payable in five equal installments each year during September beginning in September 2010. In addition, a participant in the program, or the participant's surviving spouse, shall receive a health insurance premium benefit to pay the premium cost for eligible state group health insurance for five years following the participant's termination from state employment. However, a participant shall receive the health insurance premium benefit only when the participant is no longer eligible for, or exhausts, the participant's available remaining value of sick leave used to pay the state share for the participant's continuation of state group health insurance coverage.

The Act further provides that an employer shall not fill vacancies created by employees participating in the program except upon approval of the Department of Management. The requirement that the Department of Management approve filling a vacancy does not apply to vacancies within the offices of statewide elective officials, a judicial district department of correctional services, the State Board of Regents and its institutions, or the judicial or legislative branches. In addition, the Act provides that an employer shall not hire a participant in the program for any employment.

The Act takes effect February 10, 2010.

### [SENATE FILE 2088](#) - State Government Reorganization

### [Fiscal Analysis](#)

BY COMMITTEE ON STATE GOVERNMENT. This Act concerns state government and provides for reorganizing government agencies, eliminating boards and commissions, providing for governmental efficiencies, and includes other matters related to the operation of state government. The Act consists of 53 divisions, relating to digital government, state budgeting and personnel practices, government purchasing, administration and regulation, agriculture and natural resources, economic development, education, health and human services, the justice system, and ongoing government efficiency matters.

#### Division I — Government Information Technology Services

Division I modifies provisions relative to information technology services provided by the Department of Administrative Services (DAS).

Code Section 8A.201 is amended to add a definition for infrastructure services as it relates to information technology. The Act defines infrastructure services to include data centers, servers and mainframes, wide area and local area networks, cyber security functions, and disaster recovery technology.

Code Section 8A.201(4) is amended to provide that all state agencies, except the State Board of Regents and institutions under its control, are considered participating agencies for purposes of information technology services provided by DAS. Prior law excluded the State Board of Regents, public broadcasting, the state Department of Transportation (DOT) Mobile Radio Network, the Department of Public Safety (DPS) law enforcement communications systems, the Telecommunications

and Technology Commission with respect to information technology that is unique to the Iowa Communications Network, the Iowa Lottery Authority, a judicial district department of correctional services, and the Iowa Finance Authority (IFA) from the definition of a participating agency.

New Code Section 8A.201A provides for the appointment of the chief information officer (CIO) and provides that the CIO shall be appointed by the Governor, and shall have at least five years of experience in the field of information technology and a working knowledge of financial management. Code Section 8A.104(12), which provided that the Director of DAS or the director's designee shall serve as CIO, is stricken by the Act.

Code Section 8A.202, concerning the mission, powers, and duties of DAS as it relates to information technology, is amended to provide a process by which agencies may seek a waiver for any of the requirements concerning the acquisition of information technology. Generally, a waiver can be granted if the requesting agency can show that a waiver would be in the best interests of the state.

Code Section 8A.203, concerning the powers and duties of the director of DAS as it relates to information technology, is amended to provide that these powers and duties are granted to the CIO in consultation with the director. The Code section is also amended to add duties for the CIO relative to operating the information technology aspects of DAS, rulemaking, and entering into contracts.

Code Section 8A.204 is amended to replace the Technology Governance Board with a Technology Advisory Council. The Act establishes the membership of the council and provides that the council's primary role is to advise the CIO and DAS concerning information technology services.

Code Section 8A.205, concerning digital government, is amended to provide that DAS shall assist agencies in converting printed government materials to electronic materials which can be accessed through an Internet searchable database and to encourage agencies to utilize a print on demand strategy to reduce copying costs.

Code Section 8A.207, concerning the procurement of information technology, is amended to provide that DAS shall be the sole provider of infrastructure services to participating state agencies and shall develop policies and procedures that apply to all information technology acquisitions by such agencies.

The Act eliminates the IowAccess Advisory Council and provides that DAS shall establish IowAccess and shall have the powers relative to IowAccess previously granted the council relative to setting rates and approving projects.

Division I includes several directives relative to information technology. DAS is directed to consult with and explore opportunities with the legislative and judicial branches of government relative to the providing of information technology services to those branches of government. The CIO shall also conduct a study regarding convenience fees charged by state agencies by credit or debit card or other electronic means of payment. The study shall determine the fees charged and the revenue generated by the fees, and shall explore ways to reduce or eliminate these fees. Finally, state agencies are encouraged to utilize electronic mail to notify holders of permits and licenses that the license or permit needs to be renewed.

#### Division II — Electronic Records

Division II concerns electronic records. Code Section 7A.11A, concerning reports to the General Assembly, is amended to eliminate the requirement that a printed copy of all reports be filed with the General Assembly. The requirement to file reports electronically remains.

The division requires that DAS and the Department of Cultural Affairs, in consultation with the State Records Commission, conduct a study on and make recommendations for the creation, storage, and retention of state agency records in an electronic format and submit a report containing the recommendations to the General Assembly by December 15, 2010.

#### Division III — General Assembly — Legal Publication Modernization

*GENERAL.* Division III modernizes the production, distribution, and use of publications by the General Assembly and specifically the Legislative Services Agency (LSA) under the direction of the Legislative Council. The publications include statutes enacted by the General Assembly (Iowa Acts and Iowa Code or Code Supplement), proposed or finalized rules adopted by executive branch agencies (Iowa Administrative Bulletin and Iowa Administrative Code), and rules prescribed by the Iowa Supreme Court (Iowa Court Rules). The division also authorizes LSA to produce electronic versions of nonlegal publications that it currently publishes in a printed format, including the Iowa Official Register (Redbook) and Roster of

State Officials.

*GENERAL POLICIES.* The division amends Code Section 2.42, which allows the Legislative Council to establish general policies regarding the production and distribution of printed and electronic versions of the legal publications.

*PRODUCTION AND DISTRIBUTION OF ELECTRONIC AND PRINTED VERSIONS.* The division amends Code Chapter 2A, which provides for the powers and duties of LSA. The division allows LSA to produce an electronic version or printed version of legal publications; designate a legal publication as official or unofficial; and make available electronic or printed versions of a legal publication to federal, state, and local governments' officers, offices, or agencies. The LSA is required to establish payment policies for printed versions, and may provide the electronic version free of charge to eligible recipients or require payment to cover mailing and handling costs.

*LEGAL PUBLICATIONS.* The division amends Code Chapter 2B, which governs legal publications and updates provisions to conform with current practice. The LSA is required to control and maintain custodial information used to produce the publications in a secure electronic repository.

The division provides for publication schedules. The division provides that the Iowa Code must be published each year rather than every other year, but LSA is provided discretion to continue publishing a Code Supplement in lieu of the Iowa Code every year. The Iowa Administrative Code or its supplements are expressly authorized to be published every other week in the same manner as the Iowa Administrative Bulletin. The LSA is expressly authorized to publish Iowa Court Rules or supplements.

The division details the contents required to be included in the legal publications, provides authority to the LSA to arrange and number statutes and rules, provides for citing statutes and rules according to policies established by LSA, and allows the Iowa Code Editor or Administrative Code Editor to authenticate a portion of an electronic or printed version of a legal publication as official.

The division eliminates language which establishes the effective date of the Iowa Code or Code Supplement upon the Iowa Code Editor's approval of the final press proofs for statutory text. The division establishes the effective dates of the Iowa Code or Code Supplement, and Iowa Administrative Code, based on the date when the publication is conclusively deemed to be complete, referred to as the publication date. For the Iowa Code or Code Supplement, the publication date is the first day of the next regular session of the General Assembly, unless LSA establishes an alternative date. Note, the Iowa Supreme Court has held that a constitutional defect in an Act's title or subject matter is deemed cured when the Iowa Code or its supplement is "complete" and incorporated as part of the Code. See *Iowa v. Marbry*, 460 N.W.2d 472, 475 (Iowa 1990).

*OTHER PROVISIONS.* The division amends Code Chapter 17A by requiring that on and after January 11, 2011, an agency must submit a notice of intended action to the chairpersons and ranking members of the appropriate legislative standing committees for additional study. An agency must also provide any available electronic copy of a publication containing standards or rules adopted by reference to the Administrative Code Editor for Internet publication. An agency which deposits an electronic version of a publication to the Division of Libraries and Information Services of the Department of Education (DE) is no longer required to deposit printed state publications with the division.

#### Division IV — State Budgeting and Personnel

Division IV amends Code Section 8.36A, concerning full-time equivalent (FTE) positions, is amended to provide that state agencies shall not convert FTE positions into contract positions unless the state agency receives approval from the Director of the Department of Management (DOM) after the department finding that the conversion will provide comparable or increased services at reduced cost.

Code Section 8.62, concerning the use of retained reversion money for employee training, is amended to provide that an agency can use such reversion money for Internet-based training.

Code Section 8A.413 is amended to require DAS to adopt merit system rules for the development and operation of programs within the executive branch to promote job sharing, telecommuting, and flex-time employment opportunities.

Division IV requires each judicial district department of correctional services to utilize the state accounting system for tracking both appropriations and expenditures, requires state agencies to budget and plan for lean events as described in Code Section 8.70, and encourages state agencies to share resources and services.

Division IV requires each executive branch agency to separately track the budget and actual expenditures for contract services and for employee training. The terms of the contracts entered into or revised during the fiscal year are required to incorporate quality assurance and cost control measures. The training tracking is also required to be further detailed to reflect training categories and each department's report shall address the use of electronically based training. In addition, for FY 2010-2011, if an FTE of a department remains vacant for at least six months during FY 2010-2011, the department's FTE authorization shall be reduced accordingly and the money appropriated for that FTE position shall only be used for FTE positions and not any other purpose.

Division IV directs each joint appropriations subcommittee of the General Assembly to conduct a review of fees charged by agencies within the purview of that budget subcommittee.

Division V — Span of Control

Division V amends provisions contained in the 2009 Iowa Acts revising state human resource management requirements under DAS in Code Section 8A.402 relating to the span of control of supervisory employees in the executive branch.

The term "supervisory employee" is defined to mean a public employee who has authority, in the interest of a public employer, to hire, transfer, suspend, lay off, recall, promote, discharge, assign, reward, or discipline other public employees; the responsibility to direct such employees or to adjust the grievances of such employees; or to effectively recommend any listed action. A supervisory employee is not a member of a collective bargaining unit. If a supervisory employee of an agency other than DPS is being laid off as part of expanding the number of employees in the ratio of supervisory employees to other employees, the supervisory employee does not have the right to replace or bump a junior employee not being laid off for a position for which the supervisory employee is qualified.

The 2009 Iowa Acts provisions provided for an executive branch span of control policy to have an aggregate ratio in the number of employees per supervisory employee of 14 to 1 by the target date of July 1, 2011. Division V instead provides for a target ratio of 14 to 1 for fiscal year 2010-2011, with an increase in the ratio of 15 to 1 for fiscal year 2011-2012. Prior law, which is maintained, allows a small agency with not more than 28 FTEs to apply for an exception. The Act allows an additional exception when the supervisory employee ratio is subject to a federal requirement.

Beginning July 1, 2011, the Act permits an executive agency which may not be able to reach the applicable target ratio to apply for a waiver through a five-person review board.

The Act provides that if layoffs are implemented, the number of middle management position layoffs are to correspond to the relative number of direct service position layoffs. Reporting requirements are extended to cover the multiyear period addressed by the Act.

The Act eliminates the exemption from the span of control requirements for the Department of Human Services (DHS) and judicial district departments of correctional services.

While the Act retains the exemption from the span of control requirements provided in Code Chapter 8A for the State Board of Regents, the Act requires the state board to develop and maintain a policy regarding the aggregate ratio of the number of employees per supervisory employee at each regents institution with a target span of control ratio of 15 to 1.

This division takes effect March 10, 2010.

#### Division VI — State Board of Regents — Cooperative Purchasing

Division VI provides that the State Board of Regents and institutions under its control shall coordinate interagency cooperation with state agencies in the area of purchasing and acquisition of information technology with the goal of annually increasing the amount of joint purchasing. The state board and the institutions under its control shall engage DAS, the CIO of the state, and other state agencies authorized to purchase goods and services in pursuing mutually beneficial activities relating to purchasing items and acquiring information technology. The state board and the institutions shall explore ways to leverage resources, identify cost savings, implement efficiencies, and improve effectiveness without compromising the mission of the state board and its institutions. The state board is required to report annually to the General Assembly and the Governor.

#### Division VII — Department of Administrative Services — Purchasing

Division VII concerns purchasing items through and by DAS.

Code Section 8A.302(1), concerning the purchase of items of general use, is amended to eliminate the general exemption from the requirement to purchase these items from DAS for the DOT, the Department for the Blind, and any other agencies otherwise exempted. The division authorizes DAS to allow these agencies to purchase these items without utilizing DAS if in the best interests of the state.

Code Section 8A.311(10), concerning the authority of agencies to obtain services directly from a vendor, is amended to require the agency to obtain approval from DAS to purchase directly from a vendor. In addition, the division requires that a waiver may be granted if purchasing from a vendor is more economical, and not just as economical.

New Code Section 8A.311A provides authority to DAS to require agencies to purchase goods or services of general use as designated by DAS pursuant to a master contract established by DAS. The new Code section gives governmental subdivisions the option to purchase goods and services pursuant to the contract, but requires DAS to establish master contracts for a particular service if DAS determines that a high-quality good or service can be acquired by agencies and governmental subdivisions at lower cost through establishment of a master contract. The division provides that an agency can directly purchase the item from a vendor if DAS determines that the agency satisfies the requirements for a direct purchase otherwise provided in Code Section 8A.311(10) or the item is acquired pursuant to an existing contract.

Code Section 8A.312, concerning cooperative purchasing, is amended to provide that DAS shall collaborate with the State Board of Regents and any other state agency exempt from centralized purchasing to explore joint purchases of general use items.

This division directs DAS to require agencies to provide it with reports about what agencies plan to buy on an annual basis, require agencies to report on an annual basis about efforts to standardize products and services within their own agencies and with other state agencies, require employees who conduct bids for services to receive training on an annual basis about procurement rules and regulations and procurement best practices, identify procurement compliance employees within DAS, review the process and basis for establishing DAS fees for purchasing, establish a workgroup to collaborate on best practices to implement the best cost savings for the state, explore interstate and intergovernmental purchasing opportunities, encourage the legislative and judicial branches to participate in consolidated purchasing and efficiencies wherever possible, and to expand the use of procurement cards.

#### Division VIII — Department of Administrative Services — Operations

Division VIII concerns operations of DAS.

Code Section 8A.104, concerning the duties of the director of DAS, is amended to establish the duty of the director to examine and develop best practices for the efficient operation of government and to encourage state agencies to adopt and implement these practices.

New Code Section 8A.459 provides that all state employees, by July 1, 2011, shall, unless a collective bargaining agreement provides otherwise, receive their pay and allowances through electronic funds transfer. The new Code section allows state employees to receive their pay and allowances through a paper warrant, but only after paying DAS an administrative fee for processing such paper warrants. The Act allows DAS to grant a waiver from paying the administrative fee.

DAS is required to study ways to streamline the hiring process for personnel within state agencies.

The division requires DAS to conduct an audit of state real estate and state government leases, study the possibility of selling and leasing back government properties, and submit a report to the General Assembly by January 1, 2011, concerning these audits and studies. The State Board of Regents is also required to conduct a real estate audit of real property owned or leased by the regents or its institutions and to submit a report to the General Assembly and Governor by January 1, 2011.

During FY 2010-2011, the division directs DAS, in collaboration with the departments of Human Services and Corrections, to identify and sell real property under their control that is no longer needed and will maximize the return to the state. The division also directs DAS to identify and sell, or sell and lease back, property under their control that will maximize the return to the state. In both instances, money received from the sale of real property shall be deposited in the General Fund of the State.

#### Division IX — Alcoholic Beverages Division of the Department of Commerce — Micro-Distilleries

Division IX relates to the manufacture and sale of micro-distilled spirits by a micro-distillery, and provides for the obtaining of a class "A" micro-distilled spirits permit.

A micro-distillery is a distillery that manufactures less than 50,000 proof gallons of micro-distilled spirits annually. Micro-distilled spirits are defined as distilled spirits fermented, distilled, or, for a period of two years, barrel-matured at the micro-distillery.

The division provides that a micro-distillery may sell or offer for sale micro-distilled spirits which also may be sold for off-premises consumption through sales on the micro-distillery's premises. All sales are required to be made through the state's wholesale distribution system.

A micro-distillery shall not sell more than 1.5 liters per person per day and shall maintain records of sales to individuals for three years. A micro-distillery shall not directly ship micro-distilled spirits for sale at retail. Micro-distilled spirits shall not be sold to be consumed within 300 feet of the micro-distillery, but a micro-distillery may allow, as part of a tour, no more than two ounces of micro-distilled spirits to be sampled on the premises where made, when no charge is made for the sampling.

The division provides for a new permit applicable to micro-distilled spirits, requiring a fee of \$500 for initial issuance and annual renewal. The division limits the number of permits issued to a person to three and

requires a micro-distillery issued a permit to file with the Alcoholic Beverages Division documents the micro-distillery files with the federal Alcohol and Tobacco Tax and Trade Bureau of the U.S. Department of the Treasury.

Division X — Alcoholic Beverages Division of the Department of Commerce — Charity Beer and Wine Auction Permit

Division X allows certain nonprofit entities to obtain a permit from the Alcoholic Beverages Division of the Department of Commerce and to conduct a charity auction which includes beer and wine. The objective of the auction shall be to raise funds for educational, religious, or charitable purposes.

An authorized nonprofit entity is eligible to obtain only two charity beer and wine auction permits during a calendar year, which permits allow an auction for a period not to exceed 36 consecutive hours and the fee for each permit is \$100.

The authorized nonprofit entity conducting the charity beer and wine auction shall obtain the beer and wine to be auctioned from an Iowa retail beer permittee or an Iowa retail wine permittee, or may receive donations of beer or wine to be auctioned at the charity beer and wine auction from persons who purchased the donated beer or wine from an Iowa retail beer permittee or an Iowa retail wine permittee and who present a receipt documenting the purchase at the time the beer or wine is donated.

The beer and wine sold at the charity beer and wine auction shall be in original containers for consumption off of the premises where the auction is conducted. No other alcoholic beverage may be sold by the nonprofit entity conducting the charity beer and wine auction at the auction. A purchaser of beer or wine at a charity beer and wine auction shall not open the container or consume or permit the consumption of the beer or wine purchased on the premises where the charity beer and wine auction is conducted.

Division XI — Alcoholic Beverages Division of the Department of Commerce — High Alcohol Beer

Division XI establishes two new beer permits concerning high alcoholic content beer.

"High alcoholic content beer" is defined as beer that contains more than 5 percent, but not more than 12 percent, of alcohol by weight that is made by the fermentation of water, barley, malt, and hops. Previously, the law provided that beer with more than 5 percent of alcohol by weight would be considered alcoholic liquor.

Code Section 123.124, concerning permits for the manufacture and sale of beer, is amended to create a class "AA" and a special class "AA" permit which allow for the sale and manufacture of high alcoholic content beer in the same manner as current class "A" and special class "A" permits relative to beer with 5 percent or less of alcohol by weight.

Code Section 123.130 is amended to eliminate the ability of a class "A" beer permit holder to manufacture and sell beer of more than 5 percent of alcohol content for shipment outside the state.

Code Section 123.134 is amended to provide that the annual permit fee for a class "AA" or special class "AA" permit is \$500.

Code Section 123.135(1) is amended to increase the fee for a certificate of compliance allowing a manufacturer or vendor of beer to ship or sell beer for resale by a class "A" permittee from \$100 to \$500. The Code section is also amended to eliminate the exemption from this fee by a brewer whose plant is located in Iowa. In addition, the Act provides that a holder of a special class "A" permit is now subject to the requirements of the Code section.

This division takes effect March 10, 2010.

Division XII — Alcoholic Beverages Division of the Department of Commerce — Operations

Division XII concerns certain operations of the Alcoholic Beverages Division.

The administrator of the Alcoholic Beverages Division is required to close the main state warehouse keeping alcoholic liquors every Friday from July 1, 2010, until June 30, 2015, and is authorized to extend this closure requirement for an additional fiscal year. The division also authorizes the administrator to keep the warehouse open on designated Fridays if anticipated sales on that Friday justify keeping the warehouse open.

This division restricts the number of compliance checks conducted to ensure licensed retail establishment compliance with tobacco laws, regulations, and ordinances applicable to minors to one such compliance check for the 2010-2011 fiscal year. The division authorizes one additional compliance check for any retail outlet found in violation during the first check.

Division XIII — Alcoholic Beverages Division of the Department of Commerce — Direct Shipment of Wine

Division XIII authorizes the direct shipment of wine from wine manufacturers to residents of this state under specified circumstances.

Prior law provided that a winery licensed or permitted pursuant to laws regulating alcoholic beverages in another state which affords Iowa an equal reciprocal shipping privilege may ship into Iowa by private common carrier, to a person 21 years of age or older, not more than 18 liters of wine per month, for consumption or use by the person. This division removes the requirement or condition of reciprocity, such that a wine manufacturer may ship wine directly to Iowa residents, subject to the terms and conditions specified in this division of the Act.

The division provides that a wine manufacturer licensed or permitted under Iowa or another state's laws regulating alcoholic beverages must obtain a wine direct shipper license to directly ship wine into Iowa. A license may be obtained upon receipt by the Administrator of the Alcoholic Beverages Division of a written application from a wine manufacturer, accompanied by a true copy of the manufacturer's current alcoholic beverage license or permit and a copy of the manufacturer's winery license issued by the federal Alcohol and Tobacco Tax and Trade Bureau. An application shall be accompanied by a \$25 license fee and a bond in the amount of \$5,000. The license may be annually renewed if the information originally submitted is resubmitted each year together with the \$25 fee. House File 2531 (see Appropriations), Section 165, amended this provision to provide that a wine direct shipper licensee shall also remit to the Alcoholic Beverages Division an amount equivalent to the wine gallonage tax on wine subject to direct shipment at the rate specified in Code Section 123.183.

The division provides that wine may be shipped by a wine direct shipper licensee to an Iowa resident 21 years of age or older, for the resident's personal use and not for resale. Additionally, the wine must be properly registered with the federal Alcohol and Tobacco Tax and Trade Bureau, and fermented on the winery premises of the wine direct shipper licensee. All containers of direct shipped wine must be conspicuously labeled with the words CONTAINS ALCOHOL: SIGNATURE OF PERSON AGE 21 OR OLDER REQUIRED FOR DELIVERY or alternative preapproved wording, and the containers must be shipped by a licensed alcohol carrier.

The shipment of wine pursuant to this license does not require a refund value for beverage container control purposes under Code Chapter 455C. Additionally, a direct shipper licensee shall be deemed to have consented to the jurisdiction of the division or any other agency or court in Iowa, and the division may perform an audit of shipping records upon request.

The division specifies that an alcohol carrier license shall be issued subject to requirements, fees, and upon application forms to be determined by the administrator by rule. An alcohol carrier licensee shall not be authorized to deliver wine to any person under 21 years of age, or to any person who either is or appears to be in an intoxicated state or condition. The division requires a licensee to obtain valid proof of identity and age prior to delivery, and the signature of an adult. The division imposes specified recordkeeping requirements as a condition of maintaining an alcohol carrier license. Finally, the division subjects violators of the division's provisions to the license suspension and revocation provisions, and civil penalty provisions, otherwise applicable to permittees in Code Section 123.39.

Division XIV — Department of Human Rights — Reorganization

Division XIV reorganizes the Department of Human Rights into three divisions: the new Division of Community Advocacy and Services, the current Division of Community Action Agencies, and the current Division of Criminal and Juvenile Justice Planning. The current divisions of Latino Affairs, Status of Women, Persons with Disabilities, Deaf Services, Status of

African Americans, Iowans of Asian and Pacific Islander heritage, and Native American Affairs, are redesignated as offices within the new division of Community Advocacy and Services. The administrators of the various divisions of the department, currently appointed by the Governor, are eliminated. However, administrators appointed by the department director are retained for the three remaining divisions. Current administrators eliminated by the division shall be retained as employees of the department but shall be subject to the merit system. In addition, except for the Commission of Native American Affairs, all commissions within the new Division of Community Advocacy and Services are limited to seven voting members.

The current Human Rights Administrative Coordinating Council is eliminated and replaced with a Human Rights Board. The new board consists of 11 voting members and five nonvoting members (S.F. 2367, Section 44; see Appropriations). Nine voting members shall be selected by the applicable permanent commissions and councils of the department and two voting members shall be appointed by the Governor. The nonvoting members shall consist of the director of the department and four members of the General Assembly. The duties of the board include adopting the proposed budget for the department, adopting rules of the department, and developing a comprehensive strategic plan for the department. Any substantive action taken by the board must be adopted by a two-thirds vote.

The division reassigns duties and responsibilities between the offices and commissions within the department.

The division also establishes transition provisions relative to the reorganization of the department. As part of these provisions, the Governor, in consultation with the Director of the Department of Human Rights, shall establish a process to implement the changes in this division concerning the members of commissions and boards within the department.

This division takes effect March 10, 2010.

#### Division XV — Gambling Setoffs

Division XV relates to the setoff of debts from gambling winnings.

Previously, a debtor who won money on a wager at a racetrack, excursion gambling boat, or gambling structure in this state was subject to a setoff from those winnings of the amount of debt owed if the winnings were equal to or greater than \$10,000. Division XV amends Code Sections 99D.28 and 99F.19 so that debtors who win \$1,200 or more are subject to the setoff.

#### Division XVI — Department of Management — Financial Administration Reorganization

But for subsequent legislation, Division XVI would have transferred the financial administration duties of DAS to DOM, and would have required DOM to establish a centralized payroll system for all state agencies.

This division also would have required DOM to explore the possibility of merging all state payroll systems within the centralized payroll system operated by DAS and to provide that state employees be paid on a semimonthly instead of a biweekly basis.

The transfer of the financial administration duties provided in this division is stricken by H.F. 2531, Division V (see Appropriations), which also provides that DAS, and not DOM, is required to comply with the requirements provided in this division relative to state payroll systems and payroll frequency.

Division XVII — Administration and Regulation Appropriations

Division XVII appropriates moneys for the FY 2010-2011 to the Department of Revenue to hire additional examiners and to the DOM to create and fill an additional position in the Office of Grants Enterprise Management.

Division XVIII — Elimination of State Entities Associated With the Department of Agriculture and Land Stewardship

*ELIMINATION OF ENTITIES.* Division XVIII eliminates two advisory entities housed within the Department of Agriculture and Land Stewardship (DALs): the Renewable Fuels and Coproducts Advisory Committee (Code Section 159A.4) and the Grape and Wine Development Commission (Code Section 175A.2). The division also eliminates provisions requiring DALs to establish grape and wine development programs and the Grape and Wine Development Fund (Code Chapter 175A). Both advisory entities consisted of heads of state agencies and interested persons. The Renewable Fuels and Coproducts Advisory Committee included individuals representing retail motor fuel dealers, petroleum refiners, farmers (with special representation for livestock producers, corn growers, and soybean producers), and renewable fuel producers. The Grape and Wine Development Commission included individuals representing growers, winemakers, and sellers.

*MONEYS ASSOCIATED WITH ENTITIES.* Any unobligated moneys remaining in the Grape and Wine Development Fund, originally supported by moneys derived from the wine gallonage tax (Code Section 123.183), are to be transferred to the Wine Gallonage Tax Fund. The division authorizes DALs to increase fees that it collects from persons certified under the National Organic Program (Code Chapter 190C) by 10 percent and authorizes DALs to retain the amount of the increased amount for its purposes. The Organic Advisory Council, which consults with DALs regarding its administration of Code Chapter 190C, is not affected by the division.

Division XIX — Elimination of State Entities Associated With the Department of Natural Resources' Control of the Natural Habitat

Division XIX eliminates the Sustainable Natural Resource Funding Advisory Committee and the Upland Game Bird Study Advisory Committee effective March 10, 2010.

Division XX — Elimination of State Entities Associated With the Department of Natural Resources — Iowa Climate Change Advisory Council

Division XX eliminates the Iowa Climate Change Advisory Council established within the Department of Natural Resources (DNR) (Code Section 455B.851) on July 1, 2011. The council consists of persons representing academic and research institutions, farming, public transit, utilities, environmental protection, business, energy conservation, renewable fuel promotion, local government, and alternative energy production.

The DNR is still required to submit a report to the Governor and the General Assembly regarding the greenhouse gas emissions in the state during the previous calendar year and forecasting trends in such emissions. The DNR may forward recommendations to the Environmental Protection Commission designed to encourage the reduction of statewide greenhouse gas emissions.

Division XXI — Economic Development — Committees and Councils

Division XXI eliminates some boards, committees, and councils in the areas of cultural affairs and economic development and reassigns some of their functions to other state governmental bodies.

The Small Business Advisory Council and the Microenterprise Development Advisory Committee are eliminated. In addition, the division eliminates the Agricultural Products Advisory Council and provides that applications for assistance under the value-added agriculture component of the Grow Iowa Values Fund, previously considered by this council, will now be considered by the Due Diligence Committee of the Economic Development Board.

Division XXII — Consolidation of Housing Programs

Division XXII transfers authority for the administration of the Shelter Assistance Fund from the Department of Economic Development (DED) to IFA.

Division XXII also directs DED and IFA to conduct a joint review of the housing-related programs they currently administer, including all federal programs. The DED and IFA are then directed to produce a report recommending how best to transfer all responsibilities for housing-related programs from DED to IFA. The report must be submitted by September 1, 2010, to the Governor, DOM, and the General Assembly.

Division XXIII — Area Education Agencies

Division XXIII of this Act amends Code sections relating to area education agencies (AEAs); repeals the Code chapter creating the Iowa Learning Technology Initiative and Iowa Learning Technology Commission on July 1, 2010, rather than July 1, 2011, as currently provided in the Code; and eliminates the Council for Agricultural Education.

The division requires the Director of DE to provide guidance and standards to AEAs for federal and state education initiatives that the AEAs must implement statewide and for which the AEAs are accountable under the state's accreditation standards.

Each AEA board of directors must collaborate with DE to provide a statewide infrastructure for educational data to create cost efficiencies, provide storage and disaster mitigation, and improve interconnectivity between schools and school districts; work with DE to provide systemwide coordination in the implementation of the statewide longitudinal data system; jointly develop a three-year statewide strategic plan that supports the educational goals adopted by the State Board of Education and the state's accreditation standards; establish performance goals; and clearly identify statewide efforts to improve student learning and create efficiencies in management operations for AEAs and school districts. The AEA boards must also jointly provide the state board with annual updates on the performance measures. The AEAs must provide support to school districts' information technology infrastructure consistent with the statewide infrastructure for the educational data collaborative.

AEAs are also accountable under the state's accreditation standards for support for early childhood service coordination for families and children to meet health, safety, and learning needs.

Each AEA board must appoint an advisory group to make recommendations about policy, programs, and services to the board; provide the board with input, feedback, and recommendations regarding projected future needs; and provide a review and response to any state-directed study or task force report about AEA efficiencies or reorganization. Each advisory group must consist of superintendents, principals, and teachers employed by school districts served by the AEA; parents or guardians of school age children receiving services from the AEA, and a member who represents accredited nonpublic schools located within the boundaries of the AEA.

Division XXIV — Early Childhood Iowa Initiative

Division XXIV relates to the state and local system for early care of very young children by replacing the Community Empowerment Initiative administered under Code Chapter 28 for state purposes through DOM with the Early Childhood Iowa (ECI) Initiative in new Code provisions.

Most of the Code provisions for the ECI Initiative are not substantively changed from the Community Empowerment Initiative. Exceptions relating to the ECI state board include the following: the number of citizen members on the state board is reduced from 16 to 15 and a member cannot be a provider of services funded by the initiative; and the board is required to meet at least quarterly, approve the geographic boundaries of local areas and any changes in boundaries, develop and implement a strategic plan, along with common performance measures and data reporting requirements, and develop and implement a

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levels of

excellence rating system for use with the state board's designation process for area boards. The DOM is required to adopt rules in consultation with the state board to provide fiscal oversight of the initiative.

Instead of an empowerment facilitator appointed by the Governor and confirmed by the Senate, the early childhood office administrator and other staff for the office are appointed by the department director.

Community empowerment areas based on school district and county boundaries are replaced with ECI areas using county boundaries to the extent possible. The boundary criteria for ECI areas limit the maximum size to not more than four counties, require the counties to have contiguous borders, and require a single county area to have a minimum population of children zero through age five in excess of 5,000. The state board may waive the criteria under exceptional circumstances.

The majority of local community empowerment area board members is required to be elected officials or members of the public who are not employed by a provider of services for the boards. ECI area boards cannot include any members who are providers of services to the board or employed by a provider. The duties of ECI area boards are similar to area board duties under the empowerment initiative.

The School Ready Children Grant Program requirements, funding provisions, and requirements for maintaining an Internet site are very similar to those under the Community Empowerment Initiative. However, the specific information items required for the Internet site are replaced with general requirements.

The Early Childhood Iowa Council in the Department of Public Health (DPH) is replaced by the Early Childhood Stakeholders Alliance. The specific duties enumerated for the council are replaced with a general set of duties and the staffing responsibility is assumed by DOM.

A transition provision provides for the initial membership of the ECI state board to be filled by the members of the state Empowerment Board. The transition from community empowerment areas and boards to ECI areas and boards is delayed until on or after July 1, 2011. Existing administrative rules will remain in effect until replaced and funding held by current area boards is to be remitted to successor ECI area boards.

#### Division XXV — Community College Accreditation

Division XXV of this Act relates to community college accreditation by requiring DE to review and evaluate the implementation of the recommendations submitted on January 22, 2010, by the Community College Accreditation Advisory Committee in its final report to the General Assembly, and to submit its findings and recommendations to the General Assembly on or before December 31, 2010; and to convene a working group, whose members shall include, at a minimum, the members of the Community College Accreditation Advisory Committee and the Community College Faculty Advisory Committee, to study the maximum academic credit hour per school term workload appropriate for an instructor beyond the standard workload, and to submit its findings and recommendations to the State Board of Education and the General Assembly on or before December 31, 2010. Community college faculty who have in previous fiscal years exceeded the 18 credit hour standard are permitted, for FY 2010-2011, to continue to exceed the standard if the faculty member so chooses.

#### Division XXVI — Registration of Postsecondary Schools

Division XXVI requires the College Student Aid Commission to post an application for registration of a postsecondary school on its Internet site. The Code section requiring the commission to establish an advisory committee on postsecondary registration to review and make recommendations relating to applications is repealed.

#### Division XXVII — Division of Libraries and Information Services

Division XXVII of this Act eliminates the medical library and the position of medical librarian, and makes conforming changes. The division takes effect March 10, 2010.

Division XXVIII — Library Districts

Division XXVIII amends Code Chapter 336, which provides for the establishment of library districts. Library districts are composed of one or more counties, one or more cities, or any combination of cities and counties. The division amends Code provisions as follows:

*LIBRARY DISTRICTS FORMED.* Under the division, a petition submitted by eligible electors residing within a proposed library district for the establishment of a library district must include the total number of board members and how representation on the board will be divided among the jurisdictions. After the establishment of a library district, other areas may be included if the board of library trustees approves and the electors of the area to be added pass a referendum to join the district. Prior law allowed other areas to be added by mutual agreement of the board of library trustees and the governing body of the area to be added.

*GOVERNING BODIES OF JURISDICTIONS.* Code references to the boards of supervisors of any county or city and to the taxing unit of the district are changed to the "governing bodies of the jurisdictions," and language is stricken which requires that board membership be apportioned between rural and city areas, and counties and cities, in proportion to population or equitably divided between, respectively, the areas served.

A vacancy on a library district board exists if a member no longer resides in the jurisdiction or is absent for six consecutive regular board meetings.

*BOARD POWERS.* The board of trustees is authorized to direct and control all affairs of the library district, to authorize the librarian it employs to employ personnel as necessary and to purchase technology, and to have exclusive control of all funds allocated for library expenses and all moneys belonging to the library. The board must keep a record of its proceedings.

*LIBRARY FUND.* Expenditures paid on order of the board of library trustees must be paid by the city or county treasurer from the treasury of deposit, rather than by the county or city auditor.

*ANNUAL REPORT.* The board of library trustees has 90 days after the close of the fiscal year to submit a report to the respective jurisdictions comprising the library district. Prior law required the board to submit the report immediately after the close of the fiscal year. The division makes minor adjustments to the information that must be included in the report.

*REAL ESTATE ACQUIRED.* Language limiting the board of library trustees to purchasing real estate in the county or city in which the public library is established is stricken.

*MAINTENANCE EXPENSE ON PROPORTIONATE BASIS.* Language requiring that unincorporated areas of each county in the library district be considered a separate supporting unit is stricken.

*EXISTING CONTRACTS ASSUMED.* Whenever a library district is established, its board of trustees must assume all the obligations of the existing library service contracts made by jurisdictions participating in the library district. Prior law required the board of trustees to assume all the obligations of the existing contracts made by cities, townships, school corporations, or counties to receive library services.

*WITHDRAWAL FROM DISTRICT — TERMINATION.* Code Section 336.16 is amended to strike language that provides that the election to terminate a library district must be held upon a motion of the board of supervisors and simultaneously with a general or other county election.

*CONTRACTS TO USE CITY LIBRARY.* The division provides that if a majority of those voting approves the question of requiring the board to provide library services for them and their area by contract, the board of supervisors, upon such approval, must contract with a library for such services. Prior law required the board of supervisors to appoint a board of library trustees from the residents of the petitioning area within 30 days, which board of trustees may contract for library service.

*CONTRACTS TO USE OTHER PUBLIC LIBRARIES.* The division permits the board of library trustees to contract with any other board of trustees of a free public library or any other city, school corporation, institution of higher learning, township, or county, or with the trustees of any county library district for the use of the library by their respective residents. The division also establishes two ways in which the contract may be terminated: by mutual consent of the contracting parties or by a majority vote of the electors represented by either of the contracting parties.

*REPEALS.* The division repeals Code Section 336.6, relating to the vacancy of an office of a library trustee due to the removal or absence of the trustee, but modifies and moves the language to Code Section 336.5, subsection 2; repeals Code Section 336.9, which provides for the methods by which library service must be accomplished; and repeals Code Section 336.17, but moves the language of the provision, which relates to agreements with local county historical associations, to Code Section 336.8.

#### Division XXIX — Health and Human Services Program Efficiencies

Division XXIX provides directives to various state departments to develop and implement strategies to increase efficiencies and cost savings in programs relating to health and human services. The DHS is directed to develop and implement strategies to increase efficiencies by reducing paperwork, decreasing staff time, and providing more streamlined services to the public relative to programs under the purview of the department. Such strategies may include simplifying and reducing duplication in eligibility determinations among programs by utilizing the same eligibility processes across programs to the extent allowed by federal law. The DHS is also directed to provide a progress report to the Joint Appropriations Subcommittee on Health and Human Services on an annual basis.

Division XXIX also directs the departments of Human Services, Public Health, Corrections, and Management, and any other appropriate department, to review the provision of pharmaceuticals to populations they serve and programs under their respective purview to determine efficiencies in the purchase of pharmaceuticals. The departments are required to develop strategies to implement efficiencies and reduce costs to the state, and to determine any changes in state law or approval from the federal government necessary to implement any strategy identified.

#### Division XXX — Child Support

Division XXX relates to child support and directs DHS to establish criteria and a phased-in schedule to require, no later than June 30, 2015, payors of income to electronically transmit the amounts withheld under an income withholding order. The DHS is directed to assist payors of income in complying with the required electronic transmission, and to adopt rules setting forth procedures for use in electronic transmission of funds and for the exemption from use of electronic transmission, taking into consideration any undue hardship electronic transmission creates for payors of income.

#### Division XXXI — False Claims Act

Division XXXI establishes a state False Claims Act to allow a procedure for the state and private individuals to bring an action against another person for fraud that might result in financial loss to the government. Portions of the federal Deficit Reduction Act of 2005, Pub. L. No. 109-171, § 6032, which took effect January 1, 2007, provide financial encouragement to states to have in effect a law dealing with false or fraudulent claims that meets certain federal requirements. If a state has such a law in place, when recoveries are made for Medicaid funds improperly paid, the share owed to the federal government will be decreased by 10 percent.

The division provides definitions including "claim," "knowing" or "knowingly," and "qui tam plaintiff" which means a private plaintiff who brings an action under the division on behalf of the state.

The division provides that a person who commits certain specified acts is liable to the state for three times the amount of damages which the state sustains because of the act of that person, and is also liable to the state for the costs of a civil action brought to recover any of those penalties or damages, and for a civil penalty of not less than \$5,000 and not more than \$10,000 for each violation. The prohibited acts include: knowingly presenting or causing to be presented a false or fraudulent claim for payment or approval; knowingly making, using, or causing to be made or used, a false record or statement material to the false or fraudulent claim; conspiring to commit a specified violation; having possession, custody, or control of property or money used or to be used by the state and knowingly delivering or causing to be delivered less than all of the money or property; being authorized to make or deliver a document certifying receipt of property used or to be used by the state and intending to defraud the state by making or delivering a receipt without completely knowing that the information on the receipt is true; knowingly buying or receiving as a pledge of an obligation or debt, public property from

any person who lawfully may not sell or pledge the property; or knowingly making, using, or causing to be made or used, a false record or statement material to an obligation to pay or transmit money or property to the state, or knowingly concealing or avoiding, or decreasing an obligation to pay or transmit money or property to the state.

The division provides for an assessment of a lesser amount of damages under certain circumstances.

The division provides a process for the Attorney General to investigate and bring civil actions under the division. The division also provides a process for a person to bring a civil action for a violation of the division for the person and for the state in the name of the state as a qui tam plaintiff. The division provides for awards to the qui tam plaintiff, specifies actions for which the court does not have jurisdiction under the Act, and provides for relief to a person who is retaliated against for bringing a private action under the Act.

The division provides that a civil action under the division must be brought not more than 10 years after the date on which the violation was committed, requires the state to prove all essential elements of the cause of action by a preponderance of the evidence, and provides a process for civil investigative demands.

The division requires annual reporting and specifies the information to be included in such report.

The division also appropriates additional moneys to the Office of the Attorney General.

#### Division XXXII — Medicaid Prescription Drugs

Division XXXII relates to prescription drugs under the Medical Assistance (Medicaid) Program by directing DHS to adopt rules to restrict physicians and other prescribers to prescribing not more than a 72-hour or three-day supply of a prescription drug not included on the Medicaid preferred drug list while seeking approval to continue prescribing the medication; and directing DHS to adopt rules to require that unless the manufacturer of a chemically unique mental health prescription drug enters into a contract to provide the state with a supplemental rebate, the drug may be placed on the nonpreferred drug list and be subject to prior authorization before a Medicaid program recipient is able to obtain the drug.

The division provides an exemption from this requirement for Medicaid recipients whose drug regimen is established prior to January 1, 2011, for a chemically unique mental health drug, and provides that rules adopted pursuant to the division do not take effect prior to January 1, 2011.

#### Division XXXIII — Medicaid Disease Management

Division XXXIII relates to Medicaid disease management for children and directs DHS to design and implement a disease management program for children to address the most prevalent chronic diseases among children in Iowa. The program may include technology-based disease management, in-person or telephonic care management, self-management strategies, and health literacy education and training.

#### Division XXXIV — Medicaid Home and Community-Based Services Waiver Payments

Division XXXIV relates to Medicaid home and community-based services waiver payments by directing DHS to evaluate payment records and determine the proper mechanism to trigger a review of payments for home and community-based services waiver services that are in excess of the median amount for payments through the waivers. Following development of the trigger mechanism, DHS must require advance approval for services for which payment is projected to exceed the median amount.

#### Division XXXV — Divestiture — Medicaid Program

Division XXXV relates to divestiture activities under the Medicaid program. This division amends the definition of "transfer of assets" for the purpose of eligibility for the Medicaid program. The division amends the definition to provide that any transfer or assignment of a legal or equitable interest in property, from a transferor to a transferee for less than fair consideration, made while the transferor is receiving medical assistance or within five years prior to application for medical assistance by the transferor, is presumed to be made with the intent, on the part of not only the transferee, but also the transferor; or another person acting on behalf of a transferor who is an actual or implied agent, guardian, attorney-in-fact, or person acting as a fiduciary, of enabling the transferor to obtain or maintain eligibility for medical assistance or of impacting the recovery or payment of a medical assistance debt. The presumption is then rebuttable only by clear and convincing evidence that the transferor's eligibility or potential eligibility for Medicaid or the impact on the recovery or payment of a

medical assistance debt was no part of the reason of not only the transferee, but of any of the other parties specified for making the transfer or assignment.

The division provides that a transfer of assets includes a transfer of an interest in the transferor's home, domicile, or land appertaining to such home or domicile while the transferor is receiving medical assistance, unless otherwise exempt.

The division amends the listing of transfers that are exempt from the definition to provide that a transfer of assets that would have been exempt from consideration as a resource if retained by the transferor pursuant to federal law does not include a transfer of the home or land appertaining to the home.

Division XXXVI — Child Care Advisory Committee

Division XXXVI replaces the Child Care Advisory Council in DHS with a new Child Care Advisory Committee, effective July 1, 2011. The council performs various duties relating to advice concerning the child care policy and rules of DHS. Originally, the new committee was to be part of the Early Childhood Iowa Council and membership slots were to be proposed by that council, but another division of this Act replaced that council with the Early Childhood Stakeholders Alliance. Consequently, transition duties were shifted to the Early Childhood Iowa State Board and an amendment in H.F. 2526 (see Appropriations) requires corrective legislation to be proposed by DOM for the 2011 Legislative Session.

Division XXXVII — MH/MR/DD/BI Commission Duties

Division XXXVII revises the duties of the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury (MH/MR/DD/BI) Commission in Code chapters other than 225C. The division is linked with Division XXXVIII, which addresses other departmental, commission, and county responsibilities involving MH/MR/DD/BI services in Code Chapter 225C and Division XXXIX, which changes the name of the commission.

The division does the following:

- Revises Code references to the state mental health plan to refer instead to the comprehensive mental health and disability services plan which the commission is required to adopt.
- Eliminates various specific analysis, rules adoption, forms development, consultation, data collection, and consideration requirements in Code Chapter 331, relating to county MH/MR/DD services.
- Replaces references to a managed system of care with contracting responsibilities in the enumeration of county MH/MR/DD service planning requirements.

Division XXXVIII — MH/MR/DD/BI Services

Division XXXVIII amends Code Chapter 225C, relating to the services and other support available to a person with mental illness, mental retardation, a developmental disability, or a brain injury (MI/MR/DD/BI), which the Code chapter defines as "disability services," and enumerates the duties of DHS and the MH/MR/DD/BI Commission involving disability services. The division is linked with Division XXXVII, which addresses other departmental, commission, and county responsibilities involving MH/MR/DD/BI services in Code chapters other than 225C, and with Division XXXIX, which changes the name of the commission.

The changes include a shift in responsibility so that DHS determines whether to grant, deny, or revoke service provider accreditations instead of the commission, a new requirement for the commission to develop a comprehensive five-year plan for mental health and other disability services instead of separate plans, and a new responsibility for the commission to ensure there is a continuous quality improvement process in place for the disability services system which includes data collection and reporting.

The Act repeals Code Section 225C.27, the purpose section of the Bill of Rights and Service Quality Standards of Persons with MR/DD/BI or Chronic Mental Illness. The provision required the commission to adopt rules to promote and encourage fulfillment of the individual due process and participation in planning rights provisions of the Bill of Rights.

Division XXXIX — MH/MR/DD/BI Commission and Waiver Name Change

Division XXXIX changes the name of the Mental Health, Mental Retardation, Developmental Disabilities, and Brain Injury

Commission to the Mental Health and Disability Services Commission and the name of the home and community-based services waiver for persons with mental retardation under the Medicaid program to the waiver for persons with intellectual disabilities. Various specific Code provisions are addressed and the Code Editor is authorized to make these changes in other provisions.

Division XL — Consolidation of Advisory Bodies — Council on Human Services

Division XL eliminates the following bodies: the Child Abuse Prevention Program Advisory Council (Code Section 235A.1), the Child Support Advisory Committee (Code Section 252B.18), and the Child Welfare Advisory Committee (Code Section 234.3), and reauthorizes these bodies as advisory committees established by the Council on Human Services. In establishing the advisory committees and appointing members, the Council on Human Services is required to consider reappointing those individuals who were serving as members of these bodies as of June 30, 2009. Corrections are made to the Code references to the bodies.

Division XLI — Health Advisory Bodies

Division XLI eliminates the State Substitute Medical Decision-making Board (Code Section 135.28). House File 2526, Section 85 amended this division to restore the Hemophilia Advisory Committee. The DPH is required to no longer operate advisory committees on swimming pools, radiation therapy and nuclear medicine, and anatomical gift public awareness.

Division XLII — Department of Human Services — Field Services Organization

Division XLII relates to the field services organization for DHS under Code Section 217.42, providing for service areas to be designated by DHS and affecting local offices paid for by counties.

The division eliminates language limiting the field services organization to the service areas designated as of January 1, 2002, requiring consideration of other geographic service areas, requiring consultation with county boards of supervisors regarding selection of service area managers, providing a procedure for counties seeking to change the boundaries of a service area, and requiring consultation with affected counties if it is necessary for DHS to significantly modify service areas or related operations.

The division takes effect March 10, 2010.

Division XLIII — Department of Human Services — Family Support Subsidy

Division XLIII prohibits DHS, effective July 1, 2010, from accepting new applications for the Family Support Subsidy Program and from approving pending applications.

Division XLIV — Department of Human Services — Level of Care

Division XLIV requires DHS to amend the Medicaid program home and community-based services waiver for persons with intellectual disabilities so that evaluations made subsequent to the initial diagnosis of mental retardation are for the purpose of determining the appropriate level of care rather than confirming the original diagnosis.

Division XLV — Department of Human Services — Transportation Services

Division XLV requires DHS to amend the Medicaid program home and community-based services waiver for persons with intellectual disabilities as necessary for employment-related transportation to be covered by the supported community living services provider.

Division XLVI — Department of Human Services — Electronic Transactions

Division XLVI directs DHS to utilize electronic documentation and to continue expanding the practice of making payments to program participants and vendors by means of electronic funds transfer. If DHS requires or requests that a service consumer, service provider, or other person maintain required documentation in electronic form, DHS is prohibited from requiring a physical copy unless it is required by state or federal law. A goal is provided in new Code Section 217.24 that DHS seek the capacity for making payment by such means for all departmental programs.

Division XLVII — Department of Human Services — Adoption Subsidy Program

Division XLVII provides that for the fiscal year beginning July 1, 2010, the maximum payment for nonrecurring expenses under the Adoption Subsidy Program is limited to \$500 and additional amounts for court costs and other related legal expenses will no longer be allowed.

Division XLVIII — County Commissions of Veteran Affairs Fund

Division XLVIII amends Code Section 35A.16, relating to \$10,000 grants provided to county veteran affairs commissions. Each county receiving a grant is required to annually report on expenditure of the grant.

Division XLIX — Department of Corrections

Division XLIX concerns the Department of Corrections (DOC).

The division reduces the minimum number of required meetings of the Board of Corrections from 12 meetings per year to quarterly meetings each year.

Code Section 904.505 is amended to allow the DOC to impose an administrative fee for the filing of a report of a major disciplinary rule infraction for which an inmate is found guilty. The fee shall be deposited in the General Fund of the State.

This division requires the closure, by July 1, 2010, of Farm 1, and by January 1, 2010, of Farm 3, which are facilities of the DOC, and the transfer of the inmates confined at such facilities to other institutions under the control of the DOC. The requirement to close Farm 1 and Farm 3 takes effect March 10, 2010.

Division L — State Public Defender

Division L eliminates the Indigent Defense Advisory Commission and requires the State Public Defender to prepare the reports required of the commission and requires the State Public Defender, instead of the commission, to make recommendations regarding the hourly rates paid to court-appointed counsel and per-case fee limitations.

This division also appropriates, for FY 2010-2011, additional moneys to the Office of the State Public Defender of the Department of Inspections and Appeals for 16 additional local public defender and staff positions.

Division LI — Iowa Law Enforcement Academy

Division LI provides for the charging of costs for peace officer candidates attending a training school held by the DPS or by the Iowa Law Enforcement Academy.

For a training school held by DPS, the peace officer candidate shall pay one-third of the costs with the remaining costs paid by DPS. The division allows DPS to pay for all or part of the candidate's share of the cost.

For candidates attending the basic training course at the Iowa Law Enforcement Academy, the division provides for charging the costs of the training depending on what entity is sponsoring the candidate. For candidates of the DNR and the DOT, the departments are required to pay the entire cost of providing the basic training course. For candidates from any other state agency or department, the candidate shall pay one-third of the cost and the agency or department shall pay the remainder of the cost. For candidates sponsored by a political subdivision, the candidate shall pay one-third of the cost, the political subdivision shall pay one-third of the cost, and the state shall pay the remainder of the cost. However, in both cases, the state agency or department, or political subdivision, may pay all or part of the candidate's costs. For all other candidates, including candidates from a tribal government, the candidate shall pay the total cost.

Division LI also provides that the academy, subject to the approval of the Iowa Law Enforcement Academy Council, shall develop and administer a pilot program consisting of training seminars for private security personnel, consisting of 50 hours of training for each of 10 trainees at a cost of \$50 per hour of training. The moneys received from the training seminars are required to be deposited in the General Fund of the State.

Division LII — State Government Efficiency Review Committee

Division LII establishes a State Government Efficiency Review Committee which shall meet at least every two years to review the operations of state government. The committee shall consist of five members of the Senate and five members of the House of Representatives who shall be appointed prior to January 31 of the first regular session of each General Assembly. The committee shall meet as directed by the Legislative Council. The division requires the committee to review

and consider options for reorganizing state government to improve efficiency, modernize processes, eliminate duplication and outdated processes, reduce costs, and increase accountability. The committee is required to issue its first report by January 1, 2013, and at least every second year thereafter.

#### Division LIII — Boards and Commissions — Establishment Criteria

Division LIII creates new Code Section 69.16D which provides that, prior to establishing a new board or commission, the General Assembly shall consider whether an existing board or commission can perform the duties of the new board or commission, the estimated cost of the new board or commission, and whether a repeal date is needed for the new board or commission.

#### SENATE FILE 2202 - Persons With Disabilities — Miscellaneous Provisions

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to rights of persons with disabilities relating to public employment, use of public facilities and accommodations, and zoning for housing, by changing numerous Code references from "persons with physical disabilities" to "persons with disabilities," and revising the accessibility requirements for curb ramps and sloped areas in intersections with streets, roads, and highways.

Code Section 216C.9, relating to curbs and ramps for persons with disabilities, is rewritten to replace specific requirements with a general requirement to comply with the federal guidelines and requirements adopted under the federal Americans With Disabilities Act. The general requirement is applicable when streets, roads, highways, sidewalks, and paths are newly built or reconstructed.

Code provisions relating to the use of a hearing dog, service dog, or assistive animal in public places are amended to eliminate the requirement that dogs or animals must be trained at a recognized training facility.

#### SENATE FILE 2237 - Nonsubstantive Code Corrections

BY COMMITTEE ON JUDICIARY. This Act makes Code changes and corrections that are considered to be nonsubstantive and noncontroversial, in addition to style changes.

Changes made include adding, correcting, or updating references to various Iowa Code provisions; correcting or updating references to or names of various public and private entities and funds; correcting or updating the use of various terms; correcting grammar or punctuation; correcting misspellings and other minor clerical errors; standardizing citations and internal references; updating the style or format of various Code sections, with a particular focus on renumbering and reformatting provisions in Volume III of the Code; updating and standardizing the format of various federal Act, statute, and regulation references; and making technical corrections to various Acts to reflect editorial corrections that were made when the Acts provisions were codified. The corrections made to 2009 Iowa Acts, Chapter 9; 2009 Iowa Acts, Chapter 133; 2009 Iowa Acts, Chapter 170; and 2009 Iowa Acts, Chapter 179, take effect March 19, 2010, and apply retroactively to July 1, 2009. The amendments to 2009 Iowa Acts, Chapter 100, take effect March 19, 2010, and apply retroactively to May 12, 2009.

#### SENATE FILE 2247 - Designation of Gaming Enforcement Officers

BY COMMITTEE ON STATE GOVERNMENT. This Act relates to the designation of a gaming enforcement officer.

The Act authorizes the Department of Administrative Services to change the class title designation of a "gaming enforcement officer." The Act provides that the change in designation shall not create or establish new employee rights with respect to promotional opportunities, compensation, or benefits, or establish any connection that does not already exist as of July 1, 2010, between the designation of gaming enforcement officer and any existing job classifications including special agents. The Act also provides that it is the intent of the General Assembly that the change in designation is for official designation purposes only and shall not modify the existing job classification or duties for a gaming enforcement officer as of July 1, 2010.

#### SENATE FILE 2340 - Substantive Code Corrections

BY COMMITTEE ON JUDICIARY. This Act contains statutory corrections that adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities.

Changes are made in provisions relating to various reports to the General Assembly's standing committees on Government Oversight; leases on agricultural land; economic development programs; school district food purchases for federal school

meal programs; the State Hygienic Laboratory; reports on pseudoephedrine product sales; professional and occupational licensing and discipline; liability for required child death and abuse reporting; health facility violation citations; movement of swine; appointment of the State Fair Secretary; county agricultural extension education tax levy and revenue limits; wage discrimination claim affirmative defenses; service dogs for persons with disabilities; Dependent Adult Protective Advisory Council membership; the Math and Science Grant Program; Public Broadcasting Division governance standards; child development services grants; special education; Early Intervention Block Grant Program expenditures; charter schools; Research and Development School Advisory Council membership; gifted and talented children; use of competent private instruction weighted enrollment revenue; apprenticeship programs; accreditation of community college programs; University of Iowa hospital reporting; school textbooks and supplies; reorganization of school districts; community education programs; teacher contracts and remuneration; vocational agricultural education; school tuition fees; whole grade sharing; open enrollment; Cultural Affairs Department governance; construction and replacement of roads and highways; weed control; registration and operation of motor vehicles; licensing of motor vehicle operators; traffic control devices, traffic accidents, and damages; the Motorcycle Rider Education Fund; motor vehicle equipment; all-terrain vehicle dealers; operating while intoxicated; motor vehicle dealers and franchises; railroads; aircraft and airports; county governance and finance; platting of land; rural improvement zones; sanitary districts; city legislation and finance; civil service; urban renewal; historic preservation and cultural and entertainment district tax credits; retirement systems for police and fire fighters; municipal support of certain projects; valuation of real property; modular home property taxes; notice of liens on real property; dry bedded confinement feeding operations regulation; water quality standards violations; underground storage tank regulation; viatical settlement contracts; uniform citation and complaint forms; pen register or trap and trace device installation procedures; and forfeiture of appearance bonds.

The repeal of Code Section 294A.22, relating to the payments for the former Educational Excellence Program, takes effect March 19, 2010, and applies retroactively to July 1, 2009. The change to Code Section 435.2, relating to the modular home taxation, takes effect March 19, 2010, and applies retroactively to July 1, 2009. The change to 2009 Iowa Acts, Chapter 133, correcting a reference to procedures for designating area agencies on aging, takes effect March 19, 2010, and applies retroactively to July 1, 2009.

**SENATE FILE 2355 - Fire Protection System Installation and Maintenance — Licensure**

BY COMMITTEE ON STATE GOVERNMENT. This Act relates to the licensure of persons who install, maintain, repair, service, or inspect fire protection systems.

The Act provides a number of grammatical and substantive changes to current law relating to the installation of fire protection systems. The Act provides that a person is not required to be licensed in order to perform routine maintenance or demolish part of a system or a partial system, provided that the system is taken out of service. Any restoration work must be performed by a licensed person or a responsible managing employee.

The State Fire Marshal is required to issue a fire protection system installer and maintenance worker license with endorsements restricted to preengineered fire protection systems to applicants who do not qualify for a general license. The Act sets out alternative requirements for this specialized license.

**SENATE FILE 2383 - Collection of Debts Owed to the State and Cities**

BY COMMITTEE ON APPROPRIATIONS. This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt.

*PRIORITY OF PAYMENT.* The Act changes the priority of payment under the setoff program in Code Section 8A.504 if multiple claims exist from various state agencies. Under the Act, claims filed by the clerk of the district court shall be paid prior to claims from the College Student Aid Commission and claims filed by the Investigations Division of the Department of Inspections and Appeals.

*COUNTY TREASURER COLLECTION.* The Act allows a county treasurer to collect delinquent state taxes from a person who is applying for renewal of a motor vehicle registration. Prior law requires a county treasurer to refuse to renew a vehicle registration if the treasurer knows that the person has a delinquent account, charge, fee, loan, taxes, or other indebtedness owed to or being collected by the state. The person has to address the debt before the county treasurer can renew the registration of the person's vehicle. The Act provides a process for collection of delinquent taxes, including penalties and interest, by the county treasurer in cooperation with the Department of Revenue. The county treasurer may collect the amount owed prior to issuing the registration renewal. If an applicant for renewal of a vehicle registration chooses to make payment to the county treasurer for delinquent state taxes, the applicant is required to pay a \$5 processing fee to the county

treasurer, which is to be deposited in the county general fund. The treasurer is required to update the vehicle records through the distributed teleprocessing network on a daily basis for persons who have paid delinquent state taxes to the county treasurer, and to forward the amounts collected to the Department of Revenue.

The Act allows the Department of Revenue to give county treasurers access to confidential information required for the collection of delinquent state taxes. County treasurers are subject to requirements and penalties of confidentiality laws regarding tax or indebtedness information.

The provisions creating the county treasurer collection program take effect January 1, 2011.

The Act expresses the General Assembly's intent to implement the collection of court debt at the time a person renews a motor vehicle registration beginning July 1, 2011. The State Court Administrator, in cooperation with the Iowa State County Treasurers Association, is required to develop a plan to allow county treasurers to collect

restitution and delinquent court debt on behalf of a clerk of the district court at the time a person renews a vehicle registration. A report to the General Assembly regarding the plan is due on or before December 1, 2010.

*CENTRALIZED COLLECTION UNIT — MOTOR VEHICLE REGISTRATION HOLD.* The Act allows the Centralized Collection Unit of the Department of Revenue to lift the motor vehicle registration hold on a person who enters a payment plan with the unit to pay a court debt pursuant to Code Section 602.8107, subsection 3.

*SUBPOENA OF PUBLIC AND PRIVATE UTILITY RECORDS.* The Act allows the Department of Revenue to subpoena certain records held by public and private utilities in order to obtain a telephone and last known address after reasonable efforts have been used to identify and locate a person who has a debt obligation placed with the centralized collection unit of the department.

*PRIVATE DEBT COLLECTION DESIGNEE FOR CITIES.* The Act permits a city to contract with a private collection designee for the collection of debts owed to a city related to criminal or civil penalties assessed by the city. The Act permits the private collection designee contracting with the city to charge a collection fee of up to 25 percent of the balance of the debt. The Act permits the fee to be added to the amount of the debt deemed delinquent and to be used to compensate the private collection designee.

*STATE DEBT COORDINATOR ESTABLISHED.* The Act establishes a State Debt Coordinator within the Department of Revenue for administrative and budgetary purposes. The Governor shall appoint the coordinator, subject to Senate confirmation. The provision creating the Office of the State Debt Coordinator takes effect April 21, 2010. The Act requires the coordinator to possess an expert knowledge of and skills in the field of debt collection and to have an intricate understanding of the workings of state government. The term of office is for four years.

The duties of the coordinator include reviewing the debt collection practices of each branch of state government, except the practices related to the collection of a delinquent child support obligation. The duties also include coordinating the collection efforts of each branch of state government, making recommendations to the General Assembly to increase debt collection efficiencies and practices, filing a notice of a lien in certain civil court actions, and managing the debt settlement program created in the Act. The Act also permits the coordinator to appoint personnel deemed necessary to administer the office's functions, adopt rules, and assist the Director of Revenue in preparing an annual budget.

The Act permits the coordinator to have access to all state debt collection information, excluding delinquent child support obligations and including viewing access of the Iowa Court Information System, for the purpose of identifying personal identifying information for coordinating debt collection efforts.

*NOTICE OF LIEN FILED BY STATE DEBT COORDINATOR.* The Act provides that when a debt obligation is owed the state, the State Debt Coordinator, on behalf of the state, shall have a right to a lien against all monetary claims arising from a civil action which the debtor may have against a third party. The lien becomes effective once the coordinator files a notice of lien with the clerk of the district court in the county where the civil action is filed and sends notice of the lien to the debtor's attorney or other representative, if applicable, and to the debtor. The lien shall only be effective against the monetary claim in the civil action against which the lien is filed.

The Act requires the judicial branch to cooperate with the coordinator to determine the most efficient way to identify a debtor who has a claim against a third party. The coordinator shall have viewing access to the Iowa Court Information System to determine if a debtor owes a debt obligation to the state.

The Act requires an insurer or attorney representing the debtor to notify the coordinator if actual notice of the lien has been provided. The Act defines actual notice to include the mailing and deposit in a U.S. Post Office addressed to the debtor; the debtor's attorney or other representative, if applicable; and to a third party who is or may be liable to pay all or part of a debtor's monetary claim.

Upon resolution of the civil action upon which a lien has been filed and actual notice of the lien has been given, the court costs, reasonable attorneys fees, hospital liens, and other medical expenses shall first be deducted from any total judgment obtained. From the remaining balance, the coordinator shall have authority to negotiate a settlement of any debt obligation owed the state that is noted in the lien, including forgiving the entire balance due, based upon the circumstances of the case. After negotiating a settlement of the lien, the coordinator shall transfer any moneys collected to the appropriate accounts to satisfy the debt owed. The Act requires the coordinator to file a satisfaction of the lien in the civil action if the coordinator settles any part of the debt obligation owed the state.

The coordinator may enforce its lien against any liable third party if a judgment or settlement was paid to the debtor without first notifying the coordinator.

During the negotiation process, the coordinator shall make a determination whether the amount received pursuant to a settlement shall be considered as full payment of the debt obligation owed the state. If a settlement is reached that is for less than the amount of the debt obligation owed the state, and the coordinator notifies the applicable state department, agency, or branch that the debt obligation is paid in full, the state department, agency, or branch receiving the notification shall indicate in its records that the debt obligation owed is paid in full.

The Act requires the coordinator, in consultation with the Superintendent of Banking and the Superintendent of Credit Unions, to study the feasibility of developing a data match system using automated data exchanges or other means to identify persons who owe delinquent debt obligations to the state. The Act requires the coordinator to file a report relating to its study with the chairpersons and ranking members of the Appropriations Committees of the Senate and House of Representatives and with the Legislative Services Agency (LSA) by January 14, 2011.

*DEBT SETTLEMENT PROGRAM.* The Act creates a Debt Settlement Program within the Office of the State Debt Coordinator. The provisions creating the Debt Settlement Program take effect January 1, 2011. The program applies to all debt obligations owed to the state that are classified as court debt pursuant to Code Section 602.8107, except that the following debt obligations are ineligible for the program: debt that has been assessed less than four years from the date of the application; victim restitution as defined in Code Section 910.1; civil penalties assessed pursuant to Code Section 321.218A, 321A.32A, or 321J.17; and jail fees charged pursuant to Code Section 356.7.

A person is not eligible for the program unless the person has an income level at or below 200 percent of the U.S. poverty level as defined by the most recently revised poverty income guidelines published by the U.S. Department of Health and Human Services. A person who is incarcerated or under supervision is not eligible for the program while the person is incarcerated or under supervision.

A person paying court debt through an established payment plan with the clerk of the district court, the Centralized Collection Unit of the Department of Revenue or its designee, a county attorney or the county attorney's designee, or a private collection designee is ineligible for the program.

The Act prohibits the coordinator from forgiving more than 50 percent of all eligible debt obligations due. Any payment to the coordinator must be paid in lump sum.

Upon written application and payment of the agreed upon percentage of eligible debt obligation due to the state, the state shall forgive any remaining balance of eligible debt obligation due and shall not seek any contempt or civil action or criminal prosecution against the person related to the eligible debt obligation forgiven under the program. Upon the forgiveness of the remaining balance of the eligible debt pursuant to this program, the case under which the debt accrued shall be considered by the state as paid in full with respect to the debt obligation owed that was settled under the program.

The Act requires the written application to contain all case numbers associated with the eligible debt obligation due, and a general description of such debt.

Failure to pay the amount agreed upon by the date specified shall bar the person from the program for life. The Act prohibits a person from participating in the program more than once in the person's lifetime.

The Act requires a person participating in the program to relinquish all administrative and judicial rights to challenge the imposition and the amount of the eligible debt obligation owed.

If a driver's license is reinstated as a result of participating in the program, the person shall be required to pay a reinstatement fee as provided in Code Section 321.191; any civil penalty assessed pursuant to Code Section 321.218A, 321A.32A, or 321J.17; and provide proof of financial responsibility pursuant to Code Section 321A.17, if otherwise required by law.

Upon paying the amount of eligible debt agreed upon, the coordinator shall provide the person with a certified document detailing the case numbers paid in full under the program. Any state department, agency, or branch shall, upon the filing of a certified document detailing the cases paid in full under the program, indicate in its records that the case is in fact paid in full with respect to the eligible debt obligations paid under the program.

The Act requires the Director of Revenue to establish an account and to deposit in the account all receipts received under the program. Not later than the 15th day of each month, the Act requires the director to deposit amounts received by the Treasurer of State for deposit in the General Fund of the State.

The Act requires the coordinator to submit an annual report by January 1 to the chairpersons and ranking members of the Joint Appropriations Subcommittee on the Justice System and LSA detailing the amount of debt obligations settled under the program, including the classification of the debt settled, the county of residence of persons who had debt settled under the program, and the county of residence of persons who settled debt with a debt settlement designee as provided in Code Section 421C.4.

The Act permits the Centralized Collection Unit of the Department of Revenue or a county attorney collecting delinquent court debt to act as the coordinator's designee under the program. If the Centralized Collection Unit or a county attorney serves as the coordinator's designee, the procedures of the program established in new Code Section 421C.3 apply to the designee except as otherwise provided in the Act.

If a county attorney desires to act as the coordinator's designee, the Act requires a county attorney or county attorneys acting under an agreement pursuant to Code Chapter 28E to make application to the coordinator requesting authority to act as the coordinator's designee. The coordinator shall approve each application upon a showing of commitment to collect delinquent court debt pursuant to Code Section 602.8107, subsection 4, and upon reaffirmation to continue collection efforts.

If a county attorney is approved to act as the coordinator's designee under the program, any eligible court debt settled that is more than two years old shall be deposited with the clerk of the district court as provided in Code Section 602.8107, subsection 4, and distributed to the county in accordance with that Code provision. For purposes of calculating the amounts distributed to the county, the Act requires the amounts collected by the county attorney when acting as the coordinator's designee shall be considered as any other debt collected and credited under the County Attorney Collection Program pursuant to Code Section 602.8107, subsection 4. The Act requires the remainder collected by the county attorney acting as the coordinator's designee to be remitted to the State Court Administrator for distribution under Code Section 602.8108.

For those counties where a county attorney is not acting as the coordinator's designee under the Debt Settlement Program, or for cases the Centralized Collection Unit is collecting upon, the Act permits the Centralized Collection Unit to serve as the coordinator's designee.

*FUTURE REPEAL.* Code provisions establishing the Office of the State Debt Coordinator, the Debt Settlement Program, and creating debt liens in civil actions are repealed January 1, 2014.

*DEBT AMNESTY PROGRAM.* The Act creates a Debt Amnesty Program that mirrors the Debt Settlement Program, except the Debt Amnesty Program is established within the Department of Revenue beginning on September 1, 2010, through November 30, 2010, and there is no income restriction for persons who want to participate in the program. The program also provides that the amount of debt forgiven shall equal 50 percent of the amount of eligible debt obligation due.

The Act requires the Department of Revenue by January 15, 2011, to provide a report to the chairpersons and ranking members of the Senate and House Committees on Appropriations, and to LSA, that details the amounts collected under the program including the classification of debt collected, and the county of residence of persons granted amnesty.

*COUNTY ATTORNEY COLLECTION.* Beginning July 1, 2010, and every fiscal year thereafter, amounts collected and distributed pursuant to the county attorney collection program shall be equal to or greater than \$25,000 for each county or \$25,000 in the aggregate for counties that have entered into an agreement pursuant to Code Chapter 28E. If a county or counties which have entered into a Code Chapter 28E agreement fail to meet the minimum threshold established pursuant to the Act, the county or counties under the Code Chapter 28E agreement shall be ineligible to participate in the county attorney collection program the following fiscal year. In the event a county is ineligible to collect under the county attorney collection program, the county may apply to the State Debt Coordinator to reenter the county attorney collection program following the fiscal year of ineligibility.

*COLLECTION BY CENTRALIZED COLLECTION UNIT OF THE DEPARTMENT OF REVENUE.* The Act requires the judicial branch to assign all delinquent court debt cases to the Centralized Collection Unit for a period of one year after the debt is deemed delinquent unless the county attorney has committed to collecting the delinquent court debt in the county. In those counties where a county attorney is collecting delinquent court debt, the judicial branch shall assign the case to the county attorney 60 days after assignment to the Centralized Collection Unit if the court debt has not been placed in an established payment plan by the Centralized Collection Unit. Under prior law, the judicial branch may assign delinquent court debt to the Centralized Collection Unit for a period of 60 days. Prior law and the Act permit the county attorney to collect delinquent court debt 60 days after the debt is deemed delinquent.

The Act strikes the requirement that the Centralized Collection Unit or the county attorney file with the clerk of the district court a notice of the satisfaction of each portion of the court debt paid under the Centralized Collection Unit or county attorney collection program.

*PRIVATE DEBT COLLECTIONS DESIGNEE.* The Act requires the judicial branch to contract with a private collection designee for the collection of delinquent court debt one year after the debt was deemed delinquent if the county attorney is not collecting the court debt in the case.

The Act establishes the collection fee for the private collection designee at up to 25 percent of the total amount of delinquent court debt owed. Prior law establishes the collection fee at 25 percent of the total amount of the delinquent court debt owed.

**HOUSE FILE 2183 - State Board of Health — Organization and Duties**

BY COMMITTEE ON HUMAN RESOURCES. This Act relates to the organization and duties of the State Board of Health.

The Act revises the membership of the Board of Health; membership will consist of two members learned in health-related disciplines, three members who have direct experience with public health, two members who have direct experience with substance abuse treatment or prevention, and four members representing the general public. At least one of such members shall be licensed in the practice of medicine and surgery or osteopathic medicine and surgery.

The Act amends Code Section 136.3, relating to the duties of the board, by reorganizing the Code section and updating language. The Act eliminates some specific duties and sets the board duties in general terms. Many of the specific duties are now encompassed in the board duty to "[a]dopt and implement the Iowa public health standards."

**HOUSE FILE 2195 - Fine Arts Projects in State Buildings**

BY COMMITTEE ON ECONOMIC GROWTH. This Act concerns fine arts projects in state buildings.

The Act allows interproject transfers of moneys allocated for fine arts projects and eliminates the requirement that the Arts Division of the Department of Cultural Affairs use a certain method of calculating the amount of state financial assistance for the arts for purposes of national ranking surveys. The Act also provides that the contracting agency or principal user of a state building, and not the Arts Division, is required to separately contract for expenses related to the acquisition of fine arts elements.

**HOUSE FILE 2488 - Appointive Board, Commission, Committee, and Council Membership — Young Adults**

BY COMMITTEE ON ECONOMIC GROWTH. This Act provides that all appointive boards, commissions, committees, and councils of the state that are established by the Iowa Code should provide for at least one member who is a young adult. A young adult is defined as a person who, at the time of appointment, is at least 18 but less than 35 years of age.

**HOUSE FILE 2518 - Public Retirement Systems Changes**

BY COMMITTEE ON APPROPRIATIONS. This Act makes numerous changes pertaining to public retirement systems, including the Public Safety Peace Officers' Retirement, Accident and Disability System (PORS, Code Chapter 97A), the

Iowa Public Employees' Retirement System (IPERS, Code Chapter 97B), and the Municipal Fire and Police Retirement System (MFPRSI, Code Chapter 411).

*PEACE OFFICERS' RETIREMENT, ACCIDENT, AND DISABILITY SYSTEM (PORS).* The Act contains the following provisions relating to PORS:

The Act requires a disability retiree under PORS to provide the PORS Board of Trustees with a copy of the beneficiary's federal individual tax return and such other information the system deems necessary. The Act also provides that a disability beneficiary who is restored to active service and then subsequently retires is entitled to service credit for no more than two years of the period of disability retirement.

The Act makes changes concerning the financing of PORS. The Act provides that the employer contribution rate will continue to increase 2 percentage points per year until reaching the lesser of 37 percent or the amount determined actuarially beginning July 1, 2017. Prior law increased the maximum employer contribution rate by 2 percentage points until reaching a maximum of the lesser of 27 percent or the amount determined actuarially beginning July 1, 2012. The Act also increases the employee contribution rate by 0.5 percentage points for four years beginning July 1, 2011, from 9.35 percent of pay, until reaching 11.35 percent beginning on and after July 1, 2014.

The Act provides that a member of PORS who was a member of the MFPRSI prior to January 1, 1992, may purchase service under PORS for service under MFPRSI that was not eligible to be transferred to PORS by paying the actuarial cost of the purchase less an amount equal to the contributions the member made to MFPRSI for that service. The Act provides for an appropriation to the retirement fund for the cost of providing this purchase of service credit.

The Act also provides for a supplemental appropriation from the General Fund of the State to the PORS Retirement Fund of \$5 million per fiscal year, beginning July 1, 2012, until the end of the fiscal year in which PORS reaches a funded ratio of assets to liabilities of at least 85 percent.

The Act provides that the applicable amount used for each adjustment of a pension payable to retired members shall be the exact dollar amount listed for each year described in statute and shall not be cumulated each year.

The Act directs the PORS board to conduct a comprehensive examination of the plan design of PORS and to submit a report, by October 15, 2011, to the Public Retirement Systems Committee concerning the results of the examination and any other recommendations for benefit or other statutory changes to PORS. The PORS board is also directed to conduct a contribution rate study for submission to the committee by October 15, 2015.

*IOWA PUBLIC EMPLOYEES' RETIREMENT SYSTEM (IPERS).* The Act contains the following provisions relating to IPERS:

The Act provides, for regular service members of IPERS, that beginning July 1, 2012, a member's final average covered wage for purposes of calculating a retirement benefit is the greater of the member's highest five years of a covered wage or the member's three-year average covered wage as of June 30, 2012. Until July 1, 2012, the member's final average covered wage was the member's three-year average covered wage.

The Act provides that beginning July 1, 2012, a member in regular service shall be vested if the member has completed at least seven years of service or has attained the age of 65 or greater while in covered employment. Current law, which remains applicable for members in special service, provides that a member is vested upon completing at least four years of any service or attaining the age of 55 while an active member of the system.

Code Section 97B.11, concerning contributions by employer and employee, is amended to provide that beginning July 1, 2011, the required contribution for IPERS regular service members may vary by 1 percentage point from the required contribution rate for the previous year. Current law allowed, beginning July 1, 2011, only a 0.5 percentage point variance and also applied to all categories of IPERS members. The Act also provides that the required contribution rate for regular members in IPERS shall be 13.45 percent for the fiscal year beginning July 1, 2011.

Code Section 97B.50, concerning penalties for early retirement, is amended to provide that for a member who is not vested on June 30, 2012, and who retires after that date and receives a retirement allowance prior to the member's normal retirement date, the retirement allowance shall be reduced by 0.5 percent for each month the early retirement date precedes the date the member attains age 65. If the member is vested on June 30, 2012, the Act provides that the portion of the member's

retirement allowance based upon years of service prior to June 30, 2012, shall be reduced, based on current law, by 0.25 percent for each month that the retirement allowance precedes the member's earliest normal retirement date and the portion of the member's retirement allowance based upon years of service after June 30, 2012, shall be reduced in the same manner as for members who were not vested on June 30, 2012.

Code Section 97B.50A, concerning disability benefits for special service members, is amended to provide that certain cancers and infectious diseases contracted by special service members are presumed to be a disease contracted while on active duty due to the job for purposes of establishing a disability pension or providing a death benefit.

Code Section 97B.52A, concerning the determination of a bona fide retirement under IPERS, is amended. Current law allows, until July 2010, a person to retire, receive retirement benefits, and to return to covered employment as a licensed health care professional at a public hospital after one month and still receive retirement benefits. Most retirees under IPERS are not allowed to return to covered employment and continue to receive retirement benefits until at least four months after they retire. The Act extends the sunset of this shortened period for licensed health care professionals from July 2010 to July 2012. This provision of the Act also provides that a person retired under IPERS may return to noncovered employment as a member of the national guard called to state active duty at any time for purposes of determining a bona fide retirement under IPERS. The provision relating to noncovered employment as a member of the national guard takes effect April 23, 2010, and applies retroactively to May 25, 2008.

The Act also extends the provision of current law which allows an IPERS member to purchase additional wage credits equal to the pay the member would have received if the member was not furloughed and received a reduction in pay on or after January 1, 2009, until June 30, 2011, and allows a person who has an employee-exercised reduction in pay by means of taking a reduction in pay through exercising union bumping rights the ability to purchase these wage credits. This provision takes effect April 23, 2010, and applies retroactively to January 1, 2009.

*MUNICIPAL FIRE AND POLICE RETIREMENT SYSTEM (MFPRSI)*. Code Section 411.1(22), concerning the definition of surviving spouse, is amended to provide that the term is not limited to situations in which the member was in active service at the time of death.

Code Section 411.5, concerning the administration of MFPRSI, is amended to provide that the board of trustees shall, at least every two years, review the benefits and finances provided under the retirement system.

Code Section 411.6(3), concerning ordinary disability retirement benefits, is amended to define knowledge of a preexisting medical condition that may disqualify a person from benefits in the same manner as it is defined for purposes of an accidental disability retirement under Code Section 411.6(5).

Code Section 411.6(8), concerning ordinary death benefits, is amended to provide that a surviving spouse may elect a pension in lieu of the death benefit otherwise payable if the surviving spouse is the beneficiary based on the member's designation or by default if the member did not designate a beneficiary or the designated beneficiary predeceased the member.

Code Section 411.9, concerning military service, is amended to provide that if a member dies while performing qualified military service, the member shall be treated as if the member was an active employee under MFPRSI for purposes of determining benefits under MFPRSI arising out of that date. This provision takes effect April 23, 2010, and applies to deaths occurring on or after January 1, 2007. In addition, the Act provides that if a member who is absent while serving in the armed services is receiving a differential wage from the member's city, the member is treated as an employee of the employer making the payment and an active member of the system, the differential wage payment is treated as earnable compensation of the member, and the system is not treated as failing to meet the requirements of any provision described in the federal Internal Revenue Code by reason of any contribution or benefit which is based on the differential wage payment. This provision takes effect April 23, 2010, and applies retroactively to years beginning after December 31, 2008.

The Act repeals Code Section 411.20, which required an appropriation from the General Fund of the State to MFPRSI for each fiscal year in an amount necessary to finance the cost of benefits provided in Code Chapter 411 by amendments of the Acts of the Sixty-sixth General Assembly. Code Section 8.59 had frozen this appropriation to those amounts expended for the fiscal year commencing July 1, 1992. The Act does provide for an appropriation to MFPRSI from the General Fund of the State during FY 2010-2011 of \$1.5 million and during FY 2011-2012 of \$750,000.

The Act directs the MFPRSI Board of Trustees to conduct a comprehensive examination of the benefits and finances provided under MFPRSI and to submit a report to the General Assembly by January 10, 2011, concerning the results of the examination.

**TAXATION**

- [SENATE FILE 2199](#) - Manufactured and Mobile Homes — Use Tax — Title Procedures
- [SENATE FILE 2373](#) - Replacement Taxes on Cogeneration Facilities
- [SENATE FILE 2375](#) - Administration of Sales and Use Taxes
- [SENATE FILE 2380](#) - Taxation — Credits, Expenditures, and Incentives — Estate Taxes
- [SENATE FILE 2387](#) - Sales Tax — Exemption for Registered Regional Blood Testing Facility Purchases
- [HOUSE FILE 2532](#) - Individual Income Tax — Veterans Trust Fund Payments

**RELATED LEGISLATION**

- [SENATE FILE 434](#) - Real Estate — Municipal Infractions, Tax Sales, and Nuisance Abatement  
*SEE LOCAL GOVERNMENT.* This Act requires the indexing by the clerk of the district court of certain municipal citations and nuisance petitions and requires the properties that are subject to those citations and petitions to be withheld from tax sale. The Act also includes a method for canceling a tax sale of a parcel that contains an abandoned building, within the meaning of Code Chapter 657A, and refunding the purchase money if certain conditions are met.
- [SENATE FILE 2366](#) - Miscellaneous Appropriation Reductions, Transfers, and Supplementals  
*SEE APPROPRIATIONS.* This Act includes additional funding to restore all or a portion of the reduction made by the Governor’s order making uniform reductions in appropriations. The additional funding is for reimbursing local governments for the elderly and disabled tax credit.
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities  
*SEE STATE GOVERNMENT.* This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt. The Act establishes the priority of payment in circumstances where a lien filed in a civil action encompasses multiple claims by state entities. The Act provides that the payment made to the coordinator to settle the lien shall first be a credit against any tax due as provided in Code Section 422.73, and the remaining balance shall be distributed in accordance with Code Section 8A.504.
- [SENATE FILE 2388](#) - Hospital Health Care Access Assessment Program  
*SEE HEALTH AND SAFETY.* This Act establishes the Hospital Health Care Access Assessment Program. The assessment applies to "participating hospitals," which are nonstate owned licensed hospitals that are paid on a prospective payment system basis by Medicare and Medicaid. The assessment is to be used in promoting access to health care services for Iowans, including those served by the Medical Assistance (Medicaid) Program. The Act establishes the methods for calculating the assessment, payment of the assessment, and reimbursement to the participating hospitals. Revenues collected are to be deposited in the Hospital Health Care Access Trust Fund created in the Act. Moneys in the trust fund are to be used, subject to their appropriation by the General Assembly to the Department of Human Services (DHS), to reimburse participating hospitals for inpatient and outpatient hospital services, for funding Medicaid, and for other health-related purposes specified in the Act. The Act takes effect April 14, 2010, but shall only be implemented if DHS receives federal approval to implement the Act.
- [HOUSE FILE 2376](#) - Annexation and Severance of Property by Cities  
*SEE LOCAL GOVERNMENT.* This Act allows real property owners within the boundaries of a city to file a petition for severance with the city council if the petitioners’ real property would be eligible for annexation by a different city if severed. The petition must be filed with both the city from which severance is sought and the city to which annexation is requested. The petition must then be approved by both city councils and the City Development Board. Approval by either city council may be conditioned upon a transition agreement between the cities. The transition agreement may provide for the transition or sharing of property tax revenues and other provisions deemed by the cities to be in the public interest.

- [HOUSE FILE 2384](#) - Tax Advice for Deploying Military Services Members  
**SEE PUBLIC DEFENSE AND VETERANS.** This Act directs the Veterans Affairs Commission, in coordination with the Military Division of the Department of Public Defense, to advise service members deploying overseas about filing tax returns and paying taxes due, and to encourage such service members to contact the Department of Revenue.
- [HOUSE FILE 2483](#) - Trusts and Estates — Miscellaneous Changes  
**SEE CIVIL LAW, PROCEDURE, AND COURT ADMINISTRATION.** This Act relates to trusts and estates, including provisions relating to state inheritance tax, uniform transfers to minors, and medical assistance claims. Code Chapter 450, relating to the state's inheritance tax, is amended to specify that a decedent's interest in an employer-sponsored retirement plan or on a decedent's individual retirement account, that will be subject to federal income tax when paid to the beneficiary, is not subject to state inheritance tax.
- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to tax liability for erroneous application for tax credits and penalties for false or frivolous application for tax credits. Division X relates to tax information for taxpayers misclassifying workers. Division XII relates to income tax checkoffs for child abuse prevention, the Veterans Trust Fund, and the Volunteer Fire Fighter Preparedness Fund. Division XX relates to the assessment of penalties and interest against taxpayers who filed returns expecting the state of Iowa to conform with certain federal income tax provisions.

## TAXATION

### **SENATE FILE 2199 - Manufactured and Mobile Homes — Use Tax — Title Procedures**

BY COMMITTEE ON LOCAL GOVERNMENT. Current Code Section 423.26 requires the use tax imposed upon the use of manufactured housing to be paid by the owner of the manufactured housing to the county treasurer or the Department of Transportation (DOT). This Act removes manufactured housing from Code Section 423.26 and enacts a new Code Section 423.26A, which requires the use tax imposed upon the use of manufactured housing to be paid by the owner of the manufactured housing to the licensed manufactured home retailer. The manufactured home retailer must submit an application for certificate of title on behalf of the owner. The Act also addresses the payment of use tax and titling for manufactured housing brought into the state.

The use tax collected by the manufactured home retailer must be forwarded to the county treasurer or the DOT from whom the certificate of title is obtained. The county treasurer may retain \$1 from each tax payment collected by a manufactured home retailer and paid to the county treasurer. The Act establishes a remittance schedule for the revenues derived and makes conforming amendments relating to the collection of the use tax.

The Act provides that a person who willfully makes a false statement in regard to taxation under new Code Section 423.26A is guilty of a fraudulent practice and establishes a penalty for persons who willfully make a false statement with the intent to evade the payment of the tax.

The Act provides that a failure to comply with the requirements of new Code Section 423.26A is grounds for the revocation, suspension, or refusal of a manufactured home retailer license. The Act also amends several provisions relating to the taxation of manufactured and mobile homes by striking certain references to the term "dealer" and inserting the term "retailer."

The Act establishes a procedure for an owner of a manufactured or mobile home that meets certain criteria to effectuate a surrender of the certificate of title if no record of a previous issuance or surrender exists. To effectuate a surrender of the certificate of title, the owner is required to prepare and record an affidavit that includes specified information, including a title opinion by a licensed attorney for the land upon which the manufactured or mobile home is situated.

The Act takes effect April 7, 2010.

### **SENATE FILE 2373 - Replacement Taxes on Cogeneration Facilities**

BY COMMITTEE ON WAYS AND MEANS. This Act modifies provisions relating to the imposition of a replacement tax on electricity and natural gas providers.

Code Chapter 437A imposes a replacement tax on electric companies, natural gas companies, electric cooperatives, and municipal utilities in lieu of property taxes that would otherwise be payable, which operates to remove tax costs as a factor in a competitive environment by imposing like generation, transmission, and delivery taxes on similarly situated competitors who generate, transmit, or deliver electricity or natural gas in the same competitive service area.

The Code chapter defines a cogeneration facility to mean a facility with a capacity of 200 megawatts or less that uses the same energy source for the sequential generation of electrical or mechanical power in combination with steam, heat, or other forms of useful energy and, except for ownership, meets specified federal criteria. The Act adds a definition of new cogeneration facility which conforms to this definition, but without limitation as to generation capacity, and is applicable to a facility which is first placed into service on or after January 1, 2009, or to a facility in service prior to January 1, 2009, which first became subject to the replacement generation tax on or after January 1, 2009.

The Act provides a means for allocating the assessed value of a new cogeneration facility between property of the facility that is subject to local assessment and the property of the facility that is subject to the replacement tax, and to exempt from property tax the value of the property subject to the replacement tax by applying a credit representing the value of such exempt property against the total value of the facility. The Act modifies provisions relating to determination of the natural gas delivery rate applicable to new electric power generating plants to include a new cogeneration facility, and amends Code Section 437A.18 to apply the statewide property tax to property of a new cogeneration facility.

Additionally, the Act adds to the definition of an electric power generating plant that such a plant may be owned by or leased to "any other taxpayer," in addition to an electric company, electric cooperative, or municipal utility. The Act provides a mechanism for refunding or crediting excess replacement taxes, penalties, and interest paid into the Property Tax Relief

Fund, established in Code Section 426B.1, by a new electric power generating plant, applying existing provisions regarding claims for refunds and credits contained in Code Section 437A.14 and stating that the Director of Revenue shall have sole discretion regarding whether a refund will be paid versus a credit granted.

The Act extends the time period during which the Utility Replacement Tax Task Force is in existence for an additional three years, with the committee continuing to study the effects of the replacement tax on local taxing authorities, local taxing districts, consumers, and taxpayers through January 1, 2013. The Act requires taxpayers to report to the director any gas or transmission property that had been acquired at a cost of more than \$1 million and disposed of in the preceding calendar year. The Act also provides, with reference to determining and reporting the taxable value of property subject to the replacement tax, that calculations will utilize the current fiscal year's consolidated taxing district rate for the taxing district where the property is located, rather than the prior fiscal year's rate under previous law.

The Act takes effect April 23, 2010, and applies retroactively to tax years beginning on or after January 1, 2010.

**SENATE FILE 2375 - Administration of Sales and Use Taxes**

BY COMMITTEE ON WAYS AND MEANS. This Act relates to the administration of the sales and use taxes under the Streamlined Sales and Use Tax Agreement.

Iowa is a member of the Streamlined Sales and Use Tax Agreement, which is an effort to administer state sales and use taxes in all participating states according to the same simplified system. Under the agreement, Iowa must periodically make changes in the administration of the sales and use taxes in order to remain in compliance. The Act makes changes to a number of provisions in the Uniform Sales and Use Tax Administration Act in Code Chapter 423, Subchapter IV, to more closely conform to the terms of the agreement.

The Act specifies references to the registration of model sellers under the agreement and removes certain "bundling" language from the definition of sales price in Code Section 423.1.

The Act amends Code Section 423.2 by changing references to "prepaid calling cards" to "prepaid calling services" and adds more specific language relating to service and warranty contracts.

The Act requires the Department of Revenue to make reasonable efforts to notify sellers after sales tax rate changes and provides a safe harbor under certain circumstances to sellers who do not receive such notice.

The Act specifies that the changes made in the Act do not affect a seller's obligation to register in the state and to meet certain requirements for amnesty under the agreement. The Act allows certain sellers to register in the state as sellers who do not anticipate making any sales here.

The Act provides for the electronic filing of simplified returns and remittances, in accordance with the terms of the agreement.

The Act eliminates the requirement in Code Section 423.49 that a remote seller file a return in the following month if the remote seller accumulates more than \$1,000 of state and local sales taxes in the preceding month.

The Act directs the department to adopt a standardized process for the remittance of sales tax payments.

The Act takes effect April 21, 2010.

**SENATE FILE 2380 - Taxation — Credits, Expenditures, and Incentives — Estate Taxes**

BY COMMITTEE ON WAYS AND MEANS. This Act relates to the administration and review of certain tax credit, withholding credit, division of revenue, and other financial assistance programs.

Division I of the Act expresses the intent and purposes of the Act.

Division II of the Act creates the Legislative Tax Expenditure Committee within the Legislative Council. The committee is composed of 10 members of the General Assembly, five members from each house, appointed by the Legislative Council. The five members appointed to the committee from each house include three members of the majority party and two from the minority party.

The committee has a number of duties. The committee must evaluate the tax expenditures available under Iowa law and

assess their equity, simplicity, competitiveness, public purpose, adequacy, and extent of conformance with the original purposes of the legislation that enacted the tax expenditure. "Tax expenditure" is defined to mean an exclusion from the operation or collection of a tax imposed in this state. Tax expenditures include tax credits, exemptions, deductions, and rebates. Tax expenditures also include sales tax refunds issued pursuant to Code Section 423.3 or Code Section 423.4.

The committee must establish and maintain a system for making available to the public information about the amount and effectiveness of tax expenditures and the extent to which tax expenditures comply with the statement of principles of sound tax policy.

The committee must engage in the regular review of the state's tax expenditures. In reviewing tax expenditures, the committee may review any tax expenditure at any time, but shall at a minimum perform certain reviews according to a schedule prescribed by statute. For each tax expenditure reviewed, the committee must submit a report to the Legislative Council containing the results of the review. The report must contain a statement of the policy goals of the tax expenditure and a return on investment calculation for the tax expenditure. "Return on investment calculation" is defined to mean analyzing the cost to the state of providing the tax expenditure, analyzing the benefits realized by the state from providing the tax expenditure, and reaching a conclusion as to whether the benefits of the tax expenditure are worth the cost to the state of providing it.

The committee must also estimate for each fiscal year, in conjunction with the Legislative Services Agency and the Department of Revenue, the cost of each individual tax expenditure and the total cost of all tax expenditures, and by December 15 provide those estimates to the Governor for use in the preparation of the statutorily required budget message and to the General Assembly to be used in the budget process. The estimates provided may include the committee's recommendations for the imposition of a limitation on a specified tax expenditure, a limitation on the total amount of tax expenditures, or any other recommendation for a specific tax expenditure or the program under which the tax expenditure is provided.

Division III of the Act reduces the amount of tax credits that the Department of Economic Development (DED) is allowed to authorize for certain programs each year from \$185 million to \$120 million, except as otherwise provided in the division.

Division IV of the Act prevents DED from registering any new projects under the Film, Television, and Video Project Promotion Program until July 1, 2013. The division takes effect April 15, 2010.

Division V of the Act modifies the amount of the additional research activities credit authorized in Code Section 15.335. Currently, the amount of the credit is 6.5 percent of research expenditures. The division provides that for businesses with annual gross revenues of less than \$20 million, the credit amount is 10 percent. For businesses with annual gross revenues of greater than \$20 million, the amount of the credit is 3 percent. Division V also modifies the percentages applicable to the alternative incremental credit calculation available under the additional research activities tax credit. For businesses with annual gross revenues of \$20 million or less, the percentages are 2.54 percent, 3.38 percent, and 4.23 percent. For businesses with annual gross revenues of greater than \$20 million, the applicable percentages are 0.76 percent, 1.02 percent, and 1.27 percent. Division V applies to tax credits awarded under Code Section 15.335 on or after July 1, 2010.

Division VI of the Act reduces the maximum amount of statewide program job credits that may be allocated to community colleges under the Accelerated Career Education Program in any one fiscal year to \$5.4 million. The maximum amount is currently \$6 million.

Division VII of the Act eliminates the economic development region revolving loan fund contribution tax credit. The division applies retroactively to January 1, 2010, for tax years beginning on or after that date.

Division VIII of the Act reduces the maximum amount of tax credits that may be issued under the Endow Iowa Program to \$2.7 million. The maximum amount is currently \$3 million. The division takes effect April 15, 2010, and applies retroactively to January 1, 2010.

Division IX of the Act reduces the maximum aggregate amount of tax credits that may be issued under the Iowa Fund of Funds Program to \$60 million. Currently, \$100 million may be issued under the program. The division takes effect April 15, 2010.

Division X of the Act eliminates the venture capital fund investment tax credit and makes conforming amendments. The division does not affect the validity of tax credit certificates issued for future years which may still be outstanding after April

15, 2010.

Division XI of the Act eliminates the refundability of certain tax credits for value-added agricultural products available under the investment tax credit in Code Section 15.333. The division takes effect April 15, 2010.

Division XII of the Act reduces the amount of historic preservation and cultural and entertainment district tax credits that can be reserved under Code Chapter 404A from \$50 million per year to \$45 million. The reductions only impact years in which the Department of Cultural Affairs has not yet approved projects under the program.

Division XIII of the Act relates to estate taxes. In 2001, Congress enacted the Economic Growth and Tax Relief Reconciliation Act (EGTRRA) which reduced the federal estate tax rates and increased the exemption level for estates for tax years 2002 through 2009. In 2010, EGTRRA repeals the federal estate tax completely. EGTRRA also phased out the tax credits for state inheritance and estate taxes in 25-percent increments between 2002 and 2005. Until 2008, Iowa had an estate tax, the base and the amount of which were calculated based on the federal tax credits phased out in EGTRRA. This type of tax was referred to as a "pick-up tax." In 2008, Iowa's estate tax was eliminated. This division of the Act reenacts the estate tax, including the base and amount calculations specified in the Internal Revenue Code. The Code chapter reenacting the estate tax shall not be implemented unless the federal tax credits are reenacted as well.

Division XIV of the Act requests the Legislative Council to establish an interim study committee to evaluate and make recommendations regarding the Enterprise Zone Program.

Division XV of the Act requests the Legislative Council to establish an interim study committee to evaluate and make recommendations regarding the Industrial New Jobs Training Program.

**SENATE FILE 2387 - Sales Tax — Exemption for Registered Regional Blood Testing Facility Purchases**

BY COMMITTEE ON WAYS AND MEANS. This Act provides a sales tax exemption for reagents and related accessory equipment purchased by a regional blood testing facility. To qualify for the exemption, a regional blood testing facility must be registered by the federal Food and Drug Administration, perform donor testing for other blood centers, and be located in Iowa on or before January 1, 2011. The sales tax exemption is repealed if a regional blood testing facility is not located in the state by January 1, 2011.

**HOUSE FILE 2532 - Individual Income Tax — Veterans Trust Fund Payments**

BY COMMITTEE ON WAYS AND MEANS. This Act provides an income tax deduction for certain benefits received from the Veterans Trust Fund.

Moneys in the Veterans Trust Fund may be expended for, among other things, providing travel expenses for wounded veterans and their spouses if the expenses are directly related to follow-up medical care, and for unemployment assistance during a period of unemployment, if the unemployment is due to prolonged physical or mental illness or disability resulting from military service.

The Act provides a deduction for these benefits when computing net income for purposes of the individual income tax.

The Act applies retroactively to January 1, 2010, for tax years beginning on or after that date.

**TRANSPORTATION**

- [SENATE FILE 2220](#) - Motor Carrier Transportation Contracts — Indemnity Provisions
- [SENATE FILE 2246](#) - Motor Vehicle Regulation — Miscellaneous Changes
- [SENATE FILE 2273](#) - Electronic Vehicle Registration and Titling
- [SENATE FILE 2304](#) - Vehicular Accident Reporting Requirements — Damage Threshold Amount
- [HOUSE FILE 2288](#) - Cowl Lamps on Motor Vehicles
- [HOUSE FILE 2452](#) - Driver’s License Sanctions and Restrictions — Miscellaneous Changes
- [HOUSE FILE 2456](#) - Use of Electronic Communication Devices While Driving
- [HOUSE FILE 2460](#) - Department of Transportation Contracts — Small or Disadvantaged Business Enterprises
- [HOUSE FILE 2466](#) - Driver Education Instructor Qualifications
- [HOUSE FILE 2512](#) - Commercial Motor Vehicle Weight Limits

**RELATED LEGISLATION**

- [SENATE FILE 285](#) - Traffic and Wildlife Conservation Offenses and Magistrate Jurisdiction  
*SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.* This Act relates to magistrate jurisdiction, specifies certain traffic-related offenses as simple misdemeanors, and makes other related changes to simple misdemeanor offenses.
- [SENATE FILE 431](#) - Operating-While-Intoxicated — Miscellaneous Changes  
*SEE CRIMINAL LAW, PROCEDURE, AND CORRECTIONS.* This Act reorganizes and restructures Code Section 321J.2, relating to operating a motor vehicle while intoxicated (OWI) offenses.
- [SENATE FILE 2146](#) - Motor Vehicle Dealers and Warranty Parts, Repairs, or Service — Claims Payment  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act prohibits a motor vehicle manufacturer, distributor, or importer from reducing the amount of compensation for, or disallowing a claim for, warranty parts, repairs, or service performed by a motor vehicle dealer on the grounds that the claim was not filed within 60 days after the work underlying the claim was completed.
- [SENATE FILE 2199](#) - Manufactured and Mobile Homes — Use Tax — Title Procedures  
*SEE TAXATION.* This Act requires the use tax imposed upon the use of manufactured housing to be paid by the owner of the manufactured housing to the licensed manufactured home retailer rather than directly to the county treasurer or the Department of Transportation. The Act establishes a procedure for an owner of a manufactured or mobile home that meets certain criteria to effectuate a surrender of the certificate of title if no record of a previous issuance or surrender exists. The Act takes effect April 7, 2010.
- [SENATE FILE 2202](#) - Persons With Disabilities — Miscellaneous Provisions  
*SEE STATE GOVERNMENT.* This Act relates to rights of persons with disabilities relating to public employment, use of public facilities and accommodations, and zoning for housing, by changing numerous Code references from "persons with physical disabilities" to "persons with disabilities," and revising the accessibility requirements for curb ramps and sloped areas in intersections with streets, roads, and highways.
- [SENATE FILE 2234](#) - Motor Vehicle Franchise Regulation  
*SEE BUSINESS, BANKING, AND INSURANCE.* This Act modifies existing provisions and adds new provisions to Code Chapter 322A, which regulates motor vehicle franchises.
- [SENATE FILE 2310](#) - Natural Resources and Outdoor Recreation Trust Fund  
*SEE NATURAL RESOURCES AND OUTDOOR RECREATION.* This Act implements a proposed amendment to the Constitution of the State of Iowa, on the ballot for public ratification on November 2, 2010, to dedicate a portion of state revenue from an increase in the state’s sales

tax for deposit into a Natural Resources and Outdoor Recreation Trust Fund. The Act establishes the fund to support initiatives to be carried out by state departments, including the Department of Transportation. The initiatives include supporting the design, establishment, maintenance, improvement, and expansion of land and water trails.

- [SENATE FILE 2340](#) - Substantive Code Corrections  
*SEE STATE GOVERNMENT.* This Act contains statutory corrections that adjust language to reflect current practices, insert earlier omissions, delete redundancies and inaccuracies, delete temporary language, resolve inconsistencies and conflicts, update ongoing provisions, or remove ambiguities in provisions relating to construction and replacement of roads and highways; weed control; registration and operation of motor vehicles; licensing of motor vehicle operators; traffic control devices, traffic accidents and damages; the Motorcycle Rider Education Fund; motor vehicle equipment; all-terrain vehicle dealers; operating while intoxicated; motor vehicle dealers and franchises; railroads; aircraft and airports; uniform citation and complaint forms; and forfeiture of appearance bonds.
- [SENATE FILE 2378](#) - Appropriations — Justice System  
*SEE APPROPRIATIONS.* This Act increases the fines for numerous traffic-related offenses.
- [SENATE FILE 2381](#) - Appropriations — Transportation  
*SEE APPROPRIATIONS.* This Act contains FY 2010-2011 appropriations to the Department of Transportation from the Road Use Tax Fund and the Primary Road Fund. The Act also contains provisions concerning the operation of all-terrain vehicles and off-road utility vehicles on highways and requirements for the use of child restraint systems and seat belts by motor vehicle passengers under 18 years of age.
- [SENATE FILE 2383](#) - Collection of Debts Owed to the State and Cities  
*SEE STATE GOVERNMENT.* This Act establishes the Office of State Debt Coordinator and relates to the collection of state debt. The Act allows a county treasurer to collect delinquent state taxes from a person who is applying for a renewal of motor vehicle registration. Current law requires the person to address the debt before the county treasurer can renew the registration of the person's vehicle. The Act also allows the Centralized Collection Unit of the Department of Revenue to lift the motor vehicle registration hold on a person who enters into a payment plan with the unit to pay court debt.
- [SENATE FILE 2389](#) - Appropriations — Infrastructure and Capital Projects  
*SEE APPROPRIATIONS.* Division VI of this Act appropriates money from the Iowa Comprehensive Petroleum Underground Storage Tank Fund to the Department of Transportation for the fiscal year beginning July 1, 2010, and ending June 30, 2011.
- [HOUSE FILE 674](#) - Reporting Treatment of Serious Injuries  
*SEE HEALTH AND SAFETY.* This Act relates to the reporting of the treatment of or the application for the treatment of a serious wound to a local law enforcement agency. The Act requires a person licensed under Code Chapter 147 (health-related professions) to report the treatment of or the application for the treatment of a serious wound to a local law enforcement agency if those wounds were received in a motor vehicle accident or crash. The Act also allows but does not require a person licensed under Code Chapter 147A (emergency medical care) to report the treatment of or the application for the treatment of a serious wound related to the commission of a criminal offense, or to a motor vehicle accident or crash, to a law enforcement agency.
- [HOUSE FILE 2458](#) - Mowing on Road and Highway Medians and Rights-of-Way  
*SEE NATURAL RESOURCES AND OUTDOOR RECREATION.* This Act restricts mowing within the rights-of-way and medians of interstates, primary highways, and secondary roads before July 15. The restriction applies to the Department of Transportation, counties, and private property owners.

- [HOUSE FILE 2531](#) - State and Local Government Financial and Regulatory Matters — Appropriations and Miscellaneous Changes  
**SEE APPROPRIATIONS.** This Act makes, reduces, and transfers appropriations; provides salaries and compensation of state employees; and covers other properly related matters. Division VII of the Act relates to certain mowing prohibitions on the rights-of-way or medians on any primary or interstate highway and penalties for certain motor vehicle-related violations involving death or serious injury. Division VIII relates to prohibited actions against persons riding bicycles on highways.



## TRANSPORTATION

### **SENATE FILE 2220 - Motor Vehicle Transportation Contracts — Indemnity Provisions**

BY COMMITTEE ON TRANSPORTATION. This Act creates new Code Section 325B.1 relating to the contents of motor carrier transportation contracts, as defined in the Act. The Act prohibits a motor carrier transportation contract, whether express or implied, from containing a provision, clause, covenant, or agreement that purports to indemnify, defend, or hold harmless, or has the effect of indemnifying, defending, or holding harmless, a promisee from or against any liability for injury, death, loss, or damage resulting from the negligence or intentional acts or omissions of that promisee, or any agents, employees, servants, or independent contractors who are directly responsible to that promisee.

Under the Act, any such provision, clause, covenant, or agreement is deemed void and unenforceable and the remaining provisions of the motor carrier transportation contract are severable and enforceable unless otherwise prohibited by law.

The Act applies to motor carrier transportation contracts entered into, extended, or renewed on or after July 1, 2010. The Act does not, however, apply to certain intermodal contracts, including the Uniform Intermodal Interchange and Facilities Access Agreement.

### **SENATE FILE 2246 - Motor Vehicle Regulation — Miscellaneous Changes**

BY COMMITTEE ON TRANSPORTATION. This Act contains provisions relating to the regulation of motor vehicles by the Department of Transportation and local authorities.

The Act amends the definition of "business-trade truck" to provide that the term applies only to model year 2010 or newer motor trucks. For purposes of motor vehicle registration, a "business-trade truck" is a motor truck with an unladen weight of 10,000 pounds or less which is used for business or farming.

The Act revises existing provisions that establish an annual registration fee of \$60 for a passenger vehicle or newer model pickup truck equipped to assist a person with a disability to enter and exit the vehicle if the person with a disability is the owner of the vehicle or a member of the owner's household. The \$60 fee also applies if the owner of the vehicle or a member of the owner's household uses a wheelchair as the only means of mobility and use of the wheelchair is not due to a temporary injury or condition. The Act extends the \$60 fee to lessees as well as owners, and allows the \$60 fee for motor trucks registered as business-trade trucks and older model pickup trucks.

The Act revises provisions relating to the grounds for denial, suspension, or revocation of an authorized vehicle recycler's license or a motor vehicle dealer's license. Under the Act, such grounds exist when a person has been convicted of a fraudulent practice; an indictable offense in connection with selling or other activity relating to vehicles; three or more violations of Code Section 321.92, subsection 2, relating to vehicles without identification numbers, or Code Section 321.99, relating to fraudulent use of a vehicle registration card, plate, or permit; or when a person has been determined in a final judgment of a court to have violated Code Section 714.16, relating to consumer frauds, in connection with selling or other activity relating to vehicles. In addition, the Act provides that conviction of a fraudulent practice; convictions of three or more violations of Code Section 321.92, subsection 2, or Code Section 321.99, relating to fraudulent use of a vehicle registration card, plate, or permit; or conviction of an indictable offense in connection with selling or other activity relating to vehicles, in this state or any other state, disqualifies a person from acting as or representing themselves as an owner, salesperson, employee, officer of a corporation, or representative of an authorized vehicle recycler or a licensed motor vehicle dealer for five years from the date of conviction.

The department may waive the requirement that an applicant for a Persons With Disabilities Parking Permit furnish the applicant's social security number, driver's license number, or nonoperator's identification card number when the application is for a temporary permit and is made on behalf of a person who is less than one year of age.

The Act provides that, although local authorities are prohibited from imposing any regulations on the operation of motor carriers that are more restrictive than those imposed by the state, a local authority may exercise home rule power to impose regulations or requirements on the operation of taxicabs or limousines engaged in nonfixed route transportation for hire.

**SENATE FILE 2273 - Electronic Vehicle Registration and Titling**

BY COMMITTEE ON TRANSPORTATION. This Act expresses the General Assembly's intent to establish a uniform statewide system to allow electronic transactions for the initial registration and titling of motor vehicles by January 1, 2012. The Department of Transportation is required to conduct a study concerning implementation of such a system with participants from the Consumer Protection Division of the Attorney General's Office, the Department of Public Safety, the Department of Revenue, the Iowa State County Treasurers Association, the Iowa Automobile Dealers Association, and the Iowa Independent Automobile Dealers Association. The department is required to report to the General Assembly concerning the results of the study by December 1, 2010.

The Act takes effect April 7, 2010.

**SENATE FILE 2304 - Vehicular Accident Reporting Requirements — Damage Threshold Amount**

BY COMMITTEE ON JUDICIARY. This Act increases the amount of property damage triggering the need for a motor vehicle accident report from \$1,000 to \$1,500. As a result, if a vehicular accident results in property damage to an apparent extent of \$1,500 or more, the driver of a vehicle involved in the accident is required to file a written report of the accident with the Department of Transportation within 72 hours, unless the accident is investigated by a law enforcement officer. Current requirements for the reporting of snowmobile and all-terrain vehicle accidents, that contain a threshold damage amount of \$1,000 are not changed under the Act.

**HOUSE FILE 2288 - Cowl Lamps on Motor Vehicles**

BY COMMITTEE ON PUBLIC SAFETY. This Act repeals Code Section 321.406, which limits the use of side cowl or fender lamps on motor vehicles to no more than two such lamps.

**HOUSE FILE 2452 - Driver's License Sanctions and Restrictions — Miscellaneous Changes**

BY COMMITTEE ON JUDICIARY. This Act relates to driver's license sanctions, including the issuance of temporary restricted licenses and certain requirements relating to ignition interlock devices, provides a penalty, and makes conforming changes.

The Act amends Code Section 321.215 to allow the Department of Transportation (DOT) to issue a temporary restricted license to a person whose noncommercial driver's license is suspended or revoked under Code Chapter 321 (Motor Vehicles and Law of the Road) without requiring the court to order the DOT to do so.

The Act amends Code Section 321J.2 (Iowa's operating while intoxicated, or OWI, law) to allow the DOT to issue a temporary restricted license under Code Chapter 321J without requiring the court to order the DOT to do so.

The Act amends Code Section 321J.4 (revocations for OWI offenses) to allow repeat (second or subsequent) OWI offenders to obtain a temporary restricted license after a 45-day hard suspension in compliance with the purposes allowed under federal law, pursuant to 23 U.S.C. § 164 (Minimum Penalties for Repeat Offenders for Driving While Intoxicated or Driving Under the Influence).

The Act also amends Code Section 321J.4 to allow the DOT to trigger the six-year revocation period for a third or subsequent OWI conviction upon the department's receipt of the order of conviction, rather than requiring the court to order the DOT to impose the revocation.

The Act amends Code Section 321J.9 to allow a person whose license is revoked after refusing to submit to chemical testing for OWI and who has a previous OWI revocation to apply for a temporary restricted license after a hard 90-day revocation. Under prior law, a person was not eligible for a temporary restricted license for at least one year after the effective date of the revocation.

The Act amends Code Section 321J.12 to allow second and subsequent OWI offenders to obtain a temporary restricted license after a 45-day hard suspension in compliance with the purposes allowed under 23 U.S.C. § 164.

The Act amends Code Section 321J.17 to specify that an ignition interlock device is required following a second or subsequent OWI offense revocation rather than a second or subsequent OWI conviction.

The Act amends Code Section 321J.20 to allow second or subsequent OWI offenders to obtain a temporary restricted license after a 45-day hard suspension in compliance with the purposes allowed under 23 U.S.C. § 164. The DOT may issue a temporary restricted license that allows a person to drive to and from the person's home and specified places at specified times which can be verified by the DOT and which are required by the person's full-time or part-time employment; continuing education while enrolled in a school and pursuing a course of study leading to a diploma, degree, or other educational certification; or for substance abuse treatment. The Act provides that a person who tampers with or circumvents an ignition interlock device installed as required under Code Chapter 321J and while the requirement for the ignition interlock device is in effect commits a serious misdemeanor. A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least \$315 but not more than \$1,875. Prior law provided that a person who tampered with or circumvented an ignition interlock device installed under a court order while an order was in effect commits a serious misdemeanor.

The Act amends Code Section 707.6A to allow the DOT to revoke the defendant's driver's license or nonresident operating privilege for a period of six years for the defendant's conviction of homicide or serious injury by vehicle upon the department's receipt of the conviction rather than requiring the court to order the DOT to impose the revocation.

Note: In H.F. 2531, Code Section 321J.2(3) is amended to reconcile the restructuring of that same Code section made in S.F. 431 (see Criminal Law, Procedure, and Corrections), with the amendments made to that same Code section in this Act. The reconciliation provision and the duplicative provision in this Act, which is repealed, take effect December 1, 2010.

**HOUSE FILE 2456 - Use of Electronic Communication Devices While Driving**

BY COMMITTEE ON TRANSPORTATION. This Act restricts the use of most electronic devices by young novice drivers and prohibits the writing, sending, or reading of a text message by all drivers.

A person under 18 years of age who is issued an instruction permit, an intermediate license, a special minor's license for travel to school, or a minor's restricted license is prohibited from using an electronic communication device or an electronic entertainment device while driving a motor vehicle unless the motor vehicle is at a complete stop off the traveled portion of the roadway. The Act does not restrict the use of electronic equipment which is permanently installed in the vehicle or a portable device, such as a portable media player, which is operated through permanently installed equipment.

A violation is punishable as a violation of the conditions for licensure under the graduated driver's licensing program or the special minor's license provisions. Such a violation is a simple misdemeanor punishable by a scheduled fine of \$30. The Act provides the same penalty for a violation by a person with a restricted minor's license. [Note: In S.F. 2378 (see Appropriations), the scheduled fine for a violation of the conditions for licensure under the graduated driver's licensing program or the special minor's license provisions is increased to \$50.] The unlawful use of an electronic device by a young novice driver is established as a nonmoving violation; however, such a violation may result in licensing sanctions or restrictions for persons with any of the provisional licenses for minors. In addition, if a violation causes a serious injury, a court could impose an additional fine of \$500 or suspend the person's driver's license for not more than 90 days, or both. If the violation causes a death, a court could impose an additional fine of \$1,000 or suspend the person's driver's license for not more than 180 days, or both.

The Act prohibits a person of any age from using a hand-held electronic communication device to write, send, or read a text message while driving a motor vehicle, unless the vehicle is at a complete stop off the traveled portion of the roadway. The term "text message" includes a text-based message, an instant message, and electronic mail. "Hand-held electronic communication device" is defined as a mobile telephone or other portable electronic communication device capable of being used to write, send, or read a text message. The definition excludes voice-operated and hands-free devices and devices used as part of a digital dispatch system. A device which is temporarily mounted inside a vehicle is considered to be a hand-held device unless it is a voice-operated or hands-free device.

The use of a global positioning system or a navigation system is not a violation of the texting ban. In addition, selecting or entering a name or telephone number in a hand-held mobile telephone or activating, deactivating, or initiating a function of a hand-held mobile telephone is not a violation. The Act specifically exempts the following persons from the prohibition on reading text messages: a member of a public safety agency performing official duties; a health care professional in the course of an emergency situation; and a person receiving safety-related information including emergency, traffic, or weather alerts.

The texting prohibition is enforceable only as a secondary action when a driver has been stopped or detained for a suspected violation of another law. The Act does not authorize a peace officer to confiscate a portable electronic communication device from a driver or occupant of a motor vehicle.

A person who writes, sends, or reads a text message while driving in violation of the Act commits a simple misdemeanor punishable by a scheduled fine of \$30. The offense is not a moving violation, and therefore cannot be considered for purposes of administrative suspension of a driver's license or to establish habitual offender status. In addition, if a violation causes a serious injury, a court could impose an additional fine of \$500 or suspend the person's driver's license for not more than 90 days, or both. If the violation causes a death, a court could impose an additional fine of \$1,000 or suspend the person's driver's license for not more than 180 days, or both.

All of the provisions of the Act are to be implemented uniformly throughout the state and shall preempt any county or municipal ordinance relating to the use of an electronic communication device or an electronic entertainment device by a motor vehicle operator. The Act prohibits a county or municipality from adopting such an ordinance or continuing such an ordinance currently in effect.

The Act takes effect July 1, 2010, but for the first year, peace officers are only allowed to issue warning citations. The Department of Transportation and the Department of Public Safety are directed to engage in a public education effort to foster compliance with the new law.

**HOUSE FILE 2460** - **Department of Transportation Contracts — Small or Disadvantaged Business Enterprises**  
BY COMMITTEE ON ECONOMIC GROWTH. This Act relates to small businesses and disadvantaged business enterprises involved with the awarding of contracts by the Department of Transportation (DOT). The DOT is required to annually assess the impact of all awarded contracts on socially and economically disadvantaged individuals. The assessment is for informational purposes only.

The DOT may set aside a percentage of the total annual dollar amount of contracts let by the DOT for bidding by prequalified small businesses. The annual dollar amount set aside shall not exceed 10 percent of the total dollar amount of highway construction contracts let by the DOT and transit dollars administered by the DOT.

The DOT, along with organizations representing highway contractors, shall submit recommendations to the General Assembly and the Governor by November 1, 2010, about how to track and assess the participation of small businesses and disadvantaged business enterprises in receiving nonfederal highway funds. Following consideration and adoption of recommendations by the General Assembly, the DOT shall annually review participation achievements of these groups. The DOT, in cooperation with highway contractor organizations, small businesses, and disadvantaged business enterprises, shall work to give these groups information about training and contract resources.

**HOUSE FILE 2466** - **Driver Education Instructor Qualifications**  
BY COMMITTEE ON TRANSPORTATION. This Act relates to requirements for individuals who provide classroom and street and highway driving instruction.

The Act prohibits the Department of Transportation (DOT) from disqualifying a person from providing street or highway driving instruction, and prohibits the Board of Educational Examiners from withholding or withdrawing authorization to provide street or highway driving instruction, solely because the person was involved in a motor vehicle accident, unless the person contributed to the accident and either the accident caused a death or serious injury or it was the person's second or subsequent contributive motor vehicle accident in a two-year period. This provision applies retroactively to July 1, 2008, and applies to any accident that occurred on or after that date.

To be qualified to provide street or highway driving instruction, a person must be certified by the DOT and authorized by the board. The DOT may disqualify a person from providing street or highway driving instruction without concurrent or further action by the board, and the board may withhold or withdraw authorization to provide street or highway driving instruction without concurrent or further action by the DOT. A person who provides street or highway driving instruction must hold a driver's license valid for the vehicle operated.

Currently, the final field test administered prior to a student's completion of an approved course must be administered by a person qualified as a classroom driver education instructor, and the Act adds that the person must also be certified to provide street and highway driving instruction. A person qualified as a classroom driver education instructor but not certified to provide street and highway driving instruction may administer the final field test if accompanied by another person qualified to provide street and highway driving instruction.

The Act takes effect March 19, 2010.

**HOUSE FILE 2512 - Commercial Motor Vehicle Weight Limits**

BY McCARTHY AND PAULSEN. This Act establishes new weight allowances for certain six- and seven-axle commercial motor vehicles traveling on noninterstate highways. Currently, most vehicles or combinations of vehicles are subject to a gross weight limit of up to 80,000 pounds; however, the gross weight limit for a livestock or construction vehicle with six or seven axles ranges from 80,500 pounds to 90,000 pounds for six axles, and up to 96,000 pounds for seven axles. The Act extends the same weight limits that apply to livestock and construction vehicles to all commercial vehicles of similar size and configuration.

A commercial motor vehicle traveling under the weight allowances established in the Act must be operated by a person with a commercial driver's license valid for the vehicle operated, unless the operator is a farmer or other person who is exempt from commercial driver licensing requirements under existing law.

The provisions of the Act do not apply to vehicles operated on interstate highways.

**APPENDICES:**

**Sections Amended, Added, or Repealed**

**Iowa Acts Amended**