

House File 2459

H-8291

1 Amend the amendment, H-8286, to the Senate
2 amendment, H-8278, to House File 2459, as amended,
3 passed, and reprinted by the House, as follows:

4 1. By striking page 1, line 1, through page 21,
5 line 18, and inserting:

6 <Amend the Senate amendment, H-8278, to House File
7 2459, as amended, passed, and reprinted by the House,
8 as follows:

9 1. By striking page 1, line 1, through page 20,
10 line 34, and inserting:

11 <Amend House File 2459, as amended, passed, and
12 reprinted by the House, as follows:

13 _____. By striking everything after the enacting
14 clause and inserting:

15 <DIVISION I

16 EQUAL PAY TASK FORCE AND REPORT

17 Section 1. EQUAL PAY.

18 1. An equal pay task force is created. The task
19 force shall consist of seven members appointed by the
20 governor.

21 2. The task force shall study wage discrepancies
22 within public and private employment and between public
23 and private employers.

24 3. The task force shall submit a report regarding
25 its findings and its recommendations regarding
26 potential actions for the elimination and prevention
27 of such discrepancies to the governor and the general
28 assembly no later than December 22, 2017.

29 DIVISION II

30 MISCELLANEOUS PROVISIONS — WAGE DISCRIMINATION

31 Sec. 2. ADDITIONAL UNFAIR OR DISCRIMINATORY
32 PRACTICE — WAGE DISCRIMINATION IN EMPLOYMENT.

33 1. As stated in chapter 216, the general assembly
34 finds that the practice of discriminating against any
35 employee because of the age, race, creed, color, sex,

1 sexual orientation, gender identity, national origin,
2 religion, or disability of such employee by paying
3 wages to such employee at a rate less than the rate
4 paid to other employees does all of the following:
5 a. Unjustly discriminates against the person
6 receiving the lesser rate.
7 b. Leads to low employee morale, high turnover, and
8 frequent labor unrest.
9 c. Discourages employees paid at lesser wage rates
10 from training for higher level jobs.
11 d. Curtails employment opportunities, decreases
12 employees' mobility, and increases labor costs.
13 e. Impairs purchasing power and threatens the
14 maintenance of an adequate standard of living by such
15 employees and their families.
16 f. Prevents optimum utilization of the state's
17 available labor resources.
18 g. Threatens the well-being of citizens of this
19 state and adversely affects the general welfare.
20 2. As stated in section 216.6A, it remains
21 unfair or discriminatory practice for any employer
22 or agent of any employer to discriminate against
23 any employee because of the age, race, creed, color,
24 sex, sexual orientation, gender identity, national
25 origin, religion, or disability of such employee by
26 paying wages to such employee at a rate less than the
27 rate paid to other employees who are employed within
28 the same establishment for equal work on jobs, the
29 performance of which requires equal skill, effort, and
30 responsibility, and which are performed under similar
31 working conditions. As also stated in section 216.6A,
32 an employer or agent of an employer who is paying wages
33 to an employee at a rate less than the rate paid to
34 other employees in violation of this section shall not
35 remedy the violation by reducing the wage rate of any

1 employee.

2 DIVISION III

3 STANDING APPROPRIATIONS AND RELATED MATTERS

4 Sec. 3. 2015 Iowa Acts, chapter 138, section 3, is
5 amended by adding the following new subsection:

6 NEW SUBSECTION. 4. For the peace officers'
7 retirement, accident, and disability system retirement
8 fund under section 97A.11A:

9 \$ 2,500,000

10 Sec. 4. 2015 Iowa Acts, chapter 138, is amended by
11 adding the following new section:

12 NEW SECTION. SEC. 5A. GENERAL ASSEMBLY.

13 1. The appropriations made pursuant to section
14 2.12 for the expenses of the general assembly and
15 legislative agencies for the fiscal year beginning July
16 1, 2016, and ending June 30, 2017, are reduced by the
17 following amount:

18 \$ 5,850,000

19 2. The budgeted amounts for the general assembly
20 and legislative agencies for the fiscal year beginning
21 July 1, 2016, may be adjusted to reflect the unexpended
22 budgeted amounts from the previous fiscal year.

23 3. Annual membership dues for organizations,
24 associations, and conferences shall not be paid from
25 moneys appropriated pursuant to section 2.12.

26 4. Costs for out-of-state travel and per diems
27 for out-of-state travel shall not be paid from moneys
28 appropriated pursuant to section 2.12.

29 Sec. 5. 2015 Iowa Acts, chapter 138, is amended by
30 adding the following new section:

31 NEW SECTION. SEC. 7A. Section 257.35, Code 2016,
32 is amended by adding the following new subsection:

33 NEW SUBSECTION. 10A. Notwithstanding subsection 1,
34 and in addition to the reduction applicable pursuant
35 to subsection 2, the state aid for area education

1 agencies and the portion of the combined district cost
2 calculated for these agencies for the fiscal year
3 beginning July 1, 2016, and ending June 30, 2017, shall
4 be reduced by the department of management by twenty
5 million dollars. The reduction for each area education
6 agency shall be prorated based on the reduction that
7 the agency received in the fiscal year beginning July
8 1, 2003.

9 Sec. 6. Section 2.48, subsection 3, Code 2016, is
10 amended by adding the following new paragraph:

11 NEW PARAGRAPH. *Of.* In 2016:

12 (1) The homestead tax credit under chapter 425.

13 (2) The elderly and disabled property tax credit
14 under chapter 425.

15 (3) The agricultural land tax credit under chapter
16 426.

17 (4) The military service tax credit under chapter
18 426A.

19 (5) The business property tax credit under chapter
20 426C.

21 (6) The commercial and industrial property tax
22 replacement claims under section 441.21A.

23 Sec. 7. Section 230.8, Code 2016, is amended to
24 read as follows:

25 **230.8 Transfers of persons with mental illness —**
26 **expenses.**

27 The transfer to any state hospitals or to the places
28 of their residence of persons with mental illness who
29 have no residence in this state or whose residence is
30 unknown and deemed to be a state case, shall be made
31 according to the directions of the administrator,
32 and when practicable by employees of the state
33 hospitals. The actual and necessary expenses of such
34 transfers shall be paid by the department on itemized
35 vouchers sworn to by the claimants and approved by

1 the administrator, ~~and the amount of the expenses is~~
2 ~~appropriated to the department from any funds in the~~
3 ~~state treasury not otherwise appropriated.~~

4 Sec. 8. Section 820.24, Code 2016, is amended to
5 read as follows:

6 **820.24 Expenses — how paid.**

7 When the punishment of the crime shall be the
8 confinement of the criminal in the penitentiary, the
9 expenses shall be paid ~~out of the state treasury, on~~
10 ~~the certificate of the governor and warrant of the~~
11 ~~director of the department of administrative services~~
12 by the department of corrections; and in all other
13 cases they shall be paid out of the county treasury in
14 the county wherein the crime is alleged to have been
15 committed. The expenses shall be the fees paid to the
16 officers of the state on whose governor the requisition
17 is made, and all necessary and actual traveling
18 expenses incurred in returning the prisoner.

19 DIVISION IV

20 MISCELLANEOUS PROVISIONS

21 Sec. 9. BUDGET PROCESS FOR FISCAL YEAR 2017-2018.

22 1. For the budget process applicable to the fiscal
23 year beginning July 1, 2017, on or before October 1,
24 2016, in lieu of the information specified in section
25 8.23, subsection 1, unnumbered paragraph 1, and
26 paragraph "a", all departments and establishments of
27 the government shall transmit to the director of the
28 department of management, on blanks to be furnished
29 by the director, estimates of their expenditure
30 requirements, including every proposed expenditure, for
31 the ensuing fiscal year, together with supporting data
32 and explanations as called for by the director of the
33 department of management after consultation with the
34 legislative services agency.

35 2. The estimates of expenditure requirements

1 shall be in a form specified by the director of
2 the department of management, and the expenditure
3 requirements shall include all proposed expenditures
4 and shall be prioritized by program or the results to
5 be achieved. The estimates shall be accompanied by
6 performance measures for evaluating the effectiveness
7 of the programs or results.

8 Sec. 10. TIME AND ATTENDANCE SOLUTION — EXECUTIVE
9 BRANCH. It is the intent of the general assembly that
10 executive branch agencies make use of an existing
11 master agreement entered into by the department of
12 administrative services on November 17, 2015, to
13 develop a statewide time and attendance solution.
14 The statewide time and attendance solution will
15 have the ability to generate savings within state
16 government, minimize compliance risk, and improve
17 workforce productivity with a vendor who specializes in
18 measuring metrics to monitor performance and measures
19 financial and operational activities by incorporating
20 modeling and data analytics, baseline numbers, and any
21 additional pertinent information.

22 Sec. 11. WATER QUALITY — IOWA FINANCE
23 AUTHORITY. There is appropriated from the general fund
24 of the state to the Iowa finance authority for the
25 fiscal year beginning July 1, 2016, and ending June 30,
26 2017, the following amount, or so much thereof as is
27 necessary, to be used for the purpose designated:

28 For deposit in the water quality financial
29 assistance fund created in section 16.134A, if enacted
30 by 2016 Iowa Acts, House File 2451:
31 \$ 2,000,000

32 Sec. 12. SALARY MODEL ADMINISTRATOR. The salary
33 model administrator shall work in conjunction with
34 the legislative services agency to maintain the
35 state's salary model used for analyzing, comparing,

1 and projecting state employee salary and benefit
2 information, including information relating to
3 employees of the state board of regents. The
4 department of revenue, the department of administrative
5 services, the five institutions under the jurisdiction
6 of the state board of regents, the judicial district
7 departments of correctional services, and the state
8 department of transportation shall provide salary data
9 to the department of management and the legislative
10 services agency to operate the state's salary
11 model. The format and frequency of provision of the
12 salary data shall be determined by the department of
13 management and the legislative services agency. The
14 information shall be used in collective bargaining
15 processes under chapter 20 and in calculating the
16 funding needs contained within the annual salary
17 adjustment legislation. A state employee organization
18 as defined in section 20.3, subsection 4, may request
19 information produced by the model, but the information
20 provided shall not contain information attributable to
21 individual employees.

22 Sec. 13. Section 24.32, Code 2016, is amended to
23 read as follows:

24 **24.32 Decision certified.**

25 After a hearing upon the appeal, the state board
26 shall certify its decision to the county auditor and
27 to the parties to the appeal as provided by rule, and
28 the decision shall be final. The county auditor shall
29 make up the records in accordance with the decision and
30 the levying board shall make its levy in accordance
31 with the decision. Upon receipt of the decision, the
32 certifying board shall correct its records accordingly,
33 if necessary. Final disposition of all appeals shall
34 be made by the state board ~~on or before April 30 of~~
35 ~~each year~~ within forty-five days after the date of the

1 appeal hearing.

2 Sec. 14. Section 284.6, subsection 8, Code 2016, is
3 amended to read as follows:

4 8. For each year in which a school district
5 receives funds calculated and paid to school
6 districts for professional development pursuant to
7 section 257.10, subsection 10, or section 257.37A,
8 subsection 2, the school district shall create quality
9 professional development opportunities. Not less
10 than thirty-six hours in the school calendar, held
11 outside of the minimum school day, shall be set aside
12 during nonpreparation time or designated professional
13 development time to allow practitioners to collaborate
14 with each other to deliver educational programs and
15 assess student learning, or to engage in peer review
16 pursuant to [section 284.8, subsection 1](#). The funds
17 may be used to implement the professional development
18 provisions of the teacher career paths and leadership
19 roles specified in [section 284.7](#) or [284.15](#), including
20 but not limited to providing professional development
21 to teachers, including additional salaries for
22 time beyond the normal negotiated agreement; pay
23 for substitute teachers; professional development
24 materials, speakers, and professional development
25 content; textbooks and curriculum materials used for
26 classroom purposes, if purchase of such textbooks and
27 curriculum materials includes professional development;
28 and costs associated with implementing the individual
29 professional development plans. The use of the funds
30 shall be balanced between school district, attendance
31 center, and individual professional development plans,
32 making every reasonable effort to provide equal access
33 to all teachers.

34 Sec. 15. Section 418.12, subsection 5, Code 2016,
35 is amended to read as follows:

1 5. If the department of revenue determines that
2 the revenue accruing to the fund or accounts within
3 the fund exceeds thirty million dollars for a fiscal
4 year or exceeds the amount necessary for the purposes
5 of this chapter if the amount necessary is less than
6 thirty million dollars for a fiscal year, then those
7 excess moneys shall be credited by the department of
8 revenue for deposit in the general fund of the state.

9 Sec. 16. Section 669.11, Code 2016, is amended to
10 read as follows:

11 **669.11 Payment of award.**

12 1. Any Except as provided in subsection 2, an award
13 to a claimant under this chapter, and any judgment in
14 favor of any claimant under this chapter, shall be
15 paid promptly out of appropriations which have been
16 made for such purpose, if any; but any such amount or
17 part thereof which cannot be paid promptly from such
18 appropriations shall be paid promptly out of any money
19 in the state treasury not otherwise appropriated.
20 Payment shall be made only upon receipt of a written
21 release by the claimant in a form approved by the
22 attorney general.

23 2. An award under this chapter, and any judgment
24 in favor of any claimant under this chapter, for a
25 claim relating to conduct or actions of an employee
26 of the hospital and medical clinics at the university
27 of Iowa that is paid by moneys from the general fund
28 of the state through the state appeal board shall be
29 reimbursed by the hospital and medical clinics at the
30 university of Iowa. Payment shall be made only upon
31 receipt of a written release by the claimant in a form
32 approved by the attorney general.

33 Sec. 17. Section 915.25, subsection 3, as enacted
34 by 2016 Iowa Acts, Senate File 2288, section 16, is
35 amended to read as follows:

1 3. Notwithstanding the provisions of sections
2 232.147, 232.149, and 232.149A, an intake or juvenile
3 court officer shall disclose to the alleged victim
4 of a delinquent act, upon the request of the victim,
5 the complaint, the name and address of the child
6 who allegedly committed the delinquent act, and
7 the disposition of the complaint. If the alleged
8 delinquent act would be a ~~foreible felony~~ serious
9 misdemeanor, aggravated misdemeanor, or felony offense
10 if committed by an adult, the intake or juvenile court
11 officer shall provide notification to the victim of the
12 delinquent act as required by section 915.24.

13 Sec. 18. 2016 Iowa Acts, Senate File 2314, section
14 22, if enacted, is amended to read as follows:

15 SEC. 59. SECRETARY OF STATE. There is appropriated
16 from the general fund of the state to the office of
17 the secretary of state for the fiscal year beginning
18 July 1, 2016, and ending June 30, 2017, the following
19 amounts, or so much thereof as is necessary, to be used
20 for the purposes designated:

21 1. ADMINISTRATION AND ELECTIONS

22 For salaries, support, maintenance, and
23 miscellaneous purposes, and for not more than the
24 following full-time equivalent positions:

25	\$	1,440,890
26	FTEs	13.10
27		<u>15.60</u>

28 The state department or state agency which provides
29 data processing services to support voter registration
30 file maintenance and storage shall provide those
31 services without charge.

32 2. BUSINESS SERVICES

33 For salaries, support, maintenance, and
34 miscellaneous purposes, and for not more than the
35 following full-time equivalent positions:

1 \$ 1,440,891
 2 FTEs 13.10
 3 15.60

4 DIVISION V

5 CORRECTIVE PROVISIONS

6 Sec. 19. Section 29C.24, subsection 3, paragraph
 7 a, subparagraphs (3) and (6), if enacted by 2016 Iowa
 8 Acts, Senate File 2306, section 2, are amended to read
 9 as follows:

10 (3) The imposition of income taxes under chapter
 11 422, divisions II and III, including the requirement
 12 to file tax returns under sections 422.13 through
 13 422.15 or section 422.36, as applicable, and
 14 including the requirement to withhold and remit
 15 income tax from out-of-state employees under section
 16 422.16. In addition, the performance of disaster or
 17 emergency-related work during a disaster response
 18 period by an out-of-state business or out-of-state
 19 employee shall not require an out-of-state business
 20 to be included in a consolidated return under section
 21 422.37, and shall not increase the amount of net income
 22 of the out-of-state business allocated and apportioned
 23 to the state under ~~sections~~ section 422.8 or 422.33, as
 24 applicable.

25 (6) The assessment of property taxes by the
 26 department of revenue under sections 428.24 through
 27 428.26, 428.28, and 428.29, or chapters 433, 434,
 28 435, and 437 through 438, or by a local assessor
 29 under another provision of law, on property brought
 30 into the state to aid in the performance of disaster
 31 or emergency-related work during a disaster response
 32 period if such property does not remain in the state
 33 after the conclusion of the disaster response period.

34 Sec. 20. Section 29C.24, subsection 4, if enacted
 35 by 2016 Iowa Acts, Senate File 2306, section 2, is

1 amended to read as follows:

2 4. *Business and employee status after a disaster*
3 *response period.* An out-of-state business or
4 out-of-state employee that remains in the state after
5 the conclusion of the disaster response period ~~for~~
6 during which the disaster or emergency-related work
7 was performed shall be fully subject to the state's
8 standards for establishing presence, residency, or
9 doing business as otherwise provided by law, and
10 shall be responsible for any resulting taxes, fees,
11 licensing, registration, filing, or other requirements.

12 Sec. 21. Section 155A.13, subsection 3, paragraph
13 d, if enacted by 2016 Iowa Acts, Senate File 453,
14 section 3, is amended to read as follows:

15 d. An applicant seeking a special or limited-use
16 pharmacy ~~licensed~~ license for a proposed telepharmacy
17 site that does not meet the mileage requirement
18 established in paragraph "c" and is not statutorily
19 exempt from the mileage requirement may apply to the
20 board for a waiver of the mileage requirement. A
21 waiver request shall only be granted if the applicant
22 can demonstrate to the board that the proposed
23 telepharmacy site is located in an area where there is
24 limited access to pharmacy services and can establish
25 the existence of compelling circumstances that justify
26 waiving the mileage requirement. The board's decision
27 to grant or deny a waiver request shall be a proposed
28 decision subject to mandatory review by the director
29 ~~of the department~~ of public health. The director
30 shall review a proposed decision and shall have the
31 power to approve, modify, or veto a proposed decision.
32 The director's decision on a waiver request shall be
33 considered final agency action subject to judicial
34 review under chapter 17A.

35 Sec. 22. Section 229.13, subsection 7, paragraph a,

1 subparagraph (1), if enacted by 2016 Iowa Acts, Senate
2 File 2259, section 1, is amended to read as follows:

3 (1) The respondent's mental health professional
4 acting within the scope of the mental health
5 professional's practice shall notify the committing
6 court, with preference given to the committing judge,
7 if available, in the appropriate county ~~who~~ and the
8 court shall enter a written order directing that
9 the respondent be taken into immediate custody by
10 the appropriate sheriff or sheriff's deputy. The
11 appropriate sheriff or sheriff's deputy shall exercise
12 all due diligence in taking the respondent into
13 protective custody to a hospital or other suitable
14 facility.

15 Sec. 23. Section 256.11, subsection 4, Code 2016,
16 as amended by 2016 Iowa Acts, House File 2392, section
17 26, if enacted, is amended to read as follows:

18 4. The following shall be taught in grades seven
19 and eight: English-language arts; social studies;
20 mathematics; science; health; age-appropriate and
21 research-based human growth and development; career
22 exploration and development; physical education; music;
23 and visual art. Career exploration and development
24 shall be designed so that students are appropriately
25 prepared to create an individual career and academic
26 plan pursuant to section 279.61, incorporate
27 foundational career and technical education concepts
28 aligned with the six career and technical education
29 service areas as defined in ~~paragraph~~ subsection 5,
30 ~~subsection~~ paragraph "h", and incorporate relevant
31 twenty-first century skills. The health curriculum
32 shall include age-appropriate and research-based
33 information regarding the characteristics of
34 sexually transmitted diseases, including HPV and the
35 availability of a vaccine to prevent HPV, and acquired

1 immune deficiency syndrome. The state board as part
2 of accreditation standards shall adopt curriculum
3 definitions for implementing the program in grades
4 seven and eight. However, **this subsection** shall
5 not apply to the teaching of career exploration and
6 development in nonpublic schools. For purposes of this
7 section, "age-appropriate", "HPV", and "research-based"
8 mean the same as defined in **section 279.50**.

9 Sec. 24. Section 272.25, subsection 3, Code 2016,
10 as amended by 2016 Iowa Acts, Senate File 2196, section
11 3, is amended to read as follows:

12 3. A requirement that the program include
13 instruction in skills and strategies to be used in
14 classroom management of individuals, and of small and
15 large groups, under varying conditions; skills for
16 communicating and working constructively with pupils,
17 teachers, administrators, and parents; preparation in
18 reading theory, knowledge, strategies, and approaches,
19 and for integrating literacy instruction ~~in~~ into
20 content areas in accordance with section 256.16; and
21 skills for understanding the role of the board of
22 education and the functions of other education agencies
23 in the state. The requirement shall be based upon
24 recommendations of the department of education after
25 consultation with teacher education faculty members in
26 colleges and universities.

27 Sec. 25. Section 521A.6B, subsection 5, paragraph
28 e, if enacted by 2016 Iowa Acts, House File 2394,
29 section 10, is amended to read as follows:

30 e. Entering into agreements with or obtaining
31 documentation from any insurer registered under
32 section 521A.4, any member of an internationally
33 active insurance group, and any other state, federal,
34 or international regulatory agency for members of the
35 internationally active insurance group, that provides

1 the basis for or otherwise clarifies the commissioner's
2 role as group-wide supervisor of an internationally
3 active insurance group, including provisions for
4 resolving disputes with other regulatory officials.
5 Such agreements or documentation shall not serve as
6 evidence in any proceeding that any insurer or person
7 within an insurance ~~company~~ holding company system
8 not domiciled or incorporated in this state is doing
9 business in this state or is otherwise subject to
10 jurisdiction in this state.

11 Sec. 26. Section 598C.102, subsection 8, paragraph
12 b, if enacted by 2016 Iowa Acts, Senate File 2233,
13 section 2, is amended to read as follows:

14 b. An individual who has custodial responsibility
15 for a child under a law of this state other than this
16 chapter.

17 Sec. 27. 2016 Iowa Acts, House File 2269, section
18 20, subsection 1, is amended to read as follows:

19 1. It is amended, rescinded, or supplemented by the
20 affirmative action of the executive ~~council~~ committee
21 of the Iowa beef cattle producers association created
22 in section 181.3, as amended in this Act.

23 Sec. 28. 2016 Iowa Acts, Senate File 378, section
24 2, is amended to read as follows:

25 SEC. 2. REPEAL. Section 80.37, Code ~~2015~~ 2016, is
26 repealed.

27 Sec. 29. 2016 Iowa Acts, Senate File 2185, section
28 2, if enacted, is amended by striking the section and
29 inserting in lieu thereof the following:

30 SEC. 2. Section 709.21, subsection 3, Code 2016, is
31 amended to read as follows:

32 3. A person who violates this section commits a
33 ~~serious~~ an aggravated misdemeanor.

34 DIVISION VI
35 AREA EDUCATION AGENCY FUNDING

1 Sec. 30. SPECIAL EDUCATION SUPPORT SERVICES
2 FUNDING. Notwithstanding the provisions of section
3 257.35, subsection 11, and section 257.37, subsection
4 6, for the budget year beginning July 1, 2016, an area
5 education agency shall use the total amount determined
6 to be available to the area education agency under
7 section 257.35 and any unreserved fund balances for
8 media services or education services that exceed
9 an amount equal to 5 percent of the area education
10 agency's budget for media services and education
11 services for that budget year, and including funds
12 that exceed the payment for special education support
13 services pursuant to section 257.35, in a manner to
14 best maintain the level of required area education
15 agency special education support services.

16 Sec. 31. EFFECTIVE UPON ENACTMENT. This division
17 of this Act, being deemed of immediate importance,
18 takes effect upon enactment.

19 DIVISION VII

20 SCHOOL DISTRICT FUNDING

21 Sec. 32. Section 257.2, subsection 2, Code 2016, is
22 amended by striking the subsection.

23 Sec. 33. NEW SECTION. **257.14A District cost per**
24 **pupil equity — budget adjustment.**

25 1. The board of directors of an eligible school
26 district with a regular program district cost per pupil
27 for the budget year beginning July 1, 2016, that is
28 less than the highest regular program district cost
29 per pupil among all school districts in the state for
30 the same budget year that wishes to receive the budget
31 adjustment under this section may adopt a resolution
32 by June 30, 2016, and shall notify the department of
33 management of the adoption of the resolution and the
34 amount of the budget adjustment to be received.

35 2. a. For the budget year beginning July 1,

1 2016, each eligible school district that satisfies
2 the requirements of subsection 1 shall be eligible
3 for a budget adjustment for that budget year in an
4 amount not to exceed the difference between the school
5 district's regular program district cost per pupil
6 for the budget year beginning July 1, 2016, and the
7 highest regular program district cost per pupil among
8 all school districts in the state for the same budget
9 year multiplied by the district's budget enrollment
10 for the budget year beginning July 1, 2016. The
11 resolution adopted under subsection 1 may specify a
12 budget adjustment amount that is less than the maximum
13 amount authorized under this paragraph "a".

14 *b.* The eligible school district shall fund the
15 budget adjustment solely by using cash reserve moneys
16 available to the school district during the budget
17 year beginning July 1, 2016. Amounts used to fund the
18 budget adjustment may be used by the school district
19 for any school general fund purpose.

20 *c.* An eligible school district receiving a budget
21 adjustment under this section shall be subject to the
22 reduction of the maximum cash reserve levy authorized
23 in section 298.10, subsection 3, paragraph "b", and
24 shall in one or more subsequent budget years reimburse
25 the school district's cash reserve amount the total
26 amount of the budget adjustment received during the
27 budget year beginning July 1, 2016, using school
28 district general fund moneys that are part of the
29 school district's authorized expenditures in section
30 257.7.

31 3. A budget adjustment received under this section
32 shall not affect the eligibility for or amount of any
33 other budget adjustment authorized by law for the same
34 budget year. In addition, a budget adjustment under
35 this section shall be limited to the budget year for

1 which the adjustment was authorized and shall not be
2 included in any computation of a school district's cost
3 for any future budget year.

4 4. For purposes of this section, "*eligible school*
5 *district*" means a school district located in whole or
6 in part within a county with a population in excess of
7 one hundred fifty thousand but less than two hundred
8 thousand and that has a budget enrollment in excess
9 of ten thousand for the budget year beginning July 1,
10 2016.

11 Sec. 34. Section 257.34, Code 2016, is amended to
12 read as follows:

13 **257.34 Cash reserve information.**

14 1. If a school district receives less state school
15 foundation aid under [section 257.1](#) than is due under
16 that section for a base year and the school district
17 uses funds from its cash reserve during the base year
18 to make up for the amount of state aid not paid, the
19 board of directors of the school district shall include
20 in its general fund budget document information about
21 the amount of the cash reserve used to replace state
22 school foundation aid not paid.

23 2. If a school district uses funds from its cash
24 reserve during the budget year beginning July 1, 2016,
25 to fund a budget adjustment under section 257.14A, the
26 board of directors of the school district shall include
27 in its general fund budget document information about
28 the amount of the cash reserve used for such purpose.

29 Sec. 35. Section 298.10, subsection 3, Code 2016,
30 is amended to read as follows:

31 3. a. For fiscal years beginning on or after
32 July 1, 2012, the cash reserve levy for a budget
33 year shall not exceed twenty percent of the general
34 fund expenditures for the year previous to the base
35 year minus the unexpended fund balance, as defined in

1 section 257.2, for the year previous to the base year.

2 b. For fiscal years beginning on or after July
3 1, 2017, the maximum amount of the cash reserve levy
4 calculated under paragraph "a" shall be reduced by an
5 amount equal to the amount of the budget adjustment
6 authorized by the school district under section 257.14A
7 that has not been reimbursed by the school district
8 pursuant to section 257.14, subsection 2, paragraph
9 "c".

10 Sec. 36. EFFECTIVE UPON ENACTMENT. This division
11 of this Act, being deemed of immediate importance,
12 takes effect upon enactment.

13 DIVISION VIII

14 WATER UTILITIES

15 Sec. 37. Section 388.1, Code 2016, is amended by
16 adding the following new subsections:

17 NEW SUBSECTION. 1A. "*Population*" means the
18 population shown by the latest preceding certified
19 federal census or the latest applicable population
20 estimate issued by the federal government, whichever is
21 most recent and available as of July 1 of the preceding
22 fiscal year.

23 NEW SUBSECTION. 2A. "*Water utility services*"
24 means providing water at retail or wholesale cost;
25 water withdrawal, storage, treatment, or distribution
26 facilities; other equipment or facilities necessary for
27 the operation of a water utility; or water management,
28 operation, or billing services.

29 Sec. 38. Section 388.3, Code 2016, is amended to
30 read as follows:

31 **388.3 Procedure upon approval.**

32 1. If a proposal to establish a utility board
33 receives a favorable majority vote, the mayor shall
34 appoint the board members, as provided in the proposal,
35 subject to the approval of the council. The council

1 shall by resolution provide for staggered six-year
2 terms for, and shall set the compensation of, board
3 members.

4 2. A board member appointed to fill a vacancy
5 occurring by reason other than the expiration of a term
6 is appointed for the balance of the unexpired term.

7 3. A public officer or a salaried employee of the
8 city may not serve on a utility board.

9 4. Notwithstanding section 388.2, a board for
10 a city with a population of more than one hundred
11 ninety thousand that provides water utility services
12 to persons who reside outside of the city limits or to
13 other cities shall be appointed as follows:

14 a. The mayor of the city with a population of one
15 hundred ninety thousand or more shall appoint two board
16 members, subject to approval by the city council.

17 b. The mayor of each city with a population of
18 more than fifteen thousand and less than one hundred
19 ninety thousand where the city utility provides utility
20 services shall each appoint one board member, subject
21 to approval by the respective city councils.

22 c. The board of supervisors of each county in which
23 the city utility provides utility services shall each
24 appoint one board member. Such board members shall
25 reside in an area in which the city utility provides
26 utility services that is not within a city with a
27 population of more than fifteen thousand. However, if
28 the utility services in the county are provided to a
29 rural water district organized under chapter 357A, the
30 board of the rural water district shall appoint the
31 board member.

32 5. The board established in subsection 4 shall, by
33 resolution, provide for staggered six-year terms and
34 shall set the compensation for the board members.

35 DIVISION IX

1 CITY UTILITY BILLINGS AND COLLECTIONS — LIENS

2 Sec. 39. Section 384.84, subsection 4, paragraph
3 a, Code 2016, is amended by adding the following new
4 subparagraph:

5 NEW SUBPARAGRAPH. (4) A lien under subparagraph
6 (1) shall not be placed upon a premises that is a
7 mobile home, modular home, or manufactured home served
8 by any of the services under that subparagraph if the
9 mobile home, modular home, or manufactured home is
10 owned by a tenant of and located in a mobile home park
11 or manufactured home community and the mobile home park
12 or manufactured home community owner or manager is the
13 account holder, unless the lease agreement specifies
14 that the tenant is responsible for payment of a portion
15 of the rates or charges billed to the account holder.

16 Sec. 40. Section 384.84, subsections 10 and 11,
17 Code 2016, are amended to read as follows:

18 10. For the purposes of this section, "premises"
19 includes a mobile home, modular home, or manufactured
20 home ~~as defined in section 435.1, when the mobile home,~~
21 ~~modular home, or manufactured home is taxed as real~~
22 ~~estate,~~ and mobile home park and "manufactured home
23 community" mean as defined in section 435.1.

24 11. Notwithstanding subsection 4, except for mobile
25 home parks or manufactured home communities where the
26 mobile home park or manufactured home community owner
27 or manager is responsible for paying the rates or
28 charges for services, a lien shall not be filed against
29 the land if the premises are located on leased land.
30 If the premises are located on leased land, a lien may
31 be filed against the premises only.

32 DIVISION X

33 ELECTRIC TRANSMISSION LINES

34 Sec. 41. NEW SECTION. 478.6A Merchant line
35 franchises — requirements — limitations.

1 1. a. For purposes of this section, "*bifurcation*"
2 means the conducting of two separate hearings when
3 a petition involves the taking of property under
4 eminent domain, one hearing considering whether the
5 proposed line is necessary to serve a public use and
6 represents a reasonable relationship to an overall plan
7 of transmitting electricity in the public interest, and
8 the other considering the granting of eminent domain
9 authority.

10 b. For purposes of this section, "*merchant*
11 *line*" means a high-voltage direct current electric
12 transmission line which does not provide for the
13 erection of electric substations at intervals of less
14 than fifty miles, which substations are necessary
15 to accommodate both the purchase and sale to persons
16 located in this state of electricity generated or
17 transmitted by the franchisee.

18 2. A petition for a franchise to construct a
19 merchant line, in addition to any other applicable
20 requirements pursuant to this chapter, shall be subject
21 to all of the following:

22 a. The board shall not permit the bifurcation in
23 any manner of a petition and shall reject any request
24 by a petitioner for bifurcation.

25 b. Notwithstanding section 478.10, the sale and
26 transfer of a merchant line, by voluntary or judicial
27 sale or otherwise, shall not carry with it the transfer
28 of the franchise.

29 c. Notwithstanding section 478.21, if a petition
30 that involves the taking of property under eminent
31 domain is not approved by the board and a franchise
32 granted within three years following the date of
33 the first informational meeting held in any county
34 regarding the petition, pursuant to section 478.2, the
35 utilities board shall reject the petition and make a

1 record of the rejection. A petitioner may not file a
2 petition for the same or a similar project that has
3 been rejected under this subsection within sixty months
4 following the date of rejection.

5 *d.* The board shall not grant a petition that
6 involves the taking of property under eminent domain
7 unless a minimum of seventy-five percent of the
8 easements necessary to construct the project have been
9 obtained voluntarily.

10 *e.* In considering whether to grant a petition that
11 involves the taking of property under eminent domain,
12 section 478.3, subsection 3, is not applicable, and
13 the term "*public*" shall be interpreted to be limited to
14 consumers located in this state.

15 Sec. 42. EFFECTIVE UPON ENACTMENT. This division
16 of this Act, being deemed of immediate importance,
17 takes effect upon enactment.

18 Sec. 43. APPLICABILITY. This division of this Act
19 is applicable to petitions for franchise filed on or
20 after November 1, 2014, that have not been approved
21 by the utilities board on or after the effective date
22 of this division of this Act, and to petitions for
23 franchise filed on or after the effective date of this
24 division of this Act.>>>

25 2. Title page, line 4, after <date> by inserting
26 <and applicability>

RIZER of Linn