twenty-four thousand dollars as applicable or the person claiming the dependent and the person's spouse have combined net income exceeding thirty-two thousand dollars or twenty-four thousand dollars as applicable.

In addition, if the married persons', filing jointly or filing separately on a combined return, ~~unmarried~~ head of household's, or surviving spouse's net income exceeds thirty-two thousand dollars, the regular tax imposed under this division shall be the lesser of the maximum state individual income tax rate times the portion of the net income in excess of thirty-two thousand dollars or the regular tax liability computed without regard to this sentence. Taxpayers electing to file separately shall compute the alternate tax described in this paragraph using the total net income of the husband and wife. The alternate tax described in this paragraph does not apply if one spouse elects to carry back or carry forward the loss as provided in section 422.9, subsection 3.

This subsection applies even though one spouse has not attained the age of sixty-five, if the other spouse is at least sixty-five at the end of the tax year.

Sec. 113. Section 13B.8A, Code 2007, is repealed.

Sec. 114. Sections 15E.131 through 15E.149, Code 2007, are repealed.

Sec. 115. Sections 260F.10, 260G.10, and 446.38, Code 2007, are repealed.

Sec. 116. EFFECTIVE DATE. The section of this Act amending 2006 Iowa Acts, chapter 1112, section 2, takes effect January 1, 2009.

Approved May 9, 2007

CHAPTER 127

CITY CIVIL SERVICE COMMISSIONERS — NUMBER

S.F. 336

AN ACT allowing certain cities to appoint additional civil service commissioners.

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

Section 1. Section 400.1, Code 2007, is amended to read as follows:

400.1 APPOINTMENT OF COMMISSION.

In cities having a population of eight thousand or over and having a paid fire department or a paid police department, the mayor, one year after a regular city election, with the approval of the council, shall appoint three civil service commissioners who shall hold office, one until the first Monday in April of the second year, one until the first Monday in April of the third year, and one until the first Monday in April of the fourth year after such appointment, whose successors shall be appointed for a term of four years. In cities having a population of more than ~~one hundred~~ seventy thousand, the city council may establish, by ordinance, the number of civil service commissioners at not less than three.

For the purpose of determining the population of a city under this chapter, the federal census conducted in 1980 shall be used.

Approved May 9, 2007

CHAPTER 128

WORKERS' COMPENSATION — INSURANCE COVERAGE
AND DEBT COLLECTION PRACTICES

S.F. 421

AN ACT relating to workers' compensation laws by regulating insurance policy exclusions and debt collection practices.

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

Section 1. Section 85.1, subsection 6, Code 2007, is amended to read as follows:

6. Employers may with respect to an employee or a classification of employees exempt from coverage provided by this chapter pursuant to subsection 1, 2, or 3, ~~4, or 5,~~ other than the employee or classification of employees with respect to whom a rule of liability or a method of compensation is established by the Congress of the United States, assume a liability for compensation imposed upon employers by this chapter, for the benefit of employees within the coverage of this chapter, by the purchase of valid workers' compensation insurance that does not specifically ~~including~~ exclude the employee or classification of employees. The purchase of and acceptance by an employer of valid workers' compensation insurance applicable to the employee or classification of employees constitutes an assumption by the employer of liability without any further act on the part of the employer, but only with respect to the employee or classification of employees as are within the coverage of the workers' compensation insurance contract and only for the time period in which the insurance contract is in force. Upon an election of such coverage, the employee or classification of employees shall accept compensation in the manner provided by this chapter and the employer shall be relieved from any other liability for recovery of damage, or other compensation for injury.

Sec. 2. Section 85.27, subsections 3 and 6, Code 2007, are amended to read as follows:

3. Notwithstanding section 85.26, subsection 4, charges believed to be excessive or unnecessary may be referred by the employer, insurance carrier, or health service provider to the workers' compensation commissioner for determination, and the commissioner may utilize the procedures provided in sections 86.38 and 86.39, or set by rule, and conduct such inquiry as the commissioner deems necessary. Any health service provider charges not in dispute shall be paid directly to the health service provider prior to utilization of procedures provided in sections 86.38 and 86.39 or set by rule. A health service provider rendering treatment to an employee whose injury is compensable under this section agrees to be bound by such charges as allowed by the workers' compensation commissioner and shall not recover in law or equity any amount in excess of charges set by the commissioner. When a dispute under chapter 85, 85A, or 85B regarding reasonableness of a fee for medical services arises between a health service provider and an employer or insurance carrier, the health service provider, employer, or insurance carrier shall not seek payment from the injured employee. A health service provider shall not seek payment for fees in dispute from the insurance carrier or employer until the commissioner finds, pursuant to informal dispute resolution procedures established by rule by the commissioner, that the disputed amount is reasonable. This section does not affect the responsibility of an insurance carrier or an employer to pay amounts not in dispute or a health service provider's right to receive payment from an employee's nonoccupational plan as provided in section 85.38, subsection 2.

6. While a contested case proceeding for determination of liability for workers' compensation benefits is pending before the workers' compensation commissioner relating to an injury alleged to have given rise to treatment, no debt collection, as defined by section 537.7102, shall be undertaken against an employee or the employee's dependents for the collection of charges for that treatment rendered an employee by any health service provider. If debt collection is undertaken after a creditor receives actual notice that a contested case proceeding for determi-