

House Amendment to  
Senate File 510

S-3202

1 Amend Senate File 510, as amended, passed, and  
2 reprinted by the Senate, as follows:

3 1. By striking everything after the enacting clause  
4 and inserting:

5 <DIVISION I

6 STANDING APPROPRIATIONS AND RELATED MATTERS

7 Section 1. BUDGET PROCESS FOR FISCAL YEAR 2016-2017  
8 AND FISCAL YEAR 2017-2018.

9 1. For the budget process applicable to the fiscal  
10 year beginning July 1, 2016, on or before October 1,  
11 2015, in lieu of the information specified in section  
12 8.23, subsection 1, unnumbered paragraph 1, and  
13 paragraph "a", all departments and establishments of  
14 the government shall transmit to the director of the  
15 department of management, on blanks to be furnished  
16 by the director, estimates of their expenditure  
17 requirements, including every proposed expenditure, for  
18 the ensuing fiscal year, together with supporting data  
19 and explanations as called for by the director of the  
20 department of management after consultation with the  
21 legislative services agency.

22 2. The estimates of expenditure requirements  
23 shall be in a form specified by the director of  
24 the department of management, and the expenditure  
25 requirements shall include all proposed expenditures  
26 and shall be prioritized by program or the results to  
27 be achieved. The estimates shall be accompanied by  
28 performance measures for evaluating the effectiveness  
29 of the programs or results.

30 Sec. 2. LIMITATIONS OF STANDING APPROPRIATIONS

31 — FY 2015-2016. Notwithstanding the standing  
32 appropriations in the following designated sections for  
33 the fiscal year beginning July 1, 2015, and ending June  
34 30, 2016, the amounts appropriated from the general  
35 fund of the state pursuant to these sections for the  
36 following designated purposes shall not exceed the  
37 following amounts:

38 1. For operational support grants and community  
39 cultural grants under section 99F.11, subsection 3,  
40 paragraph "d", subparagraph (1):

41 ..... \$ 416,702

42 2. For payment for nonpublic school transportation  
43 under section 285.2:

44 ..... \$ 8,560,931

45 If total approved claims for reimbursement for  
46 nonpublic school pupil transportation exceed the amount  
47 appropriated in accordance with this subsection, the  
48 department of education shall prorate the amount of  
49 each approved claim.

50 3. For the enforcement of chapter 453D relating to

1 tobacco product manufacturers under section 453D.8:  
2 ..... \$ 18,416

3 Sec. 3. LIMITATIONS OF STANDING APPROPRIATIONS  
4 — FY 2016-2017. Notwithstanding the standing  
5 appropriations in the following designated sections for  
6 the fiscal year beginning July 1, 2016, and ending June  
7 30, 2017, the amounts appropriated from the general  
8 fund of the state pursuant to these sections for the  
9 following designated purposes shall not exceed the  
10 following amounts:

11 1. For operational support grants and community  
12 cultural grants under section 99F.11, subsection 3,  
13 paragraph "d", subparagraph (1):  
14 ..... \$ 208,351

15 2. For payment for nonpublic school transportation  
16 under section 285.2:  
17 ..... \$ 8,560,931

18 If total approved claims for reimbursement for  
19 nonpublic school pupil transportation exceed the amount  
20 appropriated in accordance with this subsection, the  
21 department of education shall prorate the amount of  
22 each approved claim.

23 3. For the enforcement of chapter 453D relating to  
24 tobacco product manufacturers under section 453D.8:  
25 ..... \$ 9,208

26 Sec. 4. INSTRUCTIONAL SUPPORT STATE AID —  
27 FY 2015-2016 — FY 2016-2017. In lieu of the  
28 appropriation provided in section 257.20, subsection 2,  
29 the appropriation for the fiscal years beginning July  
30 1, 2015, and July 1, 2016, for paying instructional  
31 support state aid under section 257.20 for such fiscal  
32 years is zero.

33 Sec. 5. GENERAL ASSEMBLY.  
34 1. The appropriations made pursuant to section  
35 2.12 for the expenses of the general assembly and  
36 legislative agencies for the fiscal year beginning July  
37 1, 2015, and ending June 30, 2016, are reduced by the  
38 following amount:  
39 ..... \$ 5,750,000

40 2. The budgeted amounts for the general assembly  
41 and legislative agencies for the fiscal year beginning  
42 July 1, 2015, may be adjusted to reflect the unexpended  
43 budgeted amounts from the previous fiscal year.

44 3. Annual membership dues for organizations,  
45 associations, and conferences shall not be paid from  
46 moneys appropriated pursuant to section 2.12.

47 4. Costs for out-of-state travel and per diems  
48 for out-of-state travel shall not be paid from moneys  
49 appropriated pursuant to section 2.12.

50 Sec. 6. TECHNOLOGY REINVESTMENT FUND APPROPRIATION

1 — LIMITATION. Notwithstanding the standing  
2 appropriation in section 8.57C, subsection 3, paragraph  
3 "a", for the fiscal year beginning July 1, 2015,  
4 and ending June 30, 2016, the amount appropriated  
5 from the general fund of the state to the technology  
6 reinvestment fund shall not exceed the following  
7 amount:

8 ..... \$ 9,000,000

9 Sec. 7. Section 142C.15, subsection 4, paragraph c,  
10 unnumbered paragraph 1, Code 2015, is amended to read  
11 as follows:

12 ~~Not more than fifty percent of the~~ Any unobligated  
13 moneys in the fund annually may be expended in  
14 the form of grants to transplant recipients,  
15 transplant candidates, living organ donors, or  
16 to legal representatives on behalf of transplant  
17 recipients, transplant candidates, or living organ  
18 donors. Transplant recipients, transplant candidates,  
19 living organ donors, or the legal representatives  
20 of transplant recipients, transplant candidates, or  
21 living organ donors shall submit grant applications  
22 with supporting documentation provided by a hospital  
23 that performs transplants, verifying that the person  
24 by or for whom the application is submitted requires a  
25 transplant or is a living organ donor and specifying  
26 the amount of the costs associated with the following,  
27 if funds are not available from any other third-party  
28 payor:

29 Sec. 8. Section 257.35, Code 2015, is amended by  
30 adding the following new subsection:

31 NEW SUBSECTION. 9A. Notwithstanding subsection 1,  
32 and in addition to the reduction applicable pursuant  
33 to subsection 2, the state aid for area education  
34 agencies and the portion of the combined district cost  
35 calculated for these agencies for the fiscal year  
36 beginning July 1, 2015, and ending June 30, 2016, shall  
37 be reduced by the department of management by fifteen  
38 million dollars. The reduction for each area education  
39 agency shall be prorated based on the reduction that  
40 the agency received in the fiscal year beginning July  
41 1, 2003.

## 42 DIVISION II

### 43 MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

44 Sec. 9. EXECUTIVE COUNCIL — APPROPRIATION —  
45 ORGANIZATIONAL MEMBERSHIP DUES.

46 1. There is appropriated from the general fund of  
47 the state to the executive council for the fiscal year  
48 beginning July 1, 2015, and ending June 30, 2016, the  
49 following amount, or so much thereof as is necessary,  
50 to be used for the purposes designated:

1 For annual membership dues for organizations,  
2 associations, and conferences paid by an executive  
3 branch department or agency:

4 ..... \$ 500,000

5 2. An executive branch department or agency must  
6 apply to the executive council for approval prior to  
7 beginning a new membership or renewing a membership  
8 in an organization, association, or conference.  
9 Upon approval of a new membership or renewal of a  
10 membership, the executive council may transfer moneys  
11 appropriated pursuant to this section to the applicant  
12 executive branch department or agency for purposes of  
13 paying membership dues. This subsection shall not  
14 apply to institutions of higher learning under the  
15 control of the state board of regents or to the state  
16 board of regents.

17 Sec. 10. IOWA NEW JOBS TRAINING AGREEMENTS. An  
18 Iowa community college that entered into a new jobs  
19 training agreement pursuant to chapter 260E, which was  
20 effective in April 2012, with an Iowa employer may  
21 enter into a new agreement with such employer pursuant  
22 to chapter 260E, which will be effective September  
23 2015, and may use the base employment determined in  
24 April 2012 as the base employment for determining  
25 the new jobs eligible under the new agreement if the  
26 base employment determined in April 2012 was 2,125  
27 employees. The new agreement under chapter 260E shall  
28 be limited to seven years from the effective date of  
29 the agreement.

30 Sec. 11. Section 8.55, subsection 2, paragraph a,  
31 Code 2015, is amended to read as follows:

32 a. The first ~~sixty~~ ninety million dollars of the  
33 difference between the actual net revenue for the  
34 general fund of the state for the fiscal year and the  
35 adjusted revenue estimate for the fiscal year shall be  
36 transferred to the taxpayers trust fund.

37 Sec. 12. Section 8A.311, Code 2015, is amended by  
38 adding the following new subsection:

39 NEW SUBSECTION. 23. Notwithstanding sections  
40 904.807 and 904.808, the director of the department of  
41 administrative services shall furnish state parks with  
42 equipment deemed necessary by the department of natural  
43 resources and the director of the department of natural  
44 resources under a competitive bid process as described  
45 in this chapter.

46 Sec. 13. Section 8D.4, Code 2015, is amended to  
47 read as follows:

48 **8D.4 Executive director appointed.**

49 The commission, in consultation with the director  
50 of the department of administrative services and the

1 chief information officer, shall appoint an executive  
2 director of the commission, subject to confirmation  
3 by the senate. Such individual shall not serve as  
4 a member of the commission. The executive director  
5 shall serve at the pleasure of the commission. The  
6 executive director shall be selected primarily for  
7 administrative ability and knowledge in the field,  
8 without regard to political affiliation. The governor  
9 shall establish the salary of the executive director  
10 within the applicable salary range ~~nine~~ as established  
11 by the general assembly. The salary and support of the  
12 executive director shall be paid from funds deposited  
13 in the Iowa communications network fund.

14 Sec. 14. NEW SECTION. 70A.40 Elective public  
15 officer contact information.

16 1. Within thirty days of an elective public officer  
17 swearing to an oath of office, the governmental entity  
18 the officer serves shall provide the officer with  
19 designated contact information with the governmental  
20 entity. A governmental entity that maintains an  
21 internet site shall cause to be published the contact  
22 information for each of the entity's elective public  
23 officers on the internet site maintained by the entity.  
24 An elective public officer shall provide additional  
25 contact information that would normally be used to make  
26 contact with the officer to the governmental entity to  
27 be published as provided in this section for designated  
28 contact information.

29 2. a. For the purposes of this section, "*contact*  
30 *information*" means a telephone number and an electronic  
31 mail address.

32 b. For the purposes of this section, "*elective*  
33 *public officer*" or "*officer*" means all of the following:

- 34 (1) Members of the general assembly.
- 35 (2) Members of a county board of supervisors.
- 36 (3) Members of a city council.
- 37 (4) Members of a board of directors of a school  
38 district.

39 Sec. 15. Section 123.132, subsection 3, as enacted  
40 by 2015 Iowa Acts, Senate File 456, section 1, is  
41 amended to read as follows:

42 3. A container of beer other than the original  
43 container that is sold and sealed in compliance with  
44 the requirements of subsection 2 and the division's  
45 rules shall not be deemed an open container subject to  
46 the requirements of sections 321.284 and 321.284A if  
47 the sealed container is unopened and the seal has not  
48 been tampered with, and the contents of the container  
49 have not been partially removed.

50 Sec. 16. Section 256.7, subsection 32, paragraph c,

1 Code 2015, is amended to read as follows:  
2 c. Adopt rules that limit the statewide enrollment  
3 of pupils in educational instruction and course content  
4 that are delivered primarily over the internet to  
5 not more than eighteen one-hundredths of one percent  
6 of the statewide enrollment of all pupils, and that  
7 limit the number of pupils participating in open  
8 enrollment for purposes of receiving educational  
9 instruction and course content that are delivered  
10 primarily over the internet to no more than one percent  
11 of a sending district's enrollment. ~~Until June 30,~~  
12 ~~2015, students~~ Such limitations shall not apply if  
13 the limitations would prevent siblings from enrolling  
14 in the same school district or if a sending district  
15 determines that the educational needs of a physically  
16 or emotionally fragile student would be best served  
17 by educational instruction and course content that  
18 are delivered primarily over the internet. Students  
19 who meet the requirements of section 282.18 may  
20 participate in open enrollment under this paragraph "c"  
21 for purposes of enrolling only in the CAM community  
22 school district or the Clayton Ridge community school  
23 district.

24 (01) The department, in collaboration with the  
25 international association for K-12 online learning,  
26 shall annually collect data on student performance in  
27 educational instruction and course content that are  
28 delivered primarily over the internet pursuant to this  
29 paragraph "c". The department shall include such data  
30 in its annual report to the general assembly pursuant  
31 to subparagraph (3) and shall post the data on the  
32 department's internet site.

33 (1) School districts providing educational  
34 instruction and course content that are delivered  
35 primarily over the internet pursuant to this paragraph  
36 "c" shall annually submit to the department, in the  
37 manner prescribed by the department, data that includes  
38 but is not limited to student the following:

39 (a) Student achievement and demographic  
40 characteristics, retention.

41 (b) Retention rates, and the.

42 (c) The percentage of enrolled students' active  
43 participation in extracurricular activities.

44 (d) Academic proficiency levels, consistent with  
45 requirements applicable to all school districts and  
46 accredited nonpublic schools in this state.

47 (e) Academic growth measures, which shall include  
48 either of the following:

49 (i) Entry and exit assessments in, at a minimum,  
50 math and English for elementary and middle school

1 students, and additional subjects, including science,  
2 for high school students.  
3 (ii) State-required assessments that track  
4 year-over-year improvements in academic proficiency.  
5 (f) Academic mobility. To facilitate the tracking  
6 of academic mobility, school districts shall request  
7 the following information from the parent or guardian  
8 of a student enrolled in educational instruction and  
9 course content that are delivered primarily over the  
10 internet pursuant to this paragraph "c":  
11 (i) For a student newly enrolling, the reasons for  
12 choosing such enrollment.  
13 (ii) For a student terminating enrollment, the  
14 reasons for terminating such enrollment.  
15 (g) Student progress toward graduation.  
16 Measurement of such progress shall account for specific  
17 characteristics of each enrolled student, including  
18 but not limited to age and course credit accrued prior  
19 to enrollment in educational instruction and course  
20 content that are delivered primarily over the internet  
21 pursuant to this paragraph "c", and shall be consistent  
22 with evidence-based best practices.  
23 (2) The department shall conduct annually a survey  
24 of not less than ten percent of the total number of  
25 students enrolled as authorized under this paragraph  
26 "c" and section 282.18, and not less than one hundred  
27 percent of the students in those districts who are  
28 enrolled as authorized under this paragraph "c" and  
29 section 282.18 and who are eligible for free or reduced  
30 price meals under the federal National School Lunch  
31 Act and the federal Child Nutrition Act of 1966, 42  
32 U.S.C. §§1751-1785, to determine whether students are  
33 enrolled under this paragraph "c" and section 282.18  
34 to receive educational instruction and course content  
35 primarily over the internet or are students who are  
36 receiving competent private instruction from a licensed  
37 practitioner provided through a school district  
38 pursuant to chapter 299A.  
39 (3) The department shall compile and review the  
40 data collected pursuant to this paragraph "c" and  
41 shall submit its findings and recommendations for the  
42 continued delivery of instruction and course content by  
43 school districts pursuant to this paragraph "c", in a  
44 report to the general assembly by January 15 annually.  
45 (4) This paragraph "c" is repealed July 1, 2015.  
46 School districts providing educational instruction  
47 and course content that are delivered primarily over  
48 the internet pursuant to this paragraph "c" shall  
49 comply with the following requirements relating to such  
50 instruction and content:

1     (a) Monitoring and verifying full-time student  
2 enrollment, timely completion of graduation  
3 requirements, course credit accrual, and course  
4 completion.

5     (b) Monitoring and verifying student progress and  
6 performance in each course through a school-based  
7 assessment plan that includes submission of coursework  
8 and security and validity of testing.

9     (c) Conducting parent-teacher conferences.

10    (d) Administering assessments required by the state  
11 to all students in a proctored setting and pursuant to  
12 state law.

13    Sec. 17. NEW SECTION. 274.3 Exercise of powers —  
14 construction.

15    1. The board of directors of a school district  
16 shall operate, control, and supervise all public  
17 schools located within its district boundaries and may  
18 exercise any broad and implied power, not inconsistent  
19 with the laws of the general assembly, related to the  
20 operation, control, and supervision of those public  
21 schools.

22    2. Notwithstanding subsection 1, the board of  
23 directors of a school district shall not have power to  
24 levy any tax unless expressly authorized by the general  
25 assembly.

26    3. This chapter, chapter 257 and chapters 275  
27 through 301, and other statutes relating to the  
28 boards of directors of school districts and to school  
29 districts shall be liberally construed to effectuate  
30 the purposes of subsection 1.

31    Sec. 18. Section 279.50, subsections 3 and 5, Code  
32 2015, are amended to read as follows:

33    3. Each school board shall annually provide to  
34 a parent or guardian of any pupil enrolled in the  
35 school district, information about the human growth and  
36 development curriculum used in the pupil's grade level,  
37 as well as information on human growth and development  
38 that is provided to the pupil at any educational  
39 conference or seminar for which the school district  
40 facilitates pupil participation, and the procedure for  
41 inspecting the instructional materials prior to their  
42 use in the classroom or at the educational conference  
43 or seminar.

44    5. ~~A Except with the written consent of a pupil's~~  
45 ~~parent or guardian, which shall be filed with the~~  
46 ~~appropriate school principal, a pupil shall not neither~~  
47 ~~be required to take enrolled in a course of instruction~~  
48 ~~in human growth and development if the pupil's parent~~  
49 ~~or guardian files with the appropriate principal a~~  
50 ~~written request that the pupil be excused from the~~



1 ~~instruction~~ nor attend an educational conference or  
2 seminar for which the school district facilitates pupil  
3 participation if the educational conference or seminar  
4 includes information on human growth and development.  
5 ~~Notification that the written request may be made~~  
6 consent is required prior to a pupil's enrollment or  
7 attendance as provided in this subsection shall be  
8 included in the information provided by the school  
9 district under subsection 3.

10 Sec. 19. Section 284.13, subsection 1, paragraph e,  
11 subparagraph (2), subparagraph division (a), Code 2015,  
12 is amended to read as follows:

13 (a) For the initial school year for which a  
14 school district receives department approval for  
15 and implements a framework or comparable system in  
16 accordance with section 284.15, teacher leadership  
17 supplement foundation aid payable to that school  
18 district shall be paid from the allocation made in  
19 subparagraph (1) for that school year. For that school  
20 year beginning July 1, 2014, the teacher leadership  
21 supplement foundation aid payable to the school  
22 district is the product of the teacher leadership  
23 district cost per pupil for the school year multiplied  
24 by the school district's budget enrollment. For that  
25 school year beginning July 1, 2015, or beginning July  
26 1, 2016, the teacher leadership supplement foundation  
27 aid payable to the school district is the product  
28 of three hundred eight dollars and eighty-two cents  
29 multiplied by the school district's budget enrollment.  
30 The board of directors of the district of residence  
31 shall pay to the receiving district any moneys received  
32 for a pupil under subparagraph (1) if the pupil is  
33 participating in open enrollment under section 282.18  
34 and both the district of residence and the receiving  
35 district are receiving an allocation under subparagraph  
36 (1).

37 Sec. 20. Section 730.5, subsection 9, paragraph e,  
38 Code 2015, is amended to read as follows:

39 e. If the written policy provides for alcohol  
40 testing, the employer shall establish in the written  
41 policy a standard for alcohol concentration which shall  
42 be deemed to violate the policy. The standard for  
43 alcohol concentration shall not be less than ~~.04~~ .02,  
44 expressed in terms of grams of alcohol per two hundred  
45 ten liters of breath, or its equivalent.

#### 46 DIVISION III

47 SALARIES, COMPENSATION, AND RELATED MATTERS

48 Sec. 21. SALARY MODEL ADMINISTRATOR. The salary  
49 model administrator shall work in conjunction with  
50 the legislative services agency to maintain the

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

23 DIVISION IV  
24 CORRECTIVE PROVISIONS

25 Sec. 22. Section 123.122, Code 2015, as amended by  
26 2015 Iowa Acts, House File 536, section 48, is amended  
27 to read as follows:

28 **123.122 Permit or license required.**

29 A person shall not manufacture for sale or sell  
30 beer at wholesale or retail unless a permit is first  
31 obtained as provided in this subchapter or, a liquor  
32 control license authorizing the retail sale of beer is  
33 first obtained as provided in division subchapter I of  
34 this chapter. A liquor control license holder is not  
35 required to hold a separate class "B" beer permit.

36 Sec. 23. Section 227.10, Code 2015, as amended by  
37 2015 Iowa Acts, Senate File 463, section 53, is amended  
38 to read as follows:

39 **227.10 Transfers from county or private**  
40 **institutions.**

41 Patients who have been admitted at public expense  
42 to any institution to which this chapter is applicable  
43 may be involuntarily transferred to the proper  
44 state hospital for persons with mental illness in  
45 the manner prescribed by sections 229.6 to 229.13.  
46 The application required by section 229.6 may be  
47 filed by the administrator of the division or the  
48 administrator's designee, or by the administrator  
49 of the institution where the patient is then being  
50 maintained or treated. If the patient was admitted to

1 that institution involuntarily, the administrator of  
2 the division may arrange and complete the transfer, and  
3 shall report it as required of a chief medical officer  
4 under section 229.15, subsection 5. The transfer  
5 shall be made at the mental health and ~~disabilities~~  
6 disability services region's expense, and the expense  
7 recovered, as provided in section 227.7. However,  
8 transfer under this section of a patient whose expenses  
9 are payable in whole or in part by a the mental health  
10 and ~~disabilities~~ disability services region is subject  
11 to an authorization for the transfer through the  
12 regional administrator for the patient's county of  
13 residence.

14 Sec. 24. Section 227.14, Code 2015, as amended by  
15 2015 Iowa Acts, Senate File 463, section 56, is amended  
16 to read as follows:

17 **227.14 Caring for persons with mental illness from**  
18 **other counties.**

19 The regional administrator for a county that does  
20 not have proper facilities for caring for persons  
21 with mental illness may, with the consent of the  
22 administrator of the division, provide for such care  
23 at the expense of the mental health and ~~disabilities~~  
24 disability services region in any convenient and proper  
25 county or private institution for persons with mental  
26 illness which is willing to receive the persons.

27 Sec. 25. Section 229.1B, Code 2015, as amended by  
28 2015 Iowa Acts, Senate File 463, section 59, is amended  
29 to read as follows:

30 **229.1B Regional administrator.**

31 Notwithstanding any provision of this chapter to the  
32 contrary, any person whose hospitalization expenses  
33 are payable in whole or in part by a mental health  
34 and ~~disabilities~~ disability services region shall be  
35 subject to all administrative requirements of the  
36 regional administrator for the county.

37 Sec. 26. Section 229.2, subsection 1, paragraph b,  
38 subparagraph (3), Code 2015, as amended by 2015 Iowa  
39 Acts, Senate File 463, section 60, is amended to read  
40 as follows:

41 (3) As soon as is practicable after the filing of a  
42 petition for juvenile court approval of the admission  
43 of the minor, the juvenile court shall determine  
44 whether the minor has an attorney to represent the  
45 minor in the hospitalization proceeding, and if not,  
46 the court shall assign to the minor an attorney. If  
47 the minor is financially unable to pay for an attorney,  
48 the attorney shall be compensated by the mental  
49 health and ~~disabilities~~ disability services region  
50 at an hourly rate to be established by the regional

1 administrator for the county in which the proceeding  
2 is held in substantially the same manner as provided  
3 in section 815.7.

4 Sec. 27. Section 229.8, subsection 1, Code 2015, as  
5 amended by 2015 Iowa Acts, Senate File 463, section 61,  
6 is amended to read as follows:

7 1. Determine whether the respondent has an attorney  
8 who is able and willing to represent the respondent in  
9 the hospitalization proceeding, and if not, whether the  
10 respondent is financially able to employ an attorney  
11 and capable of meaningfully assisting in selecting one.  
12 In accordance with those determinations, the court  
13 shall if necessary allow the respondent to select, or  
14 shall assign to the respondent, an attorney. If the  
15 respondent is financially unable to pay an attorney,  
16 the attorney shall be compensated by the mental  
17 health and ~~disabilities~~ disability services region  
18 at an hourly rate to be established by the regional  
19 administrator for the county in which the proceeding  
20 is held in substantially the same manner as provided  
21 in section 815.7.

22 Sec. 28. Section 229.10, subsection 1, paragraph a,  
23 Code 2015, as amended by 2015 Iowa Acts, Senate File  
24 463, section 62, is amended to read as follows:

25 a. An examination of the respondent shall be  
26 conducted by one or more licensed physicians, as  
27 required by the court's order, within a reasonable  
28 time. If the respondent is detained pursuant to  
29 section 229.11, subsection 1, paragraph "b", the  
30 examination shall be conducted within twenty-four  
31 hours. If the respondent is detained pursuant to  
32 section 229.11, subsection 1, paragraph "a" or "c",  
33 the examination shall be conducted within forty-eight  
34 hours. If the respondent so desires, the respondent  
35 shall be entitled to a separate examination by a  
36 licensed physician of the respondent's own choice.  
37 The reasonable cost of the examinations shall, if the  
38 respondent lacks sufficient funds to pay the cost, be  
39 paid by the regional administrator from mental health  
40 and ~~disabilities~~ disability services region funds upon  
41 order of the court.

42 Sec. 29. Section 229.11, subsection 1, unnumbered  
43 paragraph 1, Code 2015, as amended by 2015 Iowa Acts,  
44 Senate File 463, section 63, is amended to read as  
45 follows:

46 If the applicant requests that the respondent  
47 be taken into immediate custody and the judge,  
48 upon reviewing the application and accompanying  
49 documentation, finds probable cause to believe that  
50 the respondent has a serious mental impairment and is

1 likely to injure the respondent or other persons if  
2 allowed to remain at liberty, the judge may enter a  
3 written order directing that the respondent be taken  
4 into immediate custody by the sheriff or the sheriff's  
5 deputy and be detained until the hospitalization  
6 hearing. The hospitalization hearing shall be held no  
7 more than five days after the date of the order, except  
8 that if the fifth day after the date of the order is a  
9 Saturday, Sunday, or a holiday, the hearing may be held  
10 on the next succeeding business day. If the expenses  
11 of a respondent are payable in whole or in part by  
12 a mental health and ~~disabilities~~ disability services  
13 region, for a placement in accordance with paragraph  
14 "a", the judge shall give notice of the placement to  
15 the regional administrator for the county in which the  
16 court is located, and for a placement in accordance  
17 with paragraph "b" or "c", the judge shall order the  
18 placement in a hospital or facility designated through  
19 the regional administrator. The judge may order  
20 the respondent detained for the period of time until  
21 the hearing is held, and no longer, in accordance  
22 with paragraph "a", if possible, and if not then in  
23 accordance with paragraph "b", or, only if neither of  
24 these alternatives is available, in accordance with  
25 paragraph "c". Detention may be:

26 Sec. 30. Section 229.13, subsection 1, paragraph a,  
27 Code 2015, as amended by 2015 Iowa Acts, Senate File  
28 463, section 64, is amended to read as follows:

29 a. The court shall order a respondent whose  
30 expenses are payable in whole or in part by a mental  
31 health and ~~disabilities~~ disability services region  
32 placed under the care of an appropriate hospital or  
33 facility designated through the county's regional  
34 administrator on an inpatient or outpatient basis.

35 Sec. 31. Section 229.14, subsection 2, paragraph a,  
36 Code 2015, as amended by 2015 Iowa Acts, Senate File  
37 463, section 65, is amended to read as follows:

38 a. For a respondent whose expenses are payable in  
39 whole or in part by a mental health and ~~disabilities~~  
40 disability services region, placement as designated  
41 through the county's regional administrator in the care  
42 of an appropriate hospital or facility on an inpatient  
43 or outpatient basis, or other appropriate treatment, or  
44 in an appropriate alternative placement.

45 Sec. 32. Section 229.14A, subsection 7, Code 2015,  
46 as amended by 2015 Iowa Acts, Senate File 463, section  
47 66, is amended to read as follows:

48 7. If a respondent's expenses are payable in  
49 whole or in part by a mental health and ~~disabilities~~  
50 disability services region through the county's

1 regional administrator, notice of a placement hearing  
2 shall be provided to the county attorney and the  
3 regional administrator. At the hearing, the county may  
4 present evidence regarding appropriate placement.

5 Sec. 33. Section 229.42, subsection 1, Code 2015,  
6 as amended by 2015 Iowa Acts, Senate File 463, section  
7 68, is amended to read as follows:

8 1. If a person wishing to make application for  
9 voluntary admission to a mental hospital established  
10 by chapter 226 is unable to pay the costs of  
11 hospitalization or those responsible for the person are  
12 unable to pay the costs, application for authorization  
13 of voluntary admission must be made through a regional  
14 administrator before application for admission  
15 is made to the hospital. The person's county of  
16 residence shall be determined through the regional  
17 administrator and if the admission is approved through  
18 the regional administrator, the person's admission  
19 to a mental health hospital shall be authorized as a  
20 voluntary case. The authorization shall be issued on  
21 forms provided by the department of human services'  
22 administrator. The costs of the hospitalization shall  
23 be paid by the county of residence through the regional  
24 administrator to the department of human services and  
25 credited to the general fund of the state, provided  
26 that the mental health hospital rendering the services  
27 has certified to the county auditor of the county of  
28 residence and the regional administrator the amount  
29 chargeable to the mental health and ~~disabilities~~  
30 disability services region and has sent a duplicate  
31 statement of the charges to the department of human  
32 services. A mental health and ~~disabilities~~ disability  
33 services region shall not be billed for the cost of a  
34 patient unless the patient's admission is authorized  
35 through the regional administrator. The mental health  
36 institute and the regional administrator shall work  
37 together to locate appropriate alternative placements  
38 and services, and to educate patients and family  
39 members of patients regarding such alternatives.

40 Sec. 34. Section 230.1, subsection 3, Code 2015, as  
41 amended by 2015 Iowa Acts, Senate File 463, section 69,  
42 is amended to read as follows:

43 3. A mental health and ~~disabilities~~ disability  
44 services region or county of residence is not liable  
45 for costs and expenses associated with a person with  
46 mental illness unless the costs and expenses are for  
47 services and other support authorized for the person  
48 through the county's regional administrator. For the  
49 purposes of this chapter, "*regional administrator*" means  
50 the same as defined in section 331.388.

1 Sec. 35. Section 230.20, subsection 2, paragraph b,  
2 Code 2015, as amended by 2015 Iowa Acts, Senate File  
3 463, section 71, is amended to read as follows:

4 b. The per diem costs billed to each mental health  
5 and ~~disabilities~~ disability services region shall  
6 not exceed the per diem costs billed to the county  
7 in the fiscal year beginning July 1, 1996. However,  
8 the per diem costs billed to a mental health and  
9 ~~disabilities~~ disability services region may be adjusted  
10 annually to reflect increased costs, to the extent of  
11 the percentage increase in the statewide per capita  
12 expenditure target amount, if any per capita growth  
13 amount is authorized by the general assembly for the  
14 fiscal year in accordance with section 426B.3.

15 Sec. 36. Section 279.10, subsection 1, Code 2015,  
16 as amended by 2015 Iowa Acts, Senate File 227, section  
17 2, is amended to read as follows:

18 1. The school year for each school district and  
19 accredited nonpublic school shall begin on July 1 and  
20 the school calendar shall begin no sooner than August  
21 23 and no later than the first Monday in December.  
22 The school calendar shall include not less than one  
23 hundred eighty days, ~~except as provided in subsection~~  
24 ~~3,~~ or one thousand eighty hours of instruction during  
25 the calendar year. The board of directors of a school  
26 district and the authorities in charge of an accredited  
27 nonpublic school shall determine the school start  
28 date for the school calendar in accordance with this  
29 subsection and shall set the number of days or hours of  
30 required attendance for the school year as provided in  
31 section 299.1, subsection 2, but the board of directors  
32 of a school district shall hold a public hearing on  
33 any proposed school calendar prior to adopting the  
34 school calendar. If the board of directors of a  
35 district or the authorities in charge of an accredited  
36 nonpublic school extends the school calendar because  
37 inclement weather caused the school district or  
38 accredited nonpublic school to temporarily close during  
39 the regular school calendar, the school district or  
40 accredited nonpublic school may excuse a graduating  
41 senior who has met district or school requirements for  
42 graduation from attendance during the extended school  
43 calendar. A school corporation may begin employment  
44 of personnel for in-service training and development  
45 purposes before the date to begin elementary and  
46 secondary school.

47 Sec. 37. Section 426B.5, subsection 2, paragraph c,  
48 Code 2015, as amended by 2015 Iowa Acts, Senate File  
49 463, section 78, is amended to read as follows:

50 c. A risk pool board is created. The board

1 shall consist of two county supervisors, two county  
2 auditors, a member of the mental health and disability  
3 services commission who is not a member of a county  
4 board of supervisors, a member of the county finance  
5 committee created in chapter 333A who is not an elected  
6 official, a representative of a provider of mental  
7 health or developmental disabilities services selected  
8 from nominees submitted by the Iowa association of  
9 community providers, and two staff members of regional  
10 administrators of county mental health and disability  
11 services regions, all appointed by the governor, and  
12 one member appointed by the director of human services.  
13 All members appointed by the governor shall be subject  
14 to confirmation by the senate. Members shall serve for  
15 three-year terms. A vacancy shall be filled in the  
16 same manner as the original appointment. Expenses and  
17 other costs of the risk pool board members representing  
18 counties shall be paid by the county of origin.  
19 Expenses and other costs of risk pool board members  
20 who do not represent counties shall be paid from a  
21 source determined by the governor. Staff assistance  
22 to the board shall be provided by the department of  
23 human services and counties. Actuarial expenses and  
24 other direct administrative costs shall be charged to  
25 the pool.

26 Sec. 38. Section 459A.404, subsection 3, paragraphs  
27 b and c, if enacted by 2015 Iowa Acts, House File 583,  
28 section 41, are amended to read as follows:

29 b. For purposes of section 459.310, subsection 4,  
30 the provisions relating to an unformed manure storage  
31 structure shall apply to an unformed animal truck wash  
32 effluent structure and the provisions relating to a  
33 formed manure storage structure shall apply to a formed  
34 animal truck wash effluent structure. However, the

35 ~~c. Notwithstanding section 459.310, subsection~~  
36 ~~4, a requirement in section 459.310, subsection 4,~~  
37 ~~paragraph "a", relating to animal weight capacity or~~  
38 ~~animal unit capacity shall not apply to the replacement~~  
39 ~~of an unformed animal truck wash effluent structure~~  
40 ~~with a formed animal truck wash effluent structure. In~~  
41 ~~addition, the capacity of a replacement animal truck~~  
42 ~~wash effluent structure shall not exceed the amount~~  
43 ~~required to store animal truck wash effluent for any~~  
44 ~~eighteen-month period.~~

45 Sec. 39. Section 459A.411, Code 2015, as amended by  
46 2015 Iowa Acts, House File 583, section 43, if enacted,  
47 is amended to read as follows:

48 **459A.411 Discontinuance of operations.**

49 The owner of an open feedlot operation or animal  
50 truck wash facility who discontinues its operation



1 shall remove all effluent from related open feedlot  
2 operation structures or animal truck wash effluent  
3 structures used to store effluent, as soon as practical  
4 but not later than six months following the date the  
5 operations of the open feedlot operation or animal  
6 truck wash facility ~~is~~ are discontinued.

7 Sec. 40. Section 476.53, subsection 3, paragraph a,  
8 subparagraph (1), Code 2015, as amended by 2015 Iowa  
9 Acts, House File 535, section 61, is amended to read  
10 as follows:

11 (1) (a) Files an application pursuant to section  
12 476A.3 to construct in Iowa a baseload electric  
13 power generating facility with a nameplate generating  
14 capacity equal to or greater than three hundred  
15 megawatts or a combined-cycle electric power generating  
16 facility, or an alternate energy production facility as  
17 defined in section 476.42, or to significantly alter  
18 an existing generating facility. For purposes of this  
19 subparagraph, a significant alteration of an existing  
20 generating facility must, in order to qualify for  
21 establishment of ratemaking principles, fall into one  
22 of the following categories:

23 (i) Conversion of a coal fueled facility into a gas  
24 fueled facility.

25 (ii) Addition of carbon capture and storage  
26 facilities at a coal fueled facility.

27 (iii) Addition of gas fueled capability to a coal  
28 fueled facility, in order to convert the facility  
29 to one that will rely primarily on gas for future  
30 generation.

31 (iv) Addition of a biomass fueled capability to a  
32 coal fueled facility.

33 (b) With respect to a significant alteration of  
34 an existing generating facility, an original facility  
35 shall not be required to be either a baseload or  
36 a combined-cycle facility. Only the incremental  
37 investment undertaken by a utility under subparagraph  
38 division (a), subparagraph subdivision (i), (ii),  
39 (iii), or (iv) shall be eligible to apply the  
40 ratemaking principles established by the order issued  
41 pursuant to paragraph "e". Facilities for which  
42 advanced ratemaking principles are obtained pursuant  
43 to this section shall not be subject to a subsequent  
44 board review pursuant to section 476.6, subsection 20,  
45 to the extent that the investment has been considered  
46 by the board under this section. To the extent an  
47 eligible utility has been authorized to make capital  
48 investments subject to section 476.6, subsection 20,  
49 such investments shall not be eligible for ratemaking  
50 principles pursuant to this section.

1     Sec. 41. Section 602.3205, subsection 3, paragraph  
2 b, if enacted by 2015 Iowa Acts, Senate File 404,  
3 section 5, is amended to read as follows:  
4     b. The audio recordings provided ~~in~~ to the board  
5 pursuant to this subsection shall be kept confidential  
6 by the board in a manner as provided in section 272C.6,  
7 subsection 4.

8     Sec. 42. Section 602.11113, Code 2015, as amended  
9 by 2015 Iowa Acts, House File 536, section 177, is  
10 amended to read as follows:  
11     **602.11113 Bailiffs employed as court attendants.**  
12     Persons who were employed as bailiffs and who  
13 were performing services for the court, other than  
14 law enforcement services, immediately prior to July  
15 1, 1983, shall be employed by the district court  
16 administrators as court attendants under section  
17 602.6601 on July 1, 1983.

18     Sec. 43. Section 714.23, subsection 4A, paragraph  
19 a, if enacted by 2015 Iowa Acts, Senate File 501,  
20 section 2, or 2015 Iowa Acts, House File 663, section  
21 2, is amended to read as follows:  
22     a. A student who does not receive a tuition refund  
23 up to the full refund of tuition charges due to the  
24 effect of an interstate reciprocity agreement under  
25 section 261G.4, subsection 1, may apply to the attorney  
26 general for a refund in a sum that represents the  
27 difference between any tuition refund received from the  
28 school and the full refund of tuition charges. For  
29 purposes of this subsection, "full refund of tuition  
30 charges" means the monetary sum of the refund for  
31 which the student would be eligible pursuant to the  
32 application of this section.

33     Sec. 44. Section 902.1, subsection 2, paragraph  
34 a, unnumbered paragraph 1, as enacted by 2015 Iowa  
35 Acts, Senate File 448, section 1, is amended to read  
36 as follows:  
37     Notwithstanding subsection 1, a defendant convicted  
38 of murder in the first degree in violation of section  
39 707.2, and who was under the age of eighteen at the  
40 time the offense was committed shall receive one of the  
41 following sentences:

42     Sec. 45. Section 916.1, subsection 1, as enacted by  
43 2015 Iowa Acts, House File 496, section 1, is amended  
44 to read as follows:  
45     1. "*Confidential communication*" means confidential  
46 information shared between a victim and a military  
47 victim advocate within the advocacy relationship, and  
48 includes all information received by the advocate  
49 and any advice, report, or working paper given to  
50 or prepared by the advocate in the course of the

1 advocacy relationship with the victim. "*Confidential*  
2 *information*" is ~~confidential~~ information which, so  
3 far as the victim is aware, is not disclosed to a  
4 third party with the exception of a person present  
5 in the consultation for the purpose of furthering the  
6 interest of the victim, a person to whom disclosure  
7 is reasonably necessary for the transmission of the  
8 information, or a person with whom disclosure is  
9 necessary for accomplishment of the purpose for which  
10 the advocate is consulted by the victim.

11 Sec. 46. APPLICABILITY. The section of this  
12 division of this Act amending section 279.10,  
13 subsection 1, applies retroactively to April 10, 2015.

14 Sec. 47. APPLICABILITY. The section of this  
15 division of this Act amending section 902.1, subsection  
16 2, paragraph "a", unnumbered paragraph 1, applies  
17 retroactively to the effective date of 2015 Iowa Acts,  
18 Senate File 448.

#### 19 DIVISION V

#### 20 CONTROLLED SUBSTANCES

21 Sec. 48. Section 124.101, Code 2015, is amended by  
22 adding the following new subsection:

23 NEW SUBSECTION. 15A. "*Imitation controlled*  
24 *substance*" means a substance which is not a controlled  
25 substance but which by color, shape, size, markings,  
26 and other aspects of dosage unit appearance, and  
27 packaging or other factors, appears to be or resembles  
28 a controlled substance. The board of pharmacy may  
29 designate a substance as an imitation controlled  
30 substance pursuant to the board's rulemaking authority  
31 and in accordance with chapter 17A. "*Imitation*  
32 *controlled substance*" also means any substance  
33 determined to be an imitation controlled substance  
34 pursuant to section 124.101B.

35 Sec. 49. NEW SECTION. 124.101B **Factors indicating**  
36 **an imitation controlled substance.**

37 If a substance has not been designated as an  
38 imitation controlled substance by the board of pharmacy  
39 and if dosage unit appearance alone does not establish  
40 that a substance is an imitation controlled substance,  
41 the following factors may be considered in determining  
42 whether the substance is an imitation controlled  
43 substance:

44 1. The person in control of the substance expressly  
45 or impliedly represents that the substance has the  
46 effect of a controlled substance.

47 2. The person in control of the substance expressly  
48 or impliedly represents that the substance because  
49 of its nature or appearance can be sold or delivered  
50 as a controlled substance or as a substitute for a

1 controlled substance.

2 3. The person in control of the substance either  
3 demands or receives money or other property having a  
4 value substantially greater than the actual value of  
5 the substance as consideration for delivery of the  
6 substance.

7 Sec. 50. Section 124.201, subsection 4, Code 2015,  
8 is amended to read as follows:

9 4. If any new substance is designated as a  
10 controlled substance under federal law and notice of  
11 the designation is given to the board, the board shall  
12 similarly designate as controlled the new substance  
13 under this chapter after the expiration of thirty days  
14 from publication in the federal register of a final  
15 order designating a new substance as a controlled  
16 substance, unless within that thirty-day period the  
17 board objects to the new designation. In that case  
18 the board shall publish the reasons for objection and  
19 afford all interested parties an opportunity to be  
20 heard. At the conclusion of the hearing the board  
21 shall announce its decision. Upon publication of  
22 objection to a new substance being designated as a  
23 controlled substance under this chapter by the board,  
24 control under this chapter is stayed until the board  
25 publishes its decision. If a substance is designated  
26 as controlled by the board under this subsection the  
27 control shall be considered a temporary and if, within  
28 sixty days after the next regular session of the  
29 general assembly convenes, the general assembly has not  
30 made the corresponding changes in this chapter, the  
31 temporary designation of control of the substance by  
32 the board shall be nullified amendment to the schedules  
33 of controlled substances in this chapter. If the  
34 board so designates a substance as controlled, which  
35 is considered a temporary amendment to the schedules  
36 of controlled substances in this chapter, and if  
37 the general assembly does not amend this chapter to  
38 enact the temporary amendment and make the enactment  
39 effective within two years from the date the temporary  
40 amendment first became effective, the temporary  
41 amendment is repealed by operation of law two years  
42 from the effective date of the temporary amendment. A  
43 temporary amendment repealed by operation of law is  
44 subject to section 4.13 relating to the construction  
45 of statutes and the application of a general savings  
46 provision.

47 Sec. 51. Section 124.204, subsection 4, paragraph  
48 ai, subparagraphs (3), (4), and (5), Code 2015, are  
49 amended by striking the subparagraphs.

50 Sec. 52. Section 124.204, subsection 4, paragraph

1 aj, Code 2015, is amended by striking the paragraph and  
 2 inserting in lieu thereof the following:  
 3 *aj.* 5-methoxy-N,N-dimethyltryptamine.  
 4 Some trade or other names:  
 5 5-methoxy-3-[2-(dimethylamino)ethyl]indole; 5-MeO-DMT.  
 6 Sec. 53. Section 124.204, subsection 4, paragraph  
 7 ak, Code 2015, is amended by striking the paragraph and  
 8 inserting in lieu thereof the following:  
 9 *ak.* 2-(2,5-Dimethoxy-4-ethylphenyl)ethanamine  
 10 (2C-E).  
 11 Sec. 54. Section 124.204, subsection 4, Code 2015,  
 12 is amended by adding the following new paragraphs:  
 13 NEW PARAGRAPH. *al.* 2-(2,5-Dimethoxy-4-  
 14 methylphenyl)ethanamine (2C-D).  
 15 NEW PARAGRAPH. *am.* 2-(4-Chloro-2,5-  
 16 dimethoxyphenyl)ethanamine (2C-C).  
 17 NEW PARAGRAPH. *an.* 2-(4-Iodo-2,5-  
 18 dimethoxyphenyl)ethanamine (2C-I).  
 19 NEW PARAGRAPH. *ao.* 2-[4-(Ethylthio)-2,5-  
 20 dimethoxyphenyl]ethanamine (2C-T-2).  
 21 NEW PARAGRAPH. *ap.* 2-[4-(Isopropylthio)-2,5-  
 22 dimethoxyphenyl]ethanamine (2C-T-4).  
 23 NEW PARAGRAPH. *aq.* 2-(2,5-Dimethoxyphenyl)  
 24 ethanamine (2C-H).  
 25 NEW PARAGRAPH. *ar.* 2-(2,5-Dimethoxy-4-  
 26 nitrophenyl)ethanamine (2C-N).  
 27 NEW PARAGRAPH. *as.* 2-(2,5-Dimethoxy-4-(n)-  
 28 propylphenyl)ethanamine (2C-P).  
 29 Sec. 55. Section 124.204, subsection 6, paragraph  
 30 i, subparagraph (3), Code 2015, is amended by striking  
 31 the subparagraph and inserting in lieu thereof the  
 32 following:  
 33 (3) 3,4-Methylenedioxy-N-methylcathinone  
 34 (methydone).  
 35 Sec. 56. Section 124.204, subsection 6, paragraph  
 36 i, subparagraphs (18), (19), (20), (21), and (22), Code  
 37 2015, are amended by striking the subparagraphs and  
 38 inserting in lieu thereof the following:  
 39 (18) 4-methyl-N-ethylcathinone. Other names:  
 40 4-MEC, 2-(ethylamino)-1-(4-methylphenyl)propan-1-one.  
 41 (19) 4-methyl-alpha6 pyrrolidinopropiophenone.  
 42 Other names: 4-MePPP, MePPP,  
 43 4-methyl-[alpha]-pyrrolidinopropiophenone, 8  
 44 1-(4-methylphenyl)-2-(pyrrolidin-1-yl)-propan-1-one.  
 45 (20) Pentedrone. Other names:  
 46 [alpha]-methyaminovalerophenone,  
 47 2-(methylamino)-1-phenylpentan-1-one.  
 48 (21) Pentylone. Other names: bk-MBDP,  
 49 1-(1,3-benzodioxol-5-yl)-2-(methylamino)pentan-1-one.  
 50 (22) Alpha-pyrrolidinobutiophenone. Other names:

1 [alpha]-PBP, 1-phenyl-2-(pyrrolidin-1-yl)butan-1-one.  
2 Sec. 57. Section 124.204, subsection 6, paragraph  
3 i, subparagraphs (23), (24), (25), and (26), Code 2015,  
4 are amended by striking the subparagraphs.  
5 Sec. 58. Section 124.204, subsection 9, Code 2015,  
6 is amended by adding the following new paragraphs:  
7 NEW PARAGRAPH. 0a. HU-210.  
8 [(6aR,10aR)-9-(hydroxymethyl)-  
9 6,6-dimethyl-3-(2-methyloctan-2-yl) 6a,7,10,10a-  
10 tetrahydrobenzo[c] chromen-1-ol)].  
11 NEW PARAGRAPH. 00a. HU-211(dexanabinol,  
12 (6aS,10aS)-9-(hydroxymethyl)-6,6-dimethyl-3-(2-  
13 methyloctan-2-yl)-6a,7,10,10a-tetrahydrobenzo[c]  
14 chromen-1-ol).  
15 NEW PARAGRAPH. 000a. Unless specifically exempted  
16 or unless listed in another schedule, any material,  
17 compound, mixture, or preparation which contains any  
18 quantity of cannabimimetic agents, or which contains  
19 their salts, isomers, and salts of isomers whenever the  
20 existence of such salts, isomers, and salts of isomers  
21 is possible within the specific chemical designation.  
22 (1) The term "*cannabimimetic agents*" means any  
23 substance that is a cannabinoid receptor type 1 (CB1  
24 receptor) agonist as demonstrated by binding studies  
25 and functional assays within any of the following  
26 structural classes:  
27 (a) 2-(3-hydroxycyclohexyl)phenol with substitution  
28 at the 5-position of the phenolic ring by alkyl or  
29 alkenyl, whether or not substituted on the cyclohexyl  
30 ring to any extent.  
31 (b) 3-(1-naphthoyl)indole or  
32 3-(1-naphthylmethane)indole by substitution at the  
33 nitrogen atom of the indole ring, whether or not  
34 further substituted on the indole ring to any extent,  
35 whether or not substituted on the naphthoyl or naphthyl  
36 ring to any extent.  
37 (c) 3-(1-naphthoyl)pyrrole by substitution at the  
38 nitrogen atom of the pyrrole ring, whether or not  
39 further substituted in the pyrrole ring to any extent,  
40 whether or not substituted on the naphthoyl ring to any  
41 extent.  
42 (d) 1-(1-naphthylmethylene)indene by substitution  
43 of the 3-position of the indene ring, whether or not  
44 further substituted in the indene ring to any extent,  
45 whether or not substituted on the naphthyl ring to any  
46 extent.  
47 (e) 3-phenylacetylindole or 3-benzoylindole by  
48 substitution at the nitrogen atom of the indole ring,  
49 whether or not further substituted in the indole ring  
50 to any extent, whether or not substituted on the phenyl

1 ring to any extent.

2 (2) Such terms include:

3 (a) CP 47,497 and homologues

4 5-(1,1-dimethylheptyl)-2-

5 [(1R,3S)-3-hydroxycyclohexyl]phenol.

6 (b) JWH-018 and AM678

7 1-Pentyl-3-(1-naphthoyl)indole.

8 (c) JWH-073 1-Butyl-3-(1-naphthoyl)indole.

9 (d) JWH-200[1-[2-(4-morpholinyl)ethyl]-1H-

10 indol-3-yl]-1-naphthalenyl-methanone.

11 (e) JWH-19 1-hexyl-3-(1-naphthoyl)indole.

12 (f) JWH-81

13 1-pentyl-3-[1-(4-methoxynaphthoyl)]indole.

14 (g) JWH-122

15 1-pentyl-3-(4-methyl-1-naphthoyl)indole.

16 (h) JWH-250

17 1-pentyl-3-(2-methoxyphenylacetyl)indole.

18 (i) RCS-4 and SR-19

19 1-pentyl-3-[(4methoxy)-benzoyl]indole.

20 (j) RCS-8 and SR 18 1-cyclohexylethyl-3-

21 (2-methoxyphenylacetyl)indole.

22 (k) AM2201

23 1-(5-fluoropentyl)-3-(1-naphthoyl)indole.

24 (l) JWH-203

25 1-pentyl-3-(2-chlorophenylacetyl)indole.

26 (m) JWH-398

27 1-pentyl-3-(4-chloro-1-naphthoyl)indole.

28 (n) AM694

29 1-(5-fluoropentyl)-3-(2-iodobenzoyl)indole.

30 (o) Cannabicyclohexanol or CP-47,497 C8-homolog 5-

31 (1,1-dimethyloctyl)-2-[(1R,3S)-3-hydroxycyclohexyl]-phenol.

32 NEW

33 PARAGRAPH. *0d.* N-(1-amino-3-methyl-1-oxobutan-2-

34 yl)-1-(4- fluorobenzyl)-1H-indazole-3-carboxamide.

35 Other names: AB-FUBINACA.

36 NEW PARAGRAPH. *00d.* N-(1-amino-

37 3,3-dimethyl-1-oxobutan-2-yl)-1-pentyl-

38 1 H-indazole-3-carboxamide. Other names: ADB-PINACA.

39 NEW PARAGRAPH. *000d.* Quinolin-8-yl

40 1-pentyl-1H-indole-3-carboxylate.

41 Other names: PB-22, QUPIC.

42 NEW PARAGRAPH. *0000d.* Quinolin-8-yl

43 1-(5-fluoropentyl)-1H-indole-3-carboxylate. Other

44 names: 5-fluoro-PB-22, 5F-PB-22.

45 NEW

46 PARAGRAPH. *00000d.* N-(1-amino-3-methyl-1-oxobutan-

47 2-yl)-1-pentyl-1H-indazole-3-carboxamide. Other names:

48 AB-PINACA.

49 NEW

50 PARAGRAPH. *000000d.* N-(1-amino-3-methyl-1-oxobutan-

1 2-yl)-1-(cyclohexylmethyl)-1H-indazole-3-carboxamide.  
2 Other names: AB-CHMINACA.  
3 NEW  
4 PARAGRAPH. 0000000d. [1-(5-fluoropentyl)-1H-indazol-  
5 3-yl](naphthalen-1-yl)methanone. Other names:  
6 THJ-2201.  
7 Sec. 59. Section 124.208, subsection 5, paragraph  
8 a, subparagraphs (3) and (4), Code 2015, are amended by  
9 striking the subparagraphs.  
10 Sec. 60. Section 124.210, subsection 2, Code 2015,  
11 is amended by adding the following new paragraph:  
12 NEW PARAGRAPH. c. 2-[(dimethylamino)methyl]-1-  
13 (3-methoxyphenyl)cyclohexanol, its salts, optical  
14 and geometric isomers, and salts of these isomers  
15 (including tramadol).  
16 Sec. 61. Section 124.210, subsection 3, Code 2015,  
17 is amended by adding the following new paragraphs:  
18 NEW PARAGRAPH. bb. Alfaxalone.  
19 NEW PARAGRAPH. bc. Suvorexant.  
20 Sec. 62. Section 124.401, subsection 1, unnumbered  
21 paragraph 1, Code 2015, is amended to read as follows:  
22 Except as authorized by this chapter, it is unlawful  
23 for any person to manufacture, deliver, or possess with  
24 the intent to manufacture or deliver, a controlled  
25 substance, a counterfeit substance, ~~or~~ a simulated  
26 controlled substance, or an imitation controlled  
27 substance, or to act with, enter into a common scheme  
28 or design with, or conspire with one or more other  
29 persons to manufacture, deliver, or possess with  
30 the intent to manufacture or deliver a controlled  
31 substance, a counterfeit substance, ~~or~~ a simulated  
32 controlled substance, or an imitation controlled  
33 substance.  
34 Sec. 63. Section 124.401, subsection 1, paragraph  
35 a, unnumbered paragraph 1, Code 2015, is amended to  
36 read as follows:  
37 Violation of this subsection, with respect to  
38 the following controlled substances, counterfeit  
39 substances, ~~or~~ simulated controlled substances, or  
40 imitation controlled substances, is a class "B" felony,  
41 and notwithstanding section 902.9, subsection 1,  
42 paragraph "b", shall be punished by confinement for no  
43 more than fifty years and a fine of not more than one  
44 million dollars:  
45 Sec. 64. Section 124.401, subsection 1, paragraph  
46 a, Code 2015, is amended by adding the following new  
47 subparagraph:  
48 NEW SUBPARAGRAPH. (8) More than ten kilograms of a  
49 mixture or substance containing any detectable amount  
50 of those substances identified in section 124.204,



1 subsection 9.  
2 Sec. 65. Section 124.401, subsection 1, paragraph  
3 b, unnumbered paragraph 1, Code 2015, is amended to  
4 read as follows:  
5 Violation of this subsection with respect to  
6 the following controlled substances, counterfeit  
7 substances, ~~or~~ simulated controlled substances, or  
8 imitation controlled substances is a class "B" felony,  
9 and in addition to the provisions of section 902.9,  
10 subsection 1, paragraph "b", shall be punished by a  
11 fine of not less than five thousand dollars nor more  
12 than one hundred thousand dollars:  
13 Sec. 66. Section 124.401, subsection 1, paragraph  
14 b, Code 2015, is amended by adding the following new  
15 subparagraph:  
16 NEW SUBPARAGRAPH. (9) More than five kilograms but  
17 not more than ten kilograms of a mixture or substance  
18 containing any detectable amount of those substances  
19 identified in section 124.204, subsection 9.  
20 Sec. 67. Section 124.401, subsection 1, paragraph  
21 c, unnumbered paragraph 1, Code 2015, is amended to  
22 read as follows:  
23 Violation of this subsection with respect to  
24 the following controlled substances, counterfeit  
25 substances, ~~or~~ simulated controlled substances, or  
26 imitation controlled substances is a class "C" felony,  
27 and in addition to the provisions of section 902.9,  
28 subsection 1, paragraph "d", shall be punished by a  
29 fine of not less than one thousand dollars nor more  
30 than fifty thousand dollars:  
31 Sec. 68. Section 124.401, subsection 1, paragraph  
32 c, Code 2015, is amended by adding the following new  
33 subparagraph:  
34 NEW SUBPARAGRAPH. (8) Five kilograms or less of a  
35 mixture or substance containing any detectable amount  
36 of those substances identified in section 124.204,  
37 subsection 9.  
38 Sec. 69. Section 124.401, subsection 1, paragraph  
39 c, subparagraph (8), Code 2015, is amended to read as  
40 follows:  
41 ~~(8)~~ (9) Any other controlled substance,  
42 counterfeit substance, ~~or~~ simulated controlled  
43 substance, or imitation substance classified in  
44 schedule I, II, or III, except as provided in paragraph  
45 "d".  
46 Sec. 70. Section 124.401, subsection 1, paragraph  
47 d, Code 2015, is amended to read as follows:  
48 d. Violation of this subsection, with respect  
49 to any other controlled substances, counterfeit  
50 substances, ~~or~~ simulated controlled substances

1 ~~classified in section 124.204, subsection 4, paragraph~~  
2 ~~"ai", or section 124.204, subsection 6, paragraph "i",~~  
3 ~~or, or imitation controlled substances classified~~  
4 ~~in schedule IV or V is an aggravated misdemeanor.~~  
5 However, violation of this subsection involving  
6 fifty kilograms or less of marijuana or involving  
7 flunitrazepam is a class "D" felony.

8 Sec. 71. Section 124.401, subsection 2, Code 2015,  
9 is amended to read as follows:

10 2. If the same person commits two or more acts  
11 which are in violation of subsection 1 and the acts  
12 occur in approximately the same location or time  
13 period so that the acts can be attributed to a single  
14 scheme, plan, or conspiracy, the acts may be considered  
15 a single violation and the weight of the controlled  
16 substances, counterfeit substances, ~~or simulated~~  
17 controlled substances, or imitation controlled  
18 substances involved may be combined for purposes of  
19 charging the offender.

20 Sec. 72. Section 124.401, subsection 5, unnumbered  
21 paragraph 1, Code 2015, is amended to read as follows:

22 It is unlawful for any person knowingly or  
23 intentionally to possess a controlled substance unless  
24 such substance was obtained directly from, or pursuant  
25 to, a valid prescription or order of a practitioner  
26 while acting in the course of the practitioner's  
27 professional practice, or except as otherwise  
28 authorized by this chapter. Any person who violates  
29 this subsection is guilty of a serious misdemeanor for  
30 a first offense. A person who commits a violation of  
31 this subsection and who has previously been convicted  
32 of violating this chapter or chapter ~~124A, 124B,~~ or  
33 453B, or chapter 124A as it existed prior to July  
34 1, 2015, is guilty of an aggravated misdemeanor. A  
35 person who commits a violation of this subsection and  
36 has previously been convicted two or more times of  
37 violating this chapter or chapter ~~124A, 124B,~~ or 453B is  
38 guilty of a class "D" felony.

39 Sec. 73. Section 124.401A, Code 2015, is amended to  
40 read as follows:

41 **124.401A Enhanced penalty for manufacture or**  
42 **distribution to persons on certain real property.**

43 In addition to any other penalties provided in  
44 this chapter, a person who is eighteen years of age  
45 or older who unlawfully manufactures with intent to  
46 distribute, distributes, or possesses with intent to  
47 distribute a substance or counterfeit substance listed  
48 in schedule I, II, or III, or a simulated or imitation  
49 controlled substance represented to be a controlled  
50 substance classified in schedule I, II, or III, to

1 another person who is eighteen years of age or older in  
2 or on, or within one thousand feet of the real property  
3 comprising a public or private elementary or secondary  
4 school, public park, public swimming pool, public  
5 recreation center, or on a marked school bus, may be  
6 sentenced up to an additional term of confinement of  
7 five years.

8 Sec. 74. Section 124.401B, Code 2015, is amended to  
9 read as follows:

10 **124.401B Possession of controlled substances on**  
11 **certain real property — additional penalty.**

12 In addition to any other penalties provided in this  
13 chapter or another chapter, a person who unlawfully  
14 possesses a substance listed in schedule I, II, or  
15 III, or a simulated or imitation controlled substance  
16 represented to be a controlled substance classified  
17 in schedule I, II, or III, in or on, or within one  
18 thousand feet of the real property comprising a public  
19 or private elementary or secondary school, public park,  
20 public swimming pool, public recreation center, or on  
21 a marked school bus, may be sentenced to one hundred  
22 hours of community service work for a public agency  
23 or a nonprofit charitable organization. The court  
24 shall provide the offender with a written statement of  
25 the terms and monitoring provisions of the community  
26 service.

27 Sec. 75. Section 124.406, subsection 2, Code 2015,  
28 is amended to read as follows:

29 2. A person who is eighteen years of age or older  
30 who:

31 a. Unlawfully distributes or possesses with the  
32 intent to distribute a counterfeit substance listed  
33 in schedule I or II, or a simulated or imitation  
34 controlled substance represented to be a substance  
35 classified in schedule I or II, to a person under  
36 eighteen years of age commits a class "B" felony.  
37 However, if the substance was distributed in or on,  
38 or within one thousand feet of, the real property  
39 comprising a public or private elementary or secondary  
40 school, public park, public swimming pool, public  
41 recreation center, or on a marked school bus, the  
42 person shall serve a minimum term of confinement of ten  
43 years.

44 b. Unlawfully distributes or possesses with intent  
45 to distribute a counterfeit substance listed in  
46 schedule III, or a simulated or imitation controlled  
47 substance represented to be any substance listed in  
48 schedule III, to a person under eighteen years of age  
49 who is at least three years younger than the violator  
50 commits a class "C" felony.

1     c. Unlawfully distributes a counterfeit substance  
2 listed in schedule IV or V, or a simulated or imitation  
3 controlled substance represented to be a substance  
4 listed in schedule IV or V, to a person under eighteen  
5 years of age who is at least three years younger than  
6 the violator commits an aggravated misdemeanor.

7     Sec. 76. Section 124.415, Code 2015, is amended to  
8 read as follows:

9     **124.415 Parental and school notification — persons**  
10 **under eighteen years of age.**

11     A peace officer shall make a reasonable effort to  
12 identify a person under the age of eighteen discovered  
13 to be in possession of a controlled substance,  
14 counterfeit substance, ~~or~~ simulated controlled  
15 substance, or imitation controlled substance in  
16 violation of this chapter, and if the person is not  
17 referred to juvenile court, the law enforcement agency  
18 of which the peace officer is an employee shall make  
19 a reasonable attempt to notify the person's custodial  
20 parent or legal guardian of such possession, whether  
21 or not the person is arrested, unless the officer has  
22 reasonable grounds to believe that such notification  
23 is not in the best interests of the person or will  
24 endanger that person. If the person is taken into  
25 custody, the peace officer shall notify a juvenile  
26 court officer who shall make a reasonable effort to  
27 identify the elementary or secondary school the person  
28 attends, if any, and to notify the superintendent of  
29 the school district, the superintendent's designee,  
30 or the authorities in charge of the nonpublic school  
31 of the taking into custody. A reasonable attempt to  
32 notify the person includes but is not limited to a  
33 telephone call or notice by first-class mail.

34     Sec. 77. NEW SECTION. **124.417 Imitation controlled**  
35 **substances — exceptions.**

36     It is not unlawful under this chapter for a person  
37 registered under section 124.302, to manufacture,  
38 deliver, or possess with the intent to manufacture or  
39 deliver, or to act with, one or more other persons  
40 to manufacture, deliver, or possess with the intent  
41 to manufacture or deliver an imitation controlled  
42 substance for use as a placebo by a registered  
43 practitioner in the course of professional practice or  
44 research.

45     Sec. 78. Section 124.502, subsection 1, paragraph  
46 a, Code 2015, is amended to read as follows:

47     a. A district judge or district associate judge,  
48 within the court's jurisdiction, and upon proper  
49 oath or affirmation showing probable cause, may issue  
50 warrants for the purpose of conducting administrative

1 inspections under this chapter or a related rule  
2 ~~or under chapter 124A~~. The warrant may also permit  
3 seizures of property appropriate to the inspections.  
4 For purposes of the issuance of administrative  
5 inspection warrants, probable cause exists upon showing  
6 a valid public interest in the effective enforcement  
7 of the statute or related rules, sufficient to justify  
8 administrative inspection of the area, premises,  
9 building, or conveyance in the circumstances specified  
10 in the application for the warrant.

11 Sec. 79. Section 155A.6, subsection 3, Code 2015,  
12 is amended to read as follows:

13 3. The board shall establish standards for  
14 pharmacist-intern registration and may deny, suspend,  
15 or revoke a pharmacist-intern registration for failure  
16 to meet the standards or for any violation of the laws  
17 of this state, another state, or the United States  
18 relating to prescription drugs, controlled substances,  
19 or nonprescription drugs, or for any violation of this  
20 chapter or chapter 124, ~~124A~~, 124B, 126, 147, or 205,  
21 or any rule of the board.

22 Sec. 80. Section 155A.6A, subsection 5, Code 2015,  
23 is amended to read as follows:

24 5. The board may deny, suspend, or revoke the  
25 registration of, or otherwise discipline, a registered  
26 pharmacy technician for any violation of the laws  
27 of this state, another state, or the United States  
28 relating to prescription drugs, controlled substances,  
29 or nonprescription drugs, or for any violation of this  
30 chapter or chapter 124, ~~124A~~, 124B, 126, 147, 205, or  
31 272C, or any rule of the board.

32 Sec. 81. Section 155A.6B, subsection 5, Code 2015,  
33 is amended to read as follows:

34 5. The board may deny, suspend, or revoke the  
35 registration of a pharmacy support person or otherwise  
36 discipline the pharmacy support person for any  
37 violation of the laws of this state, another state,  
38 or the United States relating to prescription drugs,  
39 controlled substances, or nonprescription drugs, or  
40 for any violation of this chapter or chapter 124,  
41 ~~124A~~, 124B, 126, 147, 205, or 272C, or any rule of the  
42 board.

43 Sec. 82. Section 155A.13A, subsection 3, Code 2015,  
44 is amended to read as follows:

45 3. *Discipline*. The board may deny, suspend, or  
46 revoke a nonresident pharmacy license for any violation  
47 of this section, section 155A.15, subsection 2,  
48 paragraph "a", "b", "d", "e", "f", "g", "h", or "i",  
49 chapter 124, ~~124A~~, 124B, 126, or 205, or a rule of the  
50 board.

1 Sec. 83. Section 155A.17, subsection 2, Code 2015,  
2 is amended to read as follows:

3 2. The board shall establish standards for drug  
4 wholesaler licensure and may define specific types of  
5 wholesaler licenses. The board may deny, suspend, or  
6 revoke a drug wholesale license for failure to meet the  
7 applicable standards or for a violation of the laws  
8 of this state, another state, or the United States  
9 relating to prescription drugs, devices, or controlled  
10 substances, or for a violation of this chapter, chapter  
11 124, ~~124A~~, 124B, 126, or 205, or a rule of the board.

12 Sec. 84. Section 155A.42, subsection 4, Code 2015,  
13 is amended to read as follows:

14 4. The board may deny, suspend, or revoke a limited  
15 drug and device distributor's license for failure to  
16 meet the applicable standards or for a violation of  
17 the laws of this state, another state, or the United  
18 States relating to prescription drugs or controlled  
19 substances, or for a violation of this chapter, chapter  
20 124, ~~124A~~, 124B, 126, 205, or 272C, or a rule of the  
21 board.

22 Sec. 85. REPEAL. Chapter 124A, Code 2015, is  
23 repealed.

#### 24 DIVISION VI

##### 25 ASSET VERIFICATION SYSTEM — MEDICAID

26 Sec. 86. MEDICAID PROGRAM — ASSET, INCOME, AND  
27 IDENTITY VERIFICATION. The department of human  
28 services shall issue a request for proposals to  
29 contract with a third-party vendor to establish an  
30 electronic asset, income, and identity eligibility  
31 verification system for the purposes of compliance  
32 with 42 U.S.C. §1396w requiring determination or  
33 redetermination of the eligibility of an individual who  
34 is an applicant for or recipient of medical assistance  
35 under the Medicaid state plan on the basis of being  
36 aged, blind, or disabled in accordance with 42 U.S.C.  
37 §1396w. The third-party vendor selected shall be able  
38 to demonstrate in writing its current relationships or  
39 contracts with financial institutions in the state and  
40 nationally. Participation by financial institutions in  
41 providing account balances for asset verification shall  
42 remain voluntary.

43 Sec. 87. EFFECTIVE UPON ENACTMENT. This division  
44 of this Act, being deemed of immediate importance,  
45 takes effect upon enactment.

#### 46 DIVISION VII

##### 47 DEPARTMENT OF MANAGEMENT — DUTIES

48 Sec. 88. Section 8.6, subsections 12 and 13, Code  
49 2015, are amended by striking the subsections.

50 Sec. 89. Section 8A.111, Code 2015, is amended by

1 adding the following new subsection:

2 NEW SUBSECTION. 11. An annual report on the  
3 administration and promotion of equal opportunity in  
4 state contracts and services under section 19B.7.

5 Sec. 90. Section 19B.6, Code 2015, is amended to  
6 read as follows:

7 **19B.6 Responsibilities of department of**  
8 **administrative services and ~~department of management~~ —**  
9 **affirmative action.**

10 The department of administrative services shall  
11 oversee the implementation of sections 19B.1 through  
12 19B.5 and shall work with the governor to ensure  
13 compliance with those sections, including the  
14 attainment of affirmative action goals and timetables,  
15 by all state agencies, excluding the state board  
16 of regents and its institutions. ~~The department of~~  
17 ~~management shall oversee the implementation of sections~~  
18 ~~19B.1 through 19B.5 and shall work with the governor to~~  
19 ~~ensure compliance with those sections, including the~~  
20 ~~attainment of affirmative action goals and timetables,~~  
21 ~~by the state board of regents and its institutions.~~

22 Sec. 91. Section 19B.7, subsection 1, unnumbered  
23 paragraph 1, Code 2015, is amended to read as follows:

24 Except as otherwise provided in subsection 2, the  
25 department of management administrative services is  
26 responsible for the administration and promotion of  
27 equal opportunity in all state contracts and services  
28 and the prohibition of discriminatory and unfair  
29 practices within any program receiving or benefiting  
30 from state financial assistance in whole or in part.  
31 In carrying out these responsibilities the department  
32 of management administrative services shall:

33 Sec. 92. Section 19B.8, Code 2015, is amended to  
34 read as follows:

35 **19B.8 Sanctions.**

36 The department of management administrative services  
37 may impose appropriate sanctions on individual state  
38 agencies, including the state board of regents and  
39 its institutions, and upon a community college, area  
40 education agency, or school district, in order to  
41 ensure compliance with state programs emphasizing  
42 equal opportunity through affirmative action, contract  
43 compliance policies, and requirements for procurement  
44 goals for targeted small businesses.

45 **DIVISION VIII**

46 **ANIMAL TRUCK WASH FACILITIES**

47 Sec. 93. Section 459A.105, subsection 2, paragraph  
48 b, as enacted by 2015 Iowa Acts, House File 583,  
49 section 10, is amended to read as follows:

50 b. (1) The requirements of section 459A.205,

1 including rules adopted by the commission pursuant  
2 to that section shall apply to a small animal truck  
3 wash facility only to the extent required by section  
4 459A.205, subsection 4A.

5 (2) The requirements of ~~sections~~  
6 ~~section 459A.404, and~~ including rules adopted by the  
7 commission pursuant to that section, shall apply to a  
8 small animal truck wash facility. However, 459A.404,  
9 subsection 1, shall only apply to a small animal truck  
10 wash facility as provided in that subsection.

11 (3) The requirements of section 459A.410, including  
12 rules adopted by the commission under these provisions  
13 that section, shall apply to a small animal truck wash  
14 facility.

15 Sec. 94. Section 459A.206, subsection 1, Code 2015,  
16 as amended by 2015 Iowa Acts, House File 583, section  
17 25, is amended to read as follows:

18 1. A settled open feedlot effluent basin or an  
19 unformed animal truck wash effluent structure required  
20 to be constructed pursuant to a construction permit  
21 issued pursuant to section 459A.205 shall meet design  
22 standards as required by a soils and hydrogeologic  
23 report.

24 Sec. 95. Section 459A.206, subsection 2, paragraph  
25 c, Code 2015, is amended to read as follows:

26 c. The results of at least three soil corings  
27 reflecting the continuous soil profile taken for  
28 each settled open feed lot effluent basin or unformed  
29 animal truck wash effluent structure. The soil corings  
30 shall be taken and used in determining subsurface soil  
31 characteristics and groundwater elevation and direction  
32 of flow of the proposed site for construction. The  
33 soil corings shall be taken as follows:

34 (1) By a qualified person ordinarily engaged in the  
35 practice of taking soil cores and in performing soil  
36 testing.

37 (2) At locations that reflect the continuous  
38 soil profile conditions existing within the area of  
39 the proposed basin or unformed structure, including  
40 conditions found near the corners and the deepest point  
41 of the proposed basin. The soil corings shall be  
42 taken to a minimum depth of ten feet below the bottom  
43 elevation of the basin.

44 (3) By a method such as hollow stem auger or other  
45 method that identifies the continuous soil profile and  
46 does not result in the mixing of soil layers.

47 Sec. 96. Section 459A.207, subsection 1, paragraph  
48 a, Code 2015, is amended to read as follows:

49 a. The basin or structure was constructed in  
50 accordance with the design plans submitted to the



1 department as part of an application for a construction  
2 permit pursuant to section 459A.205. If the actual  
3 construction deviates from the approved design plans,  
4 the construction certification shall identify all  
5 changes and certify that the changes were consistent  
6 with all applicable standards of this section.

7 Sec. 97. Section 459A.302, unnumbered paragraph 1,  
8 Code 2015, as amended by 2015 Iowa Acts, House File  
9 583, section 32, is amended to read as follows:

10 A settled open feedlot effluent basin or an unformed  
11 animal truck wash effluent structure required to be  
12 constructed pursuant to a construction permit issued  
13 pursuant to section 459A.205 shall meet all of the  
14 following requirements:

15 Sec. 98. Section 459A.302, subsection 1, paragraph  
16 a, unnumbered paragraph 1, Code 2015, as amended by  
17 2015 Iowa Acts, House File 583, section 33, is amended  
18 to read as follows:

19 Prior to constructing a settled open feedlot  
20 effluent basin or an unformed animal truck wash  
21 effluent structure, the site for the basin shall be  
22 investigated for a drainage tile line by the owner  
23 of the open feedlot operation or animal truck wash  
24 facility. The investigation shall be made by digging  
25 a core trench to a depth of at least six feet deep from  
26 ground level at the projected center of the berm of the  
27 basin or unformed structure. If a drainage tile line  
28 is discovered, one of the following solutions shall be  
29 implemented:

30 Sec. 99. Section 459A.302, subsection 1, paragraph  
31 a, subparagraphs (1) and (2), Code 2015, are amended  
32 to read as follows:

33 (1) The drainage tile line shall be rerouted  
34 around the perimeter of the basin or unformed animal  
35 truck wash effluent structure at a distance of at  
36 least twenty-five feet horizontally separated from  
37 the outside edge of the berm of the basin or unformed  
38 structure. For an area of the basin or unformed  
39 structure where there is not a berm, the drainage tile  
40 line shall be rerouted at least fifty feet horizontally  
41 separated from the edge of the basin or unformed  
42 structure.

43 (2) The drainage tile line shall be replaced with a  
44 nonperforated tile line under the ~~basin~~ floor of the  
45 basin or unformed animal truck wash effluent structure.  
46 The nonperforated tile line shall be continuous and  
47 without connecting joints. There must be a minimum of  
48 three feet between the nonperforated tile line and the  
49 basin floor of the basin or unformed structure.

50 Sec. 100. Section 459A.302, subsections 2, 3, 4,

1 and 5 Code 2015, as amended by 2015 Iowa Acts, House  
2 File 583, section 34, is amended to read as follows:

3 2. a. The settled open feedlot effluent basin or  
4 an unformed animal truck wash effluent structure shall  
5 be constructed with a minimum separation of two feet  
6 between the top of the liner of the basin or unformed  
7 structure and the seasonal high-water table.

8 b. If a drainage tile line around the perimeter of  
9 the settled open feedlot effluent basin or unformed  
10 animal truck wash effluent structure is installed  
11 a minimum of two feet below the top of the basin's  
12 or unformed structure's liner to artificially lower  
13 the seasonal high-water table, the top of the liner  
14 may be a maximum of four feet below the seasonal  
15 high-water table. The seasonal high-water table may  
16 be artificially lowered by gravity flow tile lines or  
17 other similar system. However, the following shall  
18 apply:

19 (1) Except as provided in subparagraph (2), an  
20 open feedlot operation or animal truck wash facility  
21 shall not use a nongravity mechanical system that uses  
22 pumping equipment.

23 (2) If the open feedlot operation was constructed  
24 before July 1, 2005, the operation may continue to use  
25 its existing nongravity mechanical system that uses  
26 pumping equipment or it may construct a new nongravity  
27 mechanical system that uses pumping equipment.  
28 However, an open feedlot operation that expands the  
29 area of its open feedlot on or after April 1, 2011,  
30 shall not use a nongravity mechanical system that uses  
31 pumping equipment.

32 3. Drainage tile lines may be installed to  
33 artificially lower the seasonal high-water table at  
34 a settled open feedlot effluent basin or an unformed  
35 animal truck wash effluent structure, if all of the  
36 following conditions are satisfied:

37 a. A device to allow monitoring of the water in the  
38 drainage tile lines and a device to allow shutoff of  
39 the flow in the drainage tile lines are installed, if  
40 the drainage tile lines do not have a surface outlet  
41 accessible on the property where the basin or unformed  
42 structure is located.

43 b. Drainage tile lines are installed horizontally  
44 at least twenty-five feet away from the basin or  
45 unformed structure. Drainage tile lines shall be  
46 placed in a vertical trench and encased in granular  
47 material which extends upward to the level of the  
48 seasonal high-water table.

49 4. A settled open feedlot effluent basin or an  
50 unformed animal truck wash effluent structure shall

1 be constructed with at least four feet between the  
2 bottom of the basin or unformed structure and a bedrock  
3 formation.

4 5. A settled open feedlot effluent basin or  
5 an unformed animal truck wash effluent structure  
6 constructed on a floodplain or within a floodway of a  
7 river or stream shall comply with rules adopted by the  
8 commission.

9 Sec. 101. Section 459A.302, subsection 6,  
10 unnumbered paragraph 1, Code 2015, as amended by 2015  
11 Iowa Acts, House File 583, section 35, is amended to  
12 read as follows:

13 The liner of a settled open feedlot effluent basin  
14 or unformed animal truck wash effluent structure shall  
15 comply with all of the following:

16 Sec. 102. Section 459A.302, subsection 7, Code  
17 2015, as amended by 2015 Iowa Acts, House File 583,  
18 section 36, is amended to read as follows:

19 7. The owner of an open feedlot operation using  
20 a settled open feedlot effluent basin or animal truck  
21 wash facility using an unformed animal truck wash  
22 effluent structure shall inspect the berms of the  
23 basin or unformed structure at least semiannually for  
24 evidence of erosion. If the inspection reveals erosion  
25 which may impact the basin's or unformed structure's  
26 structural stability or the integrity of the basin's  
27 or unformed structure's liner, the owner shall repair  
28 the berms.

29 Sec. 103. Section 459A.404, subsection 1, as  
30 enacted by 2015 Iowa Acts, House File 583, section 41,  
31 is amended by adding the following new paragraph:

32 NEW PARAGRAPH. *0e.* Paragraph "a" or "b" does not  
33 apply to a small animal truck wash facility.

#### 34 DIVISION IX

#### 35 COUNTY COURTHOUSES

36 Sec. 104. Section 602.6105, subsection 2, Code  
37 2015, is amended to read as follows:

38 2. In any county having two county seats,  
39 court shall be held at each, ~~and, in the county of~~  
40 ~~Pottawattamie, court shall be held at Avoca, as well as~~  
41 ~~at the county seat.~~

42 Sec. 105. REPEAL. 1884 Iowa Acts, chapter 198, is  
43 repealed.

#### 44 DIVISION X

#### 45 IOWA EDUCATION SAVINGS PLAN TRUST

46 Sec. 106. Section 422.7, subsection 32, paragraph  
47 a, Code 2015, is amended to read as follows:

48 a. Subtract the maximum contribution that may be  
49 deducted for Iowa income tax purposes as a participant  
50 in the Iowa educational savings plan trust pursuant

1 to section 12D.3, subsection 1, paragraph "a". For  
2 purposes of this paragraph, a participant who makes  
3 a contribution on or before the date prescribed in  
4 section 422.21 for making and filing an individual  
5 income tax return, excluding extensions, may elect to  
6 be deemed to have made the contribution on the last  
7 day of the preceding calendar year. The director,  
8 after consultation with the treasurer of state, shall  
9 prescribe by rule the manner and method by which a  
10 participant may make an election authorized by the  
11 preceding sentence.

12 Sec. 107. RETROACTIVE APPLICABILITY. This division  
13 of this Act applies retroactively to January 1, 2015,  
14 for tax years beginning on or after that date.

#### 15 DIVISION XI

#### 16 TECHNOLOGY REINVESTMENT FUND

17 Sec. 108. TECHNOLOGY REINVESTMENT FUND —  
18 APPROPRIATIONS. There is appropriated from the  
19 technology reinvestment fund created in section 8.57C  
20 to the following entities for the fiscal year beginning  
21 July 1, 2015, and ending June 30, 2016, the following  
22 amounts, or so much thereof as is necessary, to be used  
23 for the purposes designated:

#### 24 1. SECRETARY OF STATE

25 a. For the updating and upgrading capabilities of  
26 aging voter registration systems and business services  
27 data systems to meet current and future expectations of  
28 open and transparent elections:

29 ..... \$ 450,000

30 b. For data processing services to support voter  
31 registration file maintenance and storage:

32 ..... \$ 234,000

#### 33 2. DEPARTMENT OF EDUCATION

34 a. For the continued development and implementation  
35 of an educational data warehouse that will be utilized  
36 by teachers, parents, school district administrators,  
37 area education agency staff, department of education  
38 staff, and policymakers:

39 ..... \$ 600,000

40 The department may use a portion of the moneys  
41 appropriated in this lettered paragraph for an  
42 e-transcript data system capable of tracking students  
43 throughout their education via interconnectivity with  
44 multiple schools.

45 b. For maintenance and lease costs associated with  
46 connections for part III of the Iowa communications  
47 network:

48 ..... \$ 2,727,000

#### 49 3. IOWA TELECOMMUNICATIONS AND TECHNOLOGY 50 COMMISSION

1 For replacement of equipment for the Iowa  
2 communications network:  
3 ..... \$ 2,248,653  
4 The commission may continue to enter into contracts  
5 pursuant to section 8D.13 for the replacement of  
6 equipment and for operations and maintenance costs of  
7 the network.  
8 In addition to moneys appropriated in this  
9 subsection, the commission may use a financing  
10 agreement entered into by the treasurer of state in  
11 accordance with section 12.28 for the replacement  
12 of equipment for the network. For purposes of this  
13 subsection, the treasurer of state is not subject to  
14 the maximum principal limitation contained in section  
15 12.28, subsection 6. Repayment of any amounts financed  
16 shall be made from receipts associated with fees  
17 charged for use of the network.  
18 4. DEPARTMENT OF HUMAN RIGHTS  
19 For the costs associated with the justice enterprise  
20 data warehouse:  
21 ..... \$ 159,474  
22 5. DEPARTMENT OF MANAGEMENT  
23 a. For the continued development and implementation  
24 of a searchable database that can be placed on the  
25 internet for budget and financial information:  
26 ..... \$ 45,000  
27 b. For completion of the comprehensive electronic  
28 grant management system:  
29 ..... \$ 50,000  
30 6. DEPARTMENT OF PUBLIC HEALTH  
31 a. For the costs associated with the review of all  
32 department of public health databases applications and  
33 systems in use to identify efficiencies:  
34 ..... \$ 400,000  
35 b. For acquisition of software relating to  
36 the licensure and regulation of the practice of  
37 polysomnography:  
38 ..... \$ 36,000  
39 7. DEPARTMENT OF PUBLIC SAFETY  
40 For the provision of the purchase of compatible  
41 radio communications equipment with the goal of  
42 achieving compliance with the federal communications  
43 commission's narrowband mandate deadline:  
44 ..... \$ 1,874,000  
45 8. DEPARTMENT OF HOMELAND SECURITY AND EMERGENCY  
46 MANAGEMENT  
47 For the implementation of a statewide mass  
48 notification and emergency messaging system:  
49 ..... \$ 400,000  
50 Sec. 109. REVERSION. For purposes of section 8.33,

1 unless specifically provided otherwise, unencumbered  
2 or unobligated moneys made from an appropriation in  
3 this division of this Act shall not revert but shall  
4 remain available for expenditure for the purposes  
5 designated until the close of the fiscal year that ends  
6 three years after the end of the fiscal year for which  
7 the appropriation is made. However, if the project  
8 or projects for which such appropriation was made are  
9 completed in an earlier fiscal year, unencumbered or  
10 unobligated moneys shall revert at the close of that  
11 same fiscal year.

#### 12 DIVISION XII

##### 13 RADIO COMMUNICATIONS UPGRADE

14 Sec. 110. MORTGAGE SERVICING SETTLEMENT FUND —  
15 DEPARTMENT OF PUBLIC SAFETY.

16 1. There is transferred from the mortgage servicing  
17 settlement fund created in 2012 Iowa Acts, chapter  
18 1138, section 7, subsection 1, to the department of  
19 public safety for the fiscal year beginning July 1,  
20 2014, and ending June 30, 2015, the amount of \$626,000  
21 for the provision of the purchase of compatible radio  
22 communications equipment with the goal of achieving  
23 compliance with the federal communications commission's  
24 narrowband mandate deadline.

25 2. Notwithstanding section 8.33, moneys  
26 appropriated in this section that remain unencumbered  
27 or unobligated at the close of the fiscal year shall  
28 not revert but shall remain available for expenditure  
29 for the purposes designated until the close of the  
30 succeeding fiscal year.

31 Sec. 111. EFFECTIVE UPON ENACTMENT. This division  
32 of this Act, being deemed of immediate importance,  
33 takes effect upon enactment.

#### 34 DIVISION XIII

##### 35 FIREARMS

36 Sec. 112. Section 724.1, subsection 1, paragraph h,  
37 Code 2015, is amended by striking the paragraph.

38 Sec. 113. NEW SECTION. 724.1A Firearm suppressors  
39 — certification.

40 1. As used in this section, unless the context  
41 otherwise requires:

42 a. "*Certification*" means the participation and  
43 assent of the chief law enforcement officer of the  
44 jurisdiction where the applicant resides or maintains  
45 an address of record, that is necessary under federal  
46 law for the approval of an application to make or  
47 transfer a firearm suppressor.

48 b. "*Chief law enforcement officer*" means the county  
49 sheriff, chief of police, or the designee of such  
50 official, that the federal bureau of alcohol, tobacco,

1 firearms and explosives, or any successor agency, has  
2 identified by regulation or has determined is otherwise  
3 eligible to provide any required certification for  
4 making or transferring a firearm suppressor.

5 *c. "Firearm suppressor"* means a mechanical device  
6 specifically constructed and designed so that when  
7 attached to a firearm silences, muffles, or suppresses  
8 the sound when fired that is considered a "*firearm*  
9 *silencer*" or "*firearm muffler*" as defined in 18 U.S.C.  
10 §921.

11 2. *a.* A chief law enforcement officer is not  
12 required to make any certification under this section  
13 the chief law enforcement officer knows to be false,  
14 but the chief law enforcement officer shall not  
15 refuse, based on a generalized objection, to issue a  
16 certification to make or transfer a firearm suppressor.

17 *b.* When the certification of the chief law  
18 enforcement officer is required by federal law or  
19 regulation for making or transferring a firearm  
20 suppressor, the chief law enforcement officer  
21 shall, within thirty days of receipt of a request  
22 for certification, issue such certification if the  
23 applicant is not prohibited by law from making or  
24 transferring a firearm suppressor or is not the subject  
25 of a proceeding that could result in the applicant  
26 being prohibited by law from making or transferring  
27 the firearm suppressor. If the chief law enforcement  
28 officer does not issue a certification as required by  
29 this section, the chief law enforcement officer shall  
30 provide the applicant with a written notification of  
31 the denial and the reason for the denial.

32 *c.* A certification that has been approved under  
33 this section grants the person the authority to make  
34 or transfer a firearm suppressor as provided by state  
35 and federal law.

36 3. An applicant whose request for certification  
37 is denied may appeal the decision of the chief law  
38 enforcement officer to the district court for the  
39 county in which the applicant resides or maintains  
40 an address of record. The court shall review the  
41 decision of the chief law enforcement officer to deny  
42 the certification de novo. If the court finds that  
43 the applicant is not prohibited by law from making  
44 or transferring the firearm suppressor, or is not the  
45 subject of a proceeding that could result in such  
46 prohibition, or that no substantial evidence supports  
47 the decision of the chief law enforcement officer, the  
48 court shall order the chief law enforcement officer  
49 to issue the certification and award court costs and  
50 reasonable attorney fees to the applicant. If the

1 court determines the applicant is not eligible to be  
2 issued a certification, the court shall award court  
3 costs and reasonable attorney fees to the political  
4 subdivision of the state representing the chief law  
5 enforcement officer.

6 4. In making a determination about whether to  
7 issue a certification under subsection 2, a chief law  
8 enforcement officer may conduct a criminal background  
9 check, including an inquiry of the national instant  
10 criminal background check system maintained by the  
11 federal bureau of investigation or any successor  
12 agency, but shall only require the applicant provide  
13 as much information as is necessary to identify  
14 the applicant for this purpose or to determine the  
15 disposition of an arrest or proceeding relevant to the  
16 eligibility of the applicant to lawfully possess or  
17 receive a firearm suppressor. A chief law enforcement  
18 officer shall not require access to or consent  
19 to inspect any private premises as a condition of  
20 providing a certification under this section.

21 5. A chief law enforcement officer and employees  
22 of the chief law enforcement officer who act in good  
23 faith are immune from liability arising from any act or  
24 omission in making a certification as required by this  
25 section.

26 Sec. 114. NEW SECTION. 724.1B Firearm suppressors  
27 — penalty.

28 1. A person shall not possess a firearm suppressor  
29 in this state if such possession is knowingly in  
30 violation of federal law.

31 2. A person who possesses a firearm suppressor in  
32 violation of subsection 1 commits a class "D" felony.

33 Sec. 115. Section 724.4, subsection 4, paragraph i,  
34 Code 2015, is amended to read as follows:

35 i. (1) A person who has in the person's immediate  
36 possession and who displays to a peace officer on  
37 demand a valid permit to carry weapons which has been  
38 issued to the person, and whose conduct is within the  
39 limits of that permit. A peace officer shall verify  
40 through electronic means, if possible, the validity of  
41 the person's permit to carry weapons.

42 (2) A person commits a simple misdemeanor  
43 punishable as a scheduled violation pursuant to section  
44 805.8C, subsection 11, if the person does not have in  
45 the person's immediate possession a valid permit to  
46 carry weapons which has been issued to the person.

47 (3) Except as provided subparagraph (2), a  
48 person shall not be convicted of a violation of this  
49 section if the person produces at the person's trial a  
50 permit to carry weapons which was valid at the time of



1 the alleged offense and which would have brought the  
2 person's conduct within this exception if the permit  
3 had been produced at the time of the alleged offense.  
4 Sec. 116. Section 724.4B, subsection 2, paragraph  
5 a, Code 2015, is amended to read as follows:  
6 a. A person listed under section 724.4, subsection  
7 4, paragraphs "b" through "f" or "j", or a certified  
8 peace officer as specified in section 724.6, subsection  
9 1.  
10 Sec. 117. Section 724.5, Code 2015, is amended to  
11 read as follows:  
12 **724.5 Duty to carry or verify permit to carry**  
13 **weapons.**  
14 1. A person armed with a revolver, pistol, or  
15 pocket billy concealed upon the person shall have in  
16 the person's immediate possession the permit provided  
17 for in section 724.4, subsection 4, paragraph "i", and  
18 shall produce the permit for inspection at the request  
19 of a peace officer.  
20 2. A peace officer shall verify through electronic  
21 means, if possible, the validity of the person's permit  
22 to carry weapons.  
23 3. Failure to so produce a permit is a simple  
24 misdemeanor, punishable as a scheduled violation  
25 pursuant to section 805.8C, subsection 12.  
26 Sec. 118. Section 724.6, subsection 1, Code 2015,  
27 is amended to read as follows:  
28 1. A person may be issued a permit to carry weapons  
29 when the person's employment in a private investigation  
30 business or private security business licensed under  
31 chapter 80A, or a person's employment as a peace  
32 officer, correctional officer, security guard, bank  
33 messenger or other person transporting property of a  
34 value requiring security, or in police work, reasonably  
35 justifies that person going armed. The permit shall be  
36 on a form prescribed and published by the commissioner  
37 of public safety, shall identify the holder, and  
38 shall state the nature of the employment requiring the  
39 holder to go armed. A permit so issued, other than to  
40 a peace officer, shall authorize the person to whom  
41 it is issued to go armed anywhere in the state, only  
42 while engaged in the employment, and while going to and  
43 from the place of the employment. A permit issued to  
44 a certified peace officer shall authorize that peace  
45 officer to go armed anywhere in the state, including  
46 a school as provided in section 724.4B, at all times.  
47 Permits shall expire twelve months after the date when  
48 issued except that permits issued to peace officers and  
49 correctional officers are valid through the officer's  
50 period of employment unless otherwise canceled. When

1 the employment is terminated, the holder of the  
2 permit shall surrender it to the issuing officer for  
3 cancellation.

4 Sec. 119. Section 724.7, subsection 1, Code 2015,  
5 is amended to read as follows:

6 1. Any person who is not disqualified under  
7 section 724.8, who satisfies the training requirements  
8 of section 724.9, if applicable, and who files an  
9 application in accordance with section 724.10 shall be  
10 issued a nonprofessional permit to carry weapons. Such  
11 permits shall be on a form prescribed and published  
12 by the commissioner of public safety, which shall be  
13 readily distinguishable from the professional permit,  
14 and shall identify the holder of the permit. Such  
15 permits shall not be issued for a particular weapon  
16 and shall not contain information about a particular  
17 weapon including the make, model, or serial number of  
18 the weapon or any ammunition used in that weapon. All  
19 permits so issued shall be for a period of five years  
20 and shall be valid throughout the state except where  
21 the possession or carrying of a firearm is prohibited  
22 by state or federal law.

23 Sec. 120. Section 724.9, Code 2015, is amended by  
24 adding the following new subsection:

25 NEW SUBSECTION. 1A. The handgun safety training  
26 course required in subsection 1 may be conducted  
27 over the internet in a live or web-based format, if  
28 completion of the course is verified by the instructor  
29 or provider of the course.

30 Sec. 121. Section 724.11, subsections 1 and 3, Code  
31 2015, are amended to read as follows:

32 1. a. Applications for permits to carry weapons  
33 shall be made to the sheriff of the county in which  
34 the applicant resides. Applications for professional  
35 permits to carry weapons for persons who are  
36 nonresidents of the state, or whose need to go armed  
37 arises out of employment by the state, shall be made  
38 to the commissioner of public safety. In either case,  
39 the sheriff or commissioner, before issuing the permit,  
40 shall determine that the requirements of sections 724.6  
41 to 724.10 have been satisfied. ~~However, for renewal of~~  
42 ~~a permit~~ the training program requirements in section  
43 724.9, subsection 1, do not apply to an applicant  
44 who is able to demonstrate completion of small arms  
45 training as specified in section 724.9, subsection 1,  
46 paragraph "d". For all other applicants the training  
47 program requirements of section 724.9, subsection 1,  
48 must be satisfied within the twenty-four-month period  
49 prior to the date of the application for the issuance  
50 of a permit.

1     b. (1) Prior to issuing a renewal, the sheriff  
2 or commissioner shall determine the requirements of  
3 sections 724.6, 724.7, 724.8, and 724.10 and either of  
4 the following, as applicable, have been satisfied:

5     (a) Beginning with the first renewal of a permit  
6 issued after the calendar year 2010, and alternating  
7 renewals thereafter, if a renewal applicant applies  
8 within thirty days prior to the expiration of the  
9 permit or within thirty days after expiration of the  
10 permit, the training program requirements of section  
11 724.9, subsection 1, do not apply.

12     (b) Beginning with the second renewal of a permit  
13 issued after the calendar year 2010, and alternating  
14 renewals thereafter, if a renewal applicant applies  
15 within thirty days prior to the expiration of the  
16 permit or within thirty days after expiration of the  
17 permit, a renewal applicant shall qualify for renewal  
18 by taking an online training course certified by the  
19 national rifle association or the Iowa law enforcement  
20 academy, and the training program requirements of  
21 section 724.9, subsection 1, do not apply.

22     (2) If any renewal applicant applies more than  
23 thirty days after the expiration of the permit, the  
24 permit requirements of paragraph "a" apply to the  
25 applicant, and any subsequent renewal of this permit  
26 shall be considered a first renewal for purposes  
27 of subparagraph (1). However, the training program  
28 requirements of section 724.9, subsection 1, do not  
29 apply to an applicant who is able to demonstrate  
30 completion of small arms training as specified in  
31 section 724.9, subsection 1, paragraph "d". For all  
32 other applicants, in lieu of the training program  
33 requirements of section 724.9, subsection 1, the  
34 renewal applicant may choose to qualify on a firing  
35 range under the supervision of an instructor certified  
36 by the national rifle association or the department of  
37 public safety or another state's department of public  
38 safety, state police department, or similar certifying  
39 body.

40     (3) As an alternative to subparagraph (1), and if  
41 the requirements of sections 724.6, 724.7, 724.8, and  
42 724.10 have been satisfied, a renewal applicant may  
43 choose to qualify, at any renewal, under the training  
44 program requirements in section 724.9, subsection 1,  
45 shall apply or the renewal applicant may choose to  
46 qualify on a firing range under the supervision of an  
47 instructor certified by the national rifle association  
48 or the department of public safety or another  
49 state's department of public safety, state police  
50 department, or similar certifying body. Such training

1 or qualification must occur within the ~~twelve-month~~  
2 ~~twenty-four-month~~ period prior to the expiration  
3 of the applicant's current permit, except that the  
4 ~~twenty-four-month~~ time period limitation for training  
5 or qualification does not apply to an applicant who is  
6 able to demonstrate completion of small arms training  
7 as specified in section 724.9, subsection 1, paragraph  
8 "d".

9 3. The issuing officer shall collect a fee of fifty  
10 dollars, except from a duly appointed peace officer or  
11 correctional officer, for each permit issued. Renewal  
12 permits or duplicate permits shall be issued for a fee  
13 of twenty-five dollars, provided the application for  
14 such renewal permit is received by the issuing officer  
15 at least within thirty days prior to the expiration  
16 of the applicant's current permit or within thirty  
17 days after such expiration. The issuing officer  
18 shall notify the commissioner of public safety of the  
19 issuance of any permit at least monthly and forward to  
20 the commissioner an amount equal to ten dollars for  
21 each permit issued and five dollars for each renewal  
22 or duplicate permit issued. All such fees received  
23 by the commissioner shall be paid to the treasurer  
24 of state and deposited in the operating account of  
25 the department of public safety to offset the cost of  
26 administering this chapter. Notwithstanding section  
27 8.33, any unspent balance as of June 30 of each year  
28 shall not revert to the general fund of the state.

29 Sec. 122. Section 724.11, Code 2015, is amended by  
30 adding the following new subsection:

31 **NEW SUBSECTION. 5.** The initial or renewal permit  
32 shall have a uniform appearance, size, and content  
33 prescribed and published by the commissioner of public  
34 safety. The permit shall contain the name of the  
35 permittee and the effective date of the permit, but  
36 shall not contain the permittee's social security  
37 number. Such a permit shall not be issued for a  
38 particular weapon and shall not contain information  
39 about a particular weapon including the make, model,  
40 or serial number of the weapon, or any ammunition used  
41 in that weapon.

42 Sec. 123. Section 724.11A, Code 2015, is amended to  
43 read as follows:

44 **724.11A Recognition.**

45 A valid permit or license issued by another state to  
46 any nonresident of this state shall be considered to  
47 be a valid permit or license to carry weapons issued  
48 pursuant to this chapter, except that such permit or  
49 license shall not be considered to be a substitute for  
50 ~~an annual~~ a permit to acquire ~~pistols or revolvers~~

1 issued pursuant to ~~section 724.15~~ this chapter.  
2 Sec. 124. Section 724.15, subsections 1, 2, and 3,  
3 Code 2015, are amended to read as follows:  
4 1. Any person who desires to acquire ownership of  
5 any pistol or revolver shall first obtain ~~an annual~~  
6 a permit. ~~An annual~~ A permit shall be issued upon  
7 request to any resident of this state unless the person  
8 is subject to any of the following:  
9 a. Is less than twenty-one years of age.  
10 b. Is subject to the provisions of section 724.26.  
11 c. Is prohibited by federal law from shipping,  
12 transporting, possessing, or receiving a firearm.  
13 2. Any person who acquires ownership of a pistol or  
14 revolver shall not be required to obtain ~~an annual~~ a  
15 permit if any of the following apply:  
16 a. The person transferring the pistol or revolver  
17 and the person acquiring the pistol or revolver are  
18 licensed firearms dealers under federal law.  
19 b. The pistol or revolver acquired is an antique  
20 firearm, a collector's item, a device which is not  
21 designed or redesigned for use as a weapon, a device  
22 which is designed solely for use as a signaling,  
23 pyrotechnic, line-throwing, safety, or similar device,  
24 or a firearm which is unserviceable by reason of being  
25 unable to discharge a shot by means of an explosive  
26 and is incapable of being readily restored to a firing  
27 condition.  
28 c. The person acquiring the pistol or revolver is  
29 authorized to do so on behalf of a law enforcement  
30 agency.  
31 d. The person has obtained a valid permit to carry  
32 weapons, as provided in section 724.11.  
33 e. The person transferring the pistol or revolver  
34 and the person acquiring the pistol or revolver  
35 are related to one another within the second degree  
36 of consanguinity or affinity unless the person  
37 transferring the pistol or revolver knows that the  
38 person acquiring the pistol or revolver would be  
39 disqualified from obtaining a permit.  
40 3. The ~~annual~~ permit to acquire pistols or  
41 revolvers shall authorize the permit holder to acquire  
42 one or more pistols or revolvers during the period  
43 that the permit remains valid. If the issuing officer  
44 determines that the applicant has become disqualified  
45 under the provisions of subsection 1, the issuing  
46 officer may immediately revoke the permit and shall  
47 provide a written statement of the reasons for  
48 revocation, and the applicant shall have the right to  
49 appeal the revocation as provided in section 724.21A.  
50 Sec. 125. Section 724.16, Code 2015, is amended to

1 read as follows:

2 **724.16 ~~Annual permit~~ Permit to acquire required —**  
3 **transfer prohibited.**

4 1. Except as otherwise provided in section 724.15,  
5 subsection 2, a person who acquires ownership of a  
6 pistol or revolver without a valid ~~annual~~ permit to  
7 acquire pistols or revolvers or a person who transfers  
8 ownership of a pistol or revolver to a person who does  
9 not have in the person's possession a valid ~~annual~~  
10 permit to acquire pistols or revolvers is guilty of an  
11 aggravated misdemeanor.

12 2. A person who transfers ownership of a pistol  
13 or revolver to a person that the transferor knows is  
14 prohibited by section 724.15 from acquiring ownership  
15 of a pistol or revolver commits a class "D" felony.

16 Sec. 126. Section 724.17, Code 2015, is amended to  
17 read as follows:

18 **724.17 Application for ~~annual~~ permit to acquire —**  
19 **criminal history check required.**

20 1. The application for an ~~annual~~ a permit to  
21 acquire pistols or revolvers may be made to the sheriff  
22 of the county of the applicant's residence and shall be  
23 on a form prescribed and published by the commissioner  
24 of public safety.

25 a. ~~The~~ If an applicant is a United States citizen,  
26 the application shall require only the full name of  
27 the applicant, the driver's license or nonoperator's  
28 identification card number of the applicant, the  
29 residence of the applicant, and the date and place of  
30 birth of the applicant.

31 b. If the applicant is not a United States citizen,  
32 the application shall, in addition to the information  
33 specified in paragraph "a", require the applicant's  
34 country of citizenship, any alien or admission  
35 number issued by the United States immigration and  
36 customs enforcement or any successor agency, and,  
37 if applicable, the basis for any exception claimed  
38 pursuant to 18 U.S.C. §922(y).

39 c. The applicant shall also display an  
40 identification card that bears a distinguishing number  
41 assigned to the cardholder, the full name, date of  
42 birth, sex, residence address, and brief description  
43 and colored photograph of the cardholder, or other  
44 identification as specified by rule of the department  
45 of public safety.

46 2. The sheriff shall conduct a criminal history  
47 check concerning each applicant by obtaining criminal  
48 history data from the department of public safety  
49 which shall include an inquiry of the national instant  
50 criminal background check system maintained by the

1 federal bureau of investigation or any successor agency  
2 and an immigration alien query through a database  
3 maintained by the United States immigration and customs  
4 enforcement or any successor agency if the applicant is  
5 not a United States citizen.

6 3. A person who makes what the person knows to be  
7 a false statement of material fact on an application  
8 submitted under this section or who submits what the  
9 person knows to be any materially falsified or forged  
10 documentation in connection with such an application  
11 commits a class "D" felony.

12 Sec. 127. Section 724.18, Code 2015, is amended to  
13 read as follows:

14 **724.18 Procedure for making application for annual**  
15 **permit to acquire.**

16 A person may personally request the sheriff to  
17 mail an application for an annual a permit to acquire  
18 pistols or revolvers, and the sheriff shall immediately  
19 forward to such person an application for an annual  
20 a permit to acquire pistols or revolvers. A person  
21 shall upon completion of the application personally  
22 deliver file such application to with the sheriff who  
23 shall note the period of validity on the application  
24 and shall immediately issue the annual permit to  
25 acquire pistols or revolvers to the applicant. For the  
26 purposes of this section the date of application shall  
27 be the date on which the sheriff received the completed  
28 application.

29 Sec. 128. Section 724.19, Code 2015, is amended to  
30 read as follows:

31 **724.19 Issuance of annual permit to acquire.**

32 The annual permit to acquire pistols or revolvers  
33 shall be issued to the applicant immediately upon  
34 completion of the application unless the applicant is  
35 disqualified under the provisions of section 724.15 and  
36 or 724.17. The permit shall be on a form have a  
37 uniform appearance, size, and content prescribed and  
38 published by the commissioner of public safety. The  
39 permit shall contain the name of the permittee, the  
40 residence of the permittee, and the effective date  
41 of the permit, but shall not contain the permittee's  
42 social security number. Such a permit shall not be  
43 issued for a particular pistol or revolver and shall  
44 not contain information about a particular pistol or  
45 revolver including the make, model, or serial number of  
46 the pistol or revolver, or any ammunition used in such  
47 a pistol or revolver.

48 Sec. 129. Section 724.20, Code 2015, is amended to  
49 read as follows:

50 **724.20 Validity of annual permit to acquire pistols**

1 or revolvers.

2 The permit shall be valid throughout the state and  
3 shall be valid three days after the date of application  
4 and shall be invalid ~~one-year~~ five years after the date  
5 of application.

6 Sec. 130. Section 724.21A, subsections 1 and 7,  
7 Code 2015, are amended to read as follows:

8 1. In any case where the sheriff or the  
9 commissioner of public safety denies an application  
10 for or suspends or revokes a permit to carry weapons  
11 or ~~an annual~~ a permit to acquire pistols or revolvers,  
12 the sheriff or commissioner shall provide a written  
13 statement of the reasons for the denial, suspension,  
14 or revocation and the applicant or permit holder  
15 shall have the right to appeal the denial, suspension,  
16 or revocation to an administrative law judge in the  
17 department of inspections and appeals within thirty  
18 days of receiving written notice of the denial,  
19 suspension, or revocation.

20 7. In any case where the issuing officer denies an  
21 application for, or suspends or revokes a permit to  
22 carry weapons or ~~an annual~~ a permit to acquire pistols  
23 or revolvers solely because of an adverse determination  
24 by the national instant criminal background check  
25 system, the applicant or permit holder shall not seek  
26 relief under this section but may pursue relief of  
27 the national instant criminal background check system  
28 determination pursuant to Pub. L. No. 103-159, sections  
29 103(f) and (g) and 104 and 28 C.F.R. §25.10, or other  
30 applicable law. The outcome of such proceedings shall  
31 be binding on the issuing officer.

32 Sec. 131. Section 724.21A, Code 2015, is amended by  
33 adding the following new subsection:

34 NEW SUBSECTION. 8. If an applicant appeals the  
35 decision by the sheriff or commissioner to deny an  
36 application, or suspend or revoke a permit to carry  
37 weapons or a permit to acquire, and it is later  
38 determined the applicant is eligible to be issued or  
39 possess such a permit, the applicant shall be awarded  
40 court costs and reasonable attorney fees. If the  
41 decision of the sheriff or commission to deny the  
42 application, or suspend or revoke the permit is upheld  
43 on appeal, the political subdivision of the state  
44 representing the sheriff or the commissioner shall be  
45 awarded court costs and reasonable attorney fees.

46 Sec. 132. Section 724.22, subsection 5, Code 2015,  
47 is amended to read as follows:

48 5. A parent or guardian or spouse who is twenty-one  
49 years of age or older, of a person ~~fourteen years of~~  
50 ~~age but less than~~ below the age of twenty-one may



1 allow the person to possess a pistol or revolver or  
2 the ammunition therefor for any lawful purpose while  
3 under the direct supervision of the parent or guardian  
4 or spouse who is twenty-one years of age or older, or  
5 while the person receives instruction in the proper use  
6 thereof from an instructor twenty-one years of age or  
7 older, with the consent of such parent, guardian or  
8 spouse.

9 Sec. 133. Section 724.23, Code 2015, is amended to  
10 read as follows:

11 **724.23 Records kept by commissioner and issuing**  
12 **officers.**

13 1. a. The commissioner of public safety shall  
14 maintain a permanent record of all valid permits to  
15 carry weapons and of current permit revocations.

16 b. The permanent record shall be kept in a  
17 searchable database that is accessible on a statewide  
18 basis for the circumstances described in subsection 2,  
19 paragraph "b", "c", "d", or "e".

20 2. a. Notwithstanding any other law or rule to  
21 the contrary, the commissioner of public safety and  
22 any issuing officer shall keep confidential personally  
23 identifiable information of holders of permits to  
24 carry weapons and permits to acquire, including but not  
25 limited to the name, social security number, date of  
26 birth, residential or business address, and driver's  
27 license or other identification number of the applicant  
28 or permit holder.

29 b. This subsection shall not prohibit the  
30 release of statistical information relating to the  
31 issuance, denial, revocation, or administration of  
32 nonprofessional permits to carry weapons and permits to  
33 acquire, provided that the release of such information  
34 does not reveal the identity of any individual permit  
35 holder.

36 c. This subsection shall not prohibit the release  
37 of information to any law enforcement agency or any  
38 employee or agent thereof when necessary for the  
39 purpose of investigating a possible violation of law  
40 and when probable cause exists, or to determine the  
41 validity of a permit, or for conducting a lawfully  
42 authorized background investigation.

43 d. This subsection shall not prohibit the  
44 release of information relating to the validity of a  
45 professional permit to carry weapons to an employer who  
46 requires an employee or an agent of the employer to  
47 possess a professional permit to carry weapons as part  
48 of the duties of the employee or agent.

49 e. (1) This subsection shall not prohibit the  
50 release of the information described in subparagraph

1 (3) to a member of the public if the person, in writing  
2 or in person, requests whether another person has a  
3 professional or nonprofessional permit to carry weapons  
4 or a permit to acquire. The request must include  
5 the name of the other person and at least one of the  
6 following identifiers pertaining to the other person:

- 7 (a) The date of birth of the person.
- 8 (b) The address of the person.
- 9 (c) The telephone number of the person, including  
10 any landline or wireless numbers.

11 (2) Prior to the release of information under this  
12 paragraph "e", the member of the public requesting the  
13 information shall provide the department of public  
14 safety or issuing officer with the name of the person  
15 requesting the information and the reason for the  
16 request in writing even if the person appears in person  
17 to request such information. The department or issuing  
18 officer shall keep a record of the person making the  
19 request and the reason for such a request.

20 (3) The information released by the department  
21 of public safety or issuing officer shall be limited  
22 to an acknowledgment as to whether or not the person  
23 currently possesses a valid permit to carry weapons or  
24 a permit to acquire, the date such permit was issued,  
25 and whether the person has ever possessed such a permit  
26 that has been revoked or has expired and the date the  
27 permit was revoked or expired. No other information  
28 shall be released under this paragraph "e".

29 f. Except as provided in paragraphs "b", "c", "d",  
30 or "e", the release of any confidential information  
31 under this section shall require a court order or the  
32 consent of the person whose personally identifiable  
33 information is the subject of the information request.

34 Sec. 134. Section 724.27, subsection 1, unnumbered  
35 paragraph 1, Code 2015, is amended to read as follows:

36 The provisions of section 724.8, section 724.15,  
37 subsection 1 2, and section 724.26 shall not apply to  
38 a person who is eligible to have the person's civil  
39 rights regarding firearms restored under section 914.7  
40 if any of the following occur:

41 Sec. 135. **NEW SECTION. 724.29A Fraudulent purchase**  
42 **of firearms or ammunition.**

43 1. For purposes of this section:

44 a. "Ammunition" means any cartridge, shell, or  
45 projectile designed for use in a firearm.

46 b. "Licensed firearms dealer" means a person who is  
47 licensed pursuant to 18 U.S.C. §923 to engage in the  
48 business of dealing in firearms.

49 c. "Materially false information" means information  
50 that portrays an illegal transaction as legal or a

1 legal transaction as illegal.

2 *d. "Private seller"* means a person who sells or  
3 offers for sale any firearm or ammunition.

4 2. A person who knowingly solicits, persuades,  
5 encourages, or entices a licensed firearms dealer or  
6 private seller of firearms or ammunition to transfer  
7 a firearm or ammunition under circumstances that the  
8 person knows would violate the laws of this state or of  
9 the United States commits a class "D" felony.

10 3. A person who knowingly provides materially  
11 false information to a licensed firearms dealer or  
12 private seller of firearms or ammunition with the  
13 intent to deceive the firearms dealer or seller about  
14 the legality of a transfer of a firearm or ammunition  
15 commits a class "D" felony.

16 4. Any person who willfully procures another to  
17 engage in conduct prohibited by this section shall be  
18 held accountable as a principal.

19 5. This section does not apply to a law enforcement  
20 officer acting in the officer's official capacity  
21 or to a person acting at the direction of such law  
22 enforcement officer.

23 Sec. 136. NEW SECTION. 724.32 Rules.

24 The department of public safety shall adopt rules  
25 pursuant to chapter 17A to administer this chapter.

26 Sec. 137. Section 805.8C, Code 2015, is amended by  
27 adding the following new subsections:

28 NEW SUBSECTION. 11. *Duty to possess permit to carry*  
29 *weapons.* For violations of section 724.4, subsection  
30 4, paragraph "i", subparagraph (2), the scheduled fine  
31 is ten dollars.

32 NEW SUBSECTION. 12. *Failure to produce permit to*  
33 *carry.* For violations of section 724.5, the scheduled  
34 fine is ten dollars.

35 Sec. 138. EFFECTIVE UPON ENACTMENT. The following  
36 provision or provisions of this division of this Act,  
37 being deemed of immediate importance, take effect upon  
38 enactment:

39 1. The section of this division amending section  
40 724.1, subsection 1, paragraph "h".

41 2. The section of this division enacting new  
42 section 724.1A.

43 3. The section of this division amending section  
44 724.22.

45 4. The section of this division amending section  
46 724.23, subsection 2.

47 5. The section of this division amending section  
48 724.29A.

49 6. The applicability section of this division.

50 Sec. 139. APPLICABILITY. The section of this

1 division of this Act amending section 724.23 applies  
2 to holders of nonprofessional permits to carry weapons  
3 and permits to acquire firearms and to applicants for  
4 nonprofessional permits to carry weapons and permits to  
5 acquire firearms on or after the effective date of that  
6 section of this division of this Act.

7 DIVISION XIV

8 STATUTE-OF-REPOSE

9 Sec. 140. Section 614.1, subsection 11, Code 2015,  
10 is amended to read as follows:

11 11. *Improvements to real property.*

12 *a. Residential construction.* In addition to  
13 limitations contained elsewhere in this section, an  
14 action arising out of the unsafe or defective condition  
15 of an improvement to ~~real property~~ residential  
16 construction based on tort and implied warranty and  
17 for contribution and indemnity, and founded on injury  
18 to property, real or personal, or injury to the person  
19 or wrongful death, shall not be brought more than  
20 fifteen years after the date on which occurred the act  
21 or omission of the defendant alleged in the action to  
22 have been the cause of the injury or death. However,  
23 this ~~subsection~~ paragraph does not bar an action  
24 against a person solely in the person's capacity as an  
25 owner, occupant, or operator of an improvement to real  
26 property.

27 *b. Nonresidential construction.* In addition to  
28 limitations contained elsewhere in this section, an  
29 action arising out of the unsafe or defective condition  
30 of an improvement to nonresidential construction based  
31 on tort and implied warranty and for contribution and  
32 indemnity, and founded on injury to property, real or  
33 personal, or injury to the person or wrongful death,  
34 shall not be brought more than ten years after the date  
35 on which occurred the act or omission of the defendant  
36 alleged in the action to have been the cause of the  
37 injury or death. However, this paragraph does not  
38 bar an action against a person solely in the person's  
39 capacity as an owner, occupant, or operator of an  
40 improvement to real property.

41 *c. Definitions.* For purposes of this subsection,  
42 "residential construction" means the same as defined  
43 in section 572.1. "Nonresidential construction"  
44 means all other construction that is not residential  
45 construction.

46 Sec. 141. APPLICABILITY. This division of this  
47 Act does not apply to residential-construction or  
48 nonresidential-construction projects in existence prior  
49 to the effective date of this division of this Act.

50 DIVISION XV

1 EDUCATION BUDGETING MATTERS

2 Sec. 142. Section 8.22A, subsection 2, Code 2015,  
3 is amended to read as follows:

4 2. The conference shall meet as often as deemed  
5 necessary, but shall meet at least three times per year  
6 with at least one meeting taking place each year in  
7 March. The conference may use sources of information  
8 deemed appropriate. At each meeting, the conference  
9 shall agree to estimates for the current fiscal year  
10 and the following fiscal year for the general fund  
11 of the state, lottery revenues to be available for  
12 disbursement, and from gambling revenues and from  
13 interest earned on the cash reserve fund and the  
14 economic emergency fund to be deposited in the rebuild  
15 Iowa infrastructure fund. At the meeting taking  
16 place each year in March, in addition to agreeing to  
17 estimates for the current fiscal year and the following  
18 fiscal year, the conference shall agree to estimates  
19 for the fiscal year beginning July 1 of the following  
20 calendar year. Only an estimate for the following  
21 fiscal year agreed to by the conference pursuant to  
22 subsection 3, 4, or 5, shall be used for purposes  
23 of calculating the state general fund expenditure  
24 limitation under section 8.54, and any other estimate  
25 agreed to shall be considered a preliminary estimate  
26 that shall not be used for purposes of calculating the  
27 state general fund expenditure limitation.

28 Sec. 143. Section 257.8, subsections 1 and 2, Code  
29 2015, are amended to read as follows:

30 1. *State percent of growth.*

31 a. The state percent of growth for the budget year  
32 beginning July 1, 2012, is two percent. The state  
33 percent of growth for the budget year beginning July  
34 1, 2013, is two percent. The state percent of growth  
35 for the budget year beginning July 1, 2014, is four  
36 percent.

37 b. (1) The state percent of growth for each  
38 subsequent budget year beginning before July 1, 2017,  
39 shall be established by statute which shall be enacted  
40 within thirty days of the submission in the year  
41 preceding the base year of the governor's budget under  
42 section 8.21.

43 (2) The state percent of growth for each subsequent  
44 budget year beginning on or after July 1, 2017, shall  
45 be established by statute which shall be enacted during  
46 the regular legislative session beginning in the same  
47 calendar year during which the base year begins.

48 c. The establishment of the state percent of growth  
49 for a budget year shall be the only subject matter of  
50 the bill which enacts the state percent of growth for a

1 budget year.

2 2. *Categorical state percent of growth.*

3 a. The categorical state percent of growth for the  
4 budget year beginning July 1, 2012, is two percent.  
5 The categorical state percent of growth for the budget  
6 year beginning July 1, 2013, is two percent. The  
7 categorical state percent of growth for the budget year  
8 beginning July 1, 2014, is four percent.

9 b. (1) The categorical state percent of growth  
10 for each subsequent budget year beginning before July  
11 1, 2017, shall be established by statute which shall  
12 be enacted within thirty days of the submission in the  
13 year preceding the base year of the governor's budget  
14 under section 8.21.

15 (2) The categorical state percent of growth for  
16 each subsequent budget year beginning on or after July  
17 1, 2017, shall be established by statute which shall  
18 be enacted during the regular legislative session  
19 beginning in the same calendar year during which the  
20 base year begins.

21 c. The establishment of the categorical state  
22 percent of growth for a budget year shall be the only  
23 subject matter of the bill which enacts the categorical  
24 state percent of growth for a budget year.

25 d. The categorical state percent of growth may  
26 include state percents of growth for the teacher salary  
27 supplement, the professional development supplement,  
28 the early intervention supplement, and the teacher  
29 leadership supplement.

#### 30 DIVISION XVI

#### 31 HEALTH CARRIER DISCLOSURES

32 Sec. 144. **NEW SECTION. 514K.2 Health carrier**  
33 **disclosures — public internet sites.**

34 1. A carrier that provides small group health  
35 coverage pursuant to chapter 513B or individual health  
36 coverage pursuant to chapter 513C and that offers  
37 for sale a policy, contract, or plan that covers the  
38 essential health benefits required pursuant to section  
39 1302 of the federal Patient Protection and Affordable  
40 Care Act, Pub. L. No. 111-148, and its implementing  
41 regulations, shall provide to each of its enrollees  
42 at the time of enrollment, and shall make available  
43 to prospective enrollees and enrollees, insurance  
44 producers licensed under chapter 522B, and the general  
45 public, on the carrier's internet site, all of the  
46 following information in a clear and understandable  
47 form for use in comparing policies, contracts, and  
48 plans, and coverage and premiums:

49 a. Any exclusions from coverage and any  
50 restrictions on the use or quantity of covered items

1 and services in each category of benefits, including  
2 prescription drugs and drugs administered by a  
3 physician or clinic.

4     *b.* Any items or services, including prescription  
5 drugs, that have a coinsurance requirement where the  
6 cost-sharing required depends on the cost of the item  
7 or service.

8     *c.* The specific prescription drugs available on  
9 the carrier's formulary, the specific prescription  
10 drugs covered when furnished by a physician or clinic,  
11 and any clinical prerequisites or prior authorization  
12 requirements for coverage of the drugs.

13     *d.* The specific types of specialists available  
14 in the carrier's network and the specific physicians  
15 included in the carrier's network.

16     *e.* The process for an enrollee to appeal a  
17 carrier's denial of coverage of an item or service  
18 prescribed or ordered by the enrollee's treating  
19 physician.

20     *f.* How medications will specifically be included  
21 in or excluded from the deductible, including a  
22 description of all out-of-pocket costs that may not  
23 apply to the deductible for a prescription drug.

24     2. The commissioner may adopt rules pursuant to  
25 chapter 17A to administer this section.

26     3. The commissioner may impose any of the sanctions  
27 provided under chapter 507B for a violation of this  
28 section.

29     Sec. 145. **NEW SECTION. 514K.3 Health care plan**  
30 **internal appeals process — disclosure requirements.**

31     1. A carrier that provides small group health  
32 coverage pursuant to chapter 513B or individual  
33 health coverage pursuant to chapter 513C through the  
34 issuance of nongrandfathered health plans as defined  
35 in section 1251 of the federal Patient Protection  
36 and Affordable Care Act, Pub. L. No. 111-148, and  
37 in 45 C.F.R. §147.140, shall implement and maintain  
38 procedures for carrying out an effective internal  
39 claims and appeals process that meets the requirements  
40 established pursuant to section 2719 of the federal  
41 Public Health Service Act, 42 U.S.C. §300gg-19, and 45  
42 C.F.R. §147.136. The procedures shall include but are  
43 not limited to all of the following:

44     *a.* Expedited notification to enrollees of benefit  
45 determinations involving urgent care.

46     *b.* Full and fair internal review of claims and  
47 appeals.

48     *c.* Avoidance of conflicts of interest.

49     *d.* Sufficient notice to enrollees, including a  
50 description of available internal claims and appeals

1 procedures, as well as information about how to  
2 initiate an appeal of a denial of coverage.  
3 2. a. A carrier that provides health coverage  
4 as described in subsection 1 shall maintain written  
5 records of all requests for internal claims and appeals  
6 that are received and for which internal review was  
7 performed during each calendar year. Such records  
8 shall be maintained for at least three years.  
9 b. A carrier that provides health coverage  
10 as described in subsection 1 shall submit to the  
11 commissioner, upon request, a report that includes all  
12 of the following:  
13 (1) The total number of requests for internal  
14 review of claims and appeals that are received by the  
15 carrier each year.  
16 (2) The average length of time for resolution of  
17 each request for internal review of a claim or appeal.  
18 (3) A summary of the types of coverage or cases  
19 for which internal review of a claim or appeal was  
20 requested.  
21 (4) Any other information required by the  
22 commissioner in a format specified by rule.  
23 3. A carrier that provides health coverage as  
24 described in subsection 1 shall make available to  
25 consumers written notice of the carrier's internal  
26 claims and appeals and internal review procedures  
27 and shall maintain a toll-free consumer-assistance  
28 telephone helpline that offers consumers assistance  
29 with the carrier's internal claims and appeals and  
30 internal review procedures, including how to initiate,  
31 complete, or submit a claim or appeal.  
32 4. The commissioner may adopt rules pursuant to  
33 chapter 17A to administer this section.  
34 Sec. 146. APPLICABILITY. This division of this Act  
35 is applicable to health insurance policies, contracts,  
36 or plans that are delivered, issued for delivery,  
37 continued, or renewed on or after January 1, 2016.

#### 38 DIVISION XVII

#### 39 PUBLIC IMPROVEMENT LOCATION AND UNUSED PORTION OF 40 CONDEMNED PROPERTY

41 Sec. 147. Section 6B.2C, Code 2015, is amended to  
42 read as follows:

#### 43 **6B.2C Approval of the public improvement.**

44 The authority to condemn is not conferred, and the  
45 condemnation proceedings shall not commence, unless  
46 the governing body for the acquiring agency approves  
47 a preliminary or final route or site location of  
48 the proposed public improvement, approves the use of  
49 condemnation, and finds that there is a reasonable  
50 expectation the applicant will be able to achieve its



1 public purpose, comply with all applicable standards,  
2 and obtain the necessary permits.

3 Sec. 148. Section 6B.56, subsection 1, Code 2015,  
4 is amended to read as follows:

5 1. If all or a portion of real property condemned  
6 pursuant to this chapter is not used for the purpose  
7 stated in the application filed pursuant to section  
8 6B.3 and the acquiring agency seeks to dispose of  
9 the unused real property, the acquiring agency shall  
10 first offer the unused real property for sale to the  
11 prior owner of the condemned property as provided in  
12 this section. If real property condemned pursuant to  
13 this chapter is used for the purpose stated in the  
14 application filed pursuant to section 6B.3 and the  
15 acquiring agency seeks to dispose of the real property  
16 by sale to a private person or entity within five years  
17 after acquisition of the property, the acquiring agency  
18 shall first offer the property for sale to the prior  
19 owner of the condemned property as provided in this  
20 section. For purposes of this section, the prior owner  
21 of the real property includes the successor in interest  
22 of the real property.

23 Sec. 149. Section 6B.56, subsection 2, paragraph a,  
24 Code 2015, is amended to read as follows:

25 a. Before the real property described in subsection  
26 1 may be offered for sale to the general public,  
27 the acquiring agency shall notify the prior owner  
28 of ~~the~~ such real property ~~condemned~~ in writing of  
29 the acquiring agency's intent to dispose of the real  
30 property, of the current appraised value of the real  
31 property to be offered for sale, and of the prior  
32 owner's right to purchase the real property to be  
33 offered for sale within sixty days from the date  
34 the notice is served at a price equal to the current  
35 appraised value of the real property to be offered for  
36 sale or the fair market value of the property to be  
37 offered for sale at the time it was acquired by the  
38 acquiring agency from the prior owner plus cleanup  
39 costs incurred by the acquiring agency for the property  
40 to be offered for sale, whichever is less. However,  
41 the current appraised value of the real property to be  
42 offered for sale shall be the purchase price to be paid  
43 by the previous owner if any other amount would result  
44 in a loss of federal funding for projects funded in  
45 whole or in part with federal funds. The notice sent  
46 by the acquiring agency as provided in this subsection  
47 shall be filed with the office of the recorder in the  
48 county in which the real property is located.

49 Sec. 150. Section 6B.56A, subsection 1, Code 2015,  
50 is amended to read as follows:

1 1. When five years have elapsed since property was  
2 condemned and all or a portion of the property has not  
3 been used for the purpose stated in the application  
4 filed pursuant to section 6B.3, and the acquiring  
5 agency has not taken action to dispose of the unused  
6 property pursuant to section 6B.56, the acquiring  
7 agency shall, within sixty days, adopt a resolution  
8 reaffirming the purpose for which the property will be  
9 used or offering the property for sale to the prior  
10 owner at a price as provided in section 6B.56. If the  
11 resolution adopted approves an offer of sale to the  
12 prior owner, the offer shall be made in writing and  
13 mailed by certified mail to the prior owner. The prior  
14 owner has one hundred eighty days after the offer is  
15 mailed to purchase the property from the acquiring  
16 agency.

17 Sec. 151. APPLICABILITY. The section of this  
18 division of this Act amending section 6B.2C applies to  
19 public improvement projects for which an application  
20 under section 6B.3 is filed on or after July 1, 2015.

21 Sec. 152. APPLICABILITY. The sections of this  
22 division of this Act amending sections 6B.56 and 6B.56A  
23 apply to public improvement projects for which an  
24 application under section 6B.3 is filed before, on, or  
25 after July 1, 2015.

#### 26 DIVISION XVIII

#### 27 CONDEMNATION FOR CREATION OF A LAKE — NUMBER OF ACRES

28 Sec. 153. Section 6A.22, subsection 2, paragraph c,  
29 subparagraph (1), subparagraph division (b), Code 2015,  
30 is amended to read as follows:

31 (b) (i) For purposes of this subparagraph (1),  
32 *"number of acres justified as necessary for a surface*  
33 *drinking water source"* means according to guidelines of  
34 the United States natural resource conservation service  
35 and according to analyses of surface drinking water  
36 capacity needs conducted by one or more registered  
37 professional engineers.

38 (ii) For condemnation proceedings for which the  
39 application pursuant to section 6B.3 was filed after  
40 January 1, 2013, for condemnation of property located  
41 in a county with a population of greater than nine  
42 thousand two hundred fifty but less than nine thousand  
43 three hundred, according to the 2010 federal decennial  
44 census, which property was in whole or in part subject  
45 to an action under section 6A.24 for which the petition  
46 under section 6A.24 was filed after January 1, 2013,  
47 but before January 1, 2014, *"number of acres justified*  
48 *as necessary for a surface drinking water source"*, as  
49 determined under subparagraph subdivision (i) shall  
50 not exceed the number of acres that would be necessary

1 to provide the amount of drinking water to meet the  
2 needs of a population equal to the population of the  
3 county where the lake is to be developed or created,  
4 according to the most recent federal decennial census.  
5 However, if the population of the county where the  
6 lake is to be developed or created increased from the  
7 federal decennial census immediately preceding the  
8 most recent federal decennial census, the "number of  
9 acres justified as necessary for a surface drinking  
10 water source" shall not exceed the number of acres that  
11 would be necessary to provide the amount of drinking  
12 water to meet the needs of a population equal to the  
13 product of one plus the percentage increase in the  
14 population of the county between the two most recent  
15 federal decennial censuses multiplied by the county's  
16 population according to the most recent federal  
17 decennial census.

18 Sec. 154. EFFECTIVE UPON ENACTMENT. This division  
19 of this Act, being deemed of immediate importance,  
20 takes effect upon enactment.

#### 21 DIVISION XIX

#### 22 CONDEMNATION FOR CREATION OF A LAKE — EXISTING SOURCES

23 Sec. 155. Section 6A.22, subsection 2, paragraph c,  
24 subparagraph (1), Code 2015, is amended by adding the  
25 following new subparagraph division:

26 NEW SUBPARAGRAPH DIVISION. (0b) For condemnation  
27 of property located in a county with a population  
28 of greater than nine thousand two hundred fifty but  
29 less than nine thousand three hundred, according to  
30 the 2010 federal decennial census, prior to making  
31 a determination that development or creation of a  
32 lake as a surface drinking water source is reasonable  
33 and necessary, the acquiring agency shall conduct a  
34 review of feasible alternatives to development or  
35 creation of a lake as a surface drinking water source.  
36 An acquiring agency shall not have the authority  
37 to condemn private property for the development or  
38 creation of a lake as a surface drinking water source  
39 if one or more feasible alternatives to provision of  
40 a drinking water source exist. An alternative that  
41 results in the physical expansion of an existing  
42 drinking water source is presumed to be a feasible  
43 alternative to development or creation of a lake as  
44 a surface drinking water source. An alternative that  
45 supplies drinking water by pipeline or other method of  
46 transportation or transmission from an existing source  
47 located within or outside this state at a reasonable  
48 cost is a feasible alternative to development or  
49 creation of a lake as a surface drinking water source.  
50 If private property is to be condemned for development

1 or creation of a lake, only that number of acres  
2 justified as necessary for a surface drinking water  
3 source, and not otherwise acquired, may be condemned.  
4 Development or creation of a lake as a surface drinking  
5 water source includes all of the following:

6 (i) Construction of the dam, including sites for  
7 suitable borrow material and the auxiliary spillway.

8 (ii) The water supply pool.

9 (iii) The sediment pool.

10 (iv) The flood control pool.

11 (v) The floodwater retarding pool.

12 (vi) The surrounding area upstream of the dam  
13 no higher in elevation than the top of the dam's  
14 elevation.

15 (vii) The appropriate setback distance required  
16 by state or federal laws and regulations to protect  
17 drinking water supply.

18 Sec. 156. Section 6A.24, subsection 3, Code 2015,  
19 is amended to read as follows:

20 3. For any action brought under this section,  
21 the burden of proof shall be on the acquiring agency  
22 to prove by a preponderance of the evidence that  
23 the finding of public use, public purpose, or public  
24 improvement meets the definition of those terms.  
25 However, for any action brought under this section  
26 that involves property described in section 6A.22,  
27 subsection 2, paragraph "c", subparagraph (1),  
28 subparagraph division (0b), the burden of proof shall  
29 be on the acquiring agency to prove by clear and  
30 convincing evidence that no feasible alternatives  
31 to provision of a drinking water source exist. If a  
32 property owner or a contract purchaser of record or a  
33 tenant occupying the property under a recorded lease  
34 prevails in an action brought under this section, the  
35 acquiring agency shall be required to pay the costs,  
36 including reasonable attorney fees, of the adverse  
37 party.

38 Sec. 157. EFFECTIVE UPON ENACTMENT. This division  
39 of this Act, being deemed of immediate importance,  
40 takes effect upon enactment.

41 Sec. 158. APPLICABILITY. This division of this Act  
42 applies to projects or condemnation proceedings pending  
43 or commenced on or after the effective date of this  
44 division of this Act.

#### 45 DIVISION XX

#### 46 DISPOSITION OF CONDEMNED PROPERTY

47 Sec. 159. Section 6B.56A, subsection 4, Code 2015,  
48 is amended to read as follows:

49 4. This section does not apply to property acquired  
50 for street and highway projects undertaken by the

1 state, a county, or a city or to property that is  
2 subject to the disposition of property requirements  
3 under section 6B.56B.

4 Sec. 160. **NEW SECTION. 6B.56B Disposition of**  
5 **condemned property — lake creation.**

6 1. When two years have elapsed since property was  
7 condemned for the creation of a lake according to the  
8 requirements of section 6A.22, subsection 2, paragraph  
9 "c", subparagraph (1), subparagraph division (0b), and  
10 the property has not been used for the purpose stated  
11 in the application filed pursuant to section 6B.3, and  
12 the acquiring agency has not taken action to dispose of  
13 the property pursuant to section 6B.56, the acquiring  
14 agency shall, within sixty days, adopt a resolution  
15 offering the property for sale to the prior owner at a  
16 price as provided in section 6B.56. If the resolution  
17 adopted approves an offer of sale to the prior owner,  
18 the offer shall be made in writing and mailed by  
19 certified mail to the prior owner. The prior owner has  
20 one hundred eighty days after the offer is mailed to  
21 purchase the property from the acquiring agency.

22 2. If the acquiring agency has not adopted a  
23 resolution described in subsection 1 within the  
24 sixty-day time period, the prior owner may, in writing,  
25 petition the acquiring agency to offer the property  
26 for sale to the prior owner at a price as provided in  
27 section 6B.56. Within sixty days after receipt of  
28 such a petition, the acquiring agency shall adopt a  
29 resolution described in subsection 1. If the acquiring  
30 agency does not adopt such a resolution within sixty  
31 days after receipt of the petition, the acquiring  
32 agency is deemed to have offered the property for sale  
33 to the prior owner.

34 3. The acquiring agency shall give written notice  
35 to the owner of the right to purchase the property  
36 under this section at the time damages are paid to the  
37 owner.

38 Sec. 161. **EFFECTIVE UPON ENACTMENT.** This division  
39 of this Act, being deemed of immediate importance,  
40 takes effect upon enactment.

41 Sec. 162. **APPLICABILITY.** This division of this Act  
42 applies to projects or condemnation proceedings pending  
43 or commenced on or after the effective date of this  
44 division of this Act.

#### 45 DIVISION XXI

#### 46 RENEWABLE CHEMICAL PRODUCTION TAX CREDIT

47 Sec. 163. Section 15.119, subsection 2, Code 2015,  
48 is amended by adding the following new paragraph:

49 **NEW PARAGRAPH. h.** The renewable chemical  
50 production tax credit program administered pursuant

1 to sections 15.315 through 15.320. In allocating tax  
2 credits pursuant to this subsection, the authority  
3 shall not allocate more than fifteen million dollars  
4 for purposes of this paragraph.

5 Sec. 164. NEW SECTION. 15.315 **Short title.**

6 This part shall be known and may be cited as the  
7 "*Renewable Chemical Production Tax Credit Program*".

8 Sec. 165. NEW SECTION. 15.316 **Definitions.**

9 As used in this part, unless the context otherwise  
10 requires:

11 1. "*Biobased content percentage*" means, with respect  
12 to any renewable chemical, the amount, expressed as a  
13 percentage, of renewable organic material present as  
14 determined by testing representative samples using the  
15 American society for testing and materials standard  
16 D6866.

17 2. "*Biomass feedstock*" means sugar, polysaccharide,  
18 glycerin, lignin, fat, grease, or oil derived from  
19 a plant or animal, or a protein capable of being  
20 converted to a building block chemical by means of a  
21 biological or chemical conversion process.

22 3. "*Building block chemical*" means a molecule  
23 converted from biomass feedstock as a first product  
24 or a secondarily derived product that can be further  
25 refined into a higher-value chemical, material, or  
26 consumer product. "*Building block chemical*" includes  
27 but is not limited to glycerol, methanoic or formic  
28 acid, arabonic acid, erythronic acid, glyceric acid,  
29 glycolic acid, lactic acid, 3-hydroxypropionate,  
30 propionic acid, malonic acid, serine, succinic  
31 acid, fumaric acid, malic acid, aspartic acid,  
32 3-hydroxybutyrolactone, acetoin, threonine, itaconic  
33 acid, furfural, levulinic acid, glutamic acid, xylonic  
34 acid, xylaric acid, xylitol, arabitol, citric acid,  
35 aconitic acid, 5-hydroxymethylfurfural, lysine,  
36 gluconic acid, glucaric acid, sorbitol, gallic acid,  
37 ferulic acid, nonfuel butanol, nonfuel ethanol, a  
38 polymer or gum that can be produced directly from a  
39 protein-based biomass feedstock, or such additional  
40 molecules as may be included by the authority by rule.

41 4. "*Eligible business*" means a business meeting the  
42 requirements of section 15.317.

43 5. "*Food additive*" means a building block chemical  
44 that is not primarily consumed as food but which, when  
45 combined with other components, improves the taste,  
46 appearance, odor, texture, or nutritional content  
47 of food. The authority, in its discretion, shall  
48 determine whether or not a building block chemical is  
49 primarily consumed as food.

50 6. "*Program*" means the renewable chemical

1 production tax credit program administered pursuant to  
2 this part.

3 7. *"Renewable chemical"* means a building block  
4 chemical with a biobased content percentage of at least  
5 fifty percent. *"Renewable chemical"* does not include a  
6 chemical sold or used for the production of food, feed,  
7 or fuel. *"Renewable chemical"* includes cellulosic  
8 ethanol, starch ethanol, or other ethanol derived  
9 from biomass feedstock, fatty acid methyl esters, or  
10 butanol, but only to the extent that such molecules  
11 are produced and sold for uses other than food,  
12 feed, or fuel. *"Renewable chemical"* also includes a  
13 building block chemical that can be a food additive as  
14 long as the building block chemical is not primarily  
15 consumed as food and is also sold for uses other than  
16 food. *"Renewable chemical"* also includes supplements,  
17 vitamins, nutraceuticals, and pharmaceuticals, but  
18 only to the extent that such molecules do not provide  
19 caloric value so as to be considered sustenance as food  
20 or feed.

21 8. *"Sugar"* means the organic compound glucose,  
22 fructose, xylose, arabinose, lactose, sucrose, starch,  
23 cellulose, or hemicellulose.

24 Sec. 166. NEW SECTION. 15.317 Eligibility  
25 requirements.

26 To be eligible to receive the renewable chemical  
27 production tax credit pursuant to the program, a  
28 business shall meet all of the following requirements:

29 1. The business is physically located in this  
30 state.

31 2. The business is operated for profit and under  
32 single management.

33 3. The business is not an entity providing  
34 professional services, health care services, or medical  
35 treatments or an entity engaged primarily in retail  
36 operations.

37 4. The business organized, expanded, or located  
38 in the state on or after the effective date of this  
39 division of this Act.

40 5. The business shall not be relocating or  
41 reducing operations as described in section 15.329,  
42 subsection 1, paragraph "b", and as determined under  
43 the discretion of the authority.

44 6. The business is in compliance with all  
45 agreements entered into under this program or other  
46 programs administered by the authority.

47 Sec. 167. NEW SECTION. 15.318 Eligible business  
48 application and agreement — maximum tax credits.

49 1. *Application.*

50 a. An eligible business that produces a renewable

1 chemical in this state from biomass feedstock during  
2 a calendar year may apply to the authority for the  
3 renewable chemical production tax credit provided in  
4 section 15.319.

5     *b.* The application shall be made to the authority  
6 in the manner prescribed by the authority.

7     *c.* The application shall be made during the  
8 calendar year following the calendar year in which the  
9 renewable chemicals are produced.

10     *d.* The authority may accept applications on a  
11 continuous basis or may establish, by rule, an annual  
12 application deadline.

13     *e.* The application shall include all of the  
14 following information:

15         (1) The amount of renewable chemicals produced  
16 in the state from biomass feedstock by the eligible  
17 business during the calendar year, measured in pounds.

18         (2) Any other information reasonably required  
19 by the authority in order to establish and verify  
20 eligibility under the program.

21     2. *Agreement and fees.*

22     *a.* Before being issued a tax credit under section  
23 15.319, an eligible business shall enter into an  
24 agreement with the authority for the successful  
25 completion of all requirements of the program.

26     *b.* The compliance cost fees authorized in section  
27 15.330, subsection 12, shall apply to all agreements  
28 entered into under this program and shall be collected  
29 by the authority in the same manner and to the same  
30 extent as described in that subsection.

31     *c.* An eligible business shall fulfill all the  
32 requirements of the program and the agreement before  
33 receiving a tax credit or entering into a subsequent  
34 agreement under this section. The authority may  
35 decline to enter into a subsequent agreement under this  
36 section or issue a tax credit if an agreement is not  
37 successfully fulfilled.

38     *d.* Upon establishing that all requirements of the  
39 program and the agreement have been fulfilled, the  
40 authority shall issue a tax credit and related tax  
41 credit certificate to the eligible business stating  
42 the amount of renewable chemical production tax credit  
43 under section 15.319 the eligible business may claim.

44     3. *Maximum tax credit amount.*

45     *a.* The maximum amount of tax credit that may be  
46 issued under section 15.319 to an eligible business for  
47 the production of renewable chemicals in a calendar  
48 year shall not exceed the following:

49         (1) In the case of an eligible business that has  
50 been in operation in the state for five years or less



1 at the time of the application, one million dollars.

2 (2) In the case of an eligible business that has  
3 been in operation in the state for more than five years  
4 at the time of the application, five hundred thousand  
5 dollars.

6 b. An eligible business shall not receive a tax  
7 credit for renewable chemicals produced before the date  
8 the business first qualified as an eligible business  
9 pursuant to section 15.317.

10 c. An eligible business shall not receive more than  
11 five tax credits under the program.

12 d. The authority shall issue tax credits under  
13 the program on a first-come, first-served basis until  
14 the maximum amount of tax credits allocated pursuant  
15 to section 15.119, subsection 2, paragraph "h", is  
16 reached. The authority shall maintain a list of  
17 successful applicants under the program, so that if  
18 the maximum aggregate amount of tax credits is reached  
19 in a given fiscal year, eligible businesses that  
20 successfully applied but for which tax credits were not  
21 issued shall be placed on a wait list in the order the  
22 eligible businesses applied and shall be given priority  
23 for receiving tax credits in succeeding fiscal years.  
24 Placement on a wait list pursuant to this paragraph  
25 shall not constitute a promise binding the state. The  
26 availability of a tax credit and issuance of a tax  
27 credit certificate pursuant to this subsection in a  
28 future fiscal year is contingent upon the availability  
29 of tax credits in that particular fiscal year.

30 4. *Termination and repayment.* The failure by an  
31 eligible business in fulfilling any requirement of  
32 the program or any of the terms and obligations of an  
33 agreement entered into pursuant to this section may  
34 result in the reduction, termination, or rescission of  
35 the tax credits under section 15.319 and may subject  
36 the eligible business to the repayment or recapture  
37 of tax credits claimed. The repayment or recapture  
38 of tax credits pursuant to this subsection shall be  
39 accomplished in the same manner as provided in section  
40 15.330, subsection 2.

41 5. *Confidentiality.*

42 a. Except as provided in paragraph "b", any  
43 information or record in the possession of the  
44 authority with respect to the program shall be presumed  
45 by the authority to be a trade secret protected  
46 under chapter 550 or common law and shall be kept  
47 confidential by the authority unless otherwise ordered  
48 by a court.

49 b. The identity of a tax credit recipient and the  
50 amount of the tax credit shall be considered public

1 information under chapter 22.

2 Sec. 168. NEW SECTION. 15.319 Renewable chemical  
3 production tax credit.

4 1. An eligible business that has entered into an  
5 agreement pursuant to section 15.318 may claim a tax  
6 credit equal to the product of five cents multiplied by  
7 the number of pounds of renewable chemicals produced  
8 in this state from biomass feedstock by the eligible  
9 business during the calendar year. However, an  
10 eligible business shall not receive a tax credit for  
11 the production of a secondarily derived building block  
12 chemical if that chemical is also the subject of a  
13 credit at the time of production as a first product.  
14 The renewable chemical production tax credit shall not  
15 be available for any renewable chemical produced before  
16 the 2016 calendar year, or after the 2026 calendar  
17 year.

18 2. The tax credit shall be allowed against taxes  
19 imposed under chapter 422, division II or III.

20 3. The tax credit shall be claimed for the tax year  
21 during which the eligible business was issued the tax  
22 credit.

23 4. An individual may claim a tax credit under this  
24 section of a partnership, limited liability company, S  
25 corporation, cooperative organized under chapter 501  
26 and filing as a partnership for federal tax purposes,  
27 estate, or trust electing to have income taxed  
28 directly to the individual. The amount claimed by the  
29 individual shall be based upon the pro rata share of  
30 the individual's earnings from the partnership, limited  
31 liability company, S corporation, cooperative, estate,  
32 or trust.

33 5. Any tax credit in excess of the tax liability  
34 is refundable. In lieu of claiming a refund, the  
35 taxpayer may elect to have the overpayment shown on the  
36 taxpayer's final, completed return credited to the tax  
37 liability for the following tax year.

38 6. a. To claim a tax credit under this section,  
39 a taxpayer shall include one or more tax credit  
40 certificates with the taxpayer's tax return.

41 b. The tax credit certificate shall contain the  
42 taxpayer's name, address, tax identification number,  
43 the amount of the credit, the name of the eligible  
44 business, and any other information required by the  
45 department of revenue.

46 c. The tax credit certificate, unless rescinded  
47 by the authority, shall be accepted by the department  
48 of revenue as payment for taxes imposed pursuant to  
49 chapter 422, divisions II and III, subject to any  
50 conditions or restrictions placed by the authority upon

1 the face of the tax credit certificate and subject to  
2 the limitations of the program.

3 d. Tax credit certificates issued pursuant to this  
4 section shall not be transferred to any other person.

5 Sec. 169. NEW SECTION. 15.320 Rules.

6 The authority and the department of revenue shall  
7 each adopt rules as necessary for the implementation  
8 and administration of this part.

9 Sec. 170. NEW SECTION. 422.10A Renewable chemical  
10 production tax credit.

11 The taxes imposed under this division, less the  
12 credits allowed under section 422.12, shall be reduced  
13 by a renewable chemical production tax credit allowed  
14 under section 15.319.

15 Sec. 171. Section 422.33, Code 2015, is amended by  
16 adding the following new subsection:

17 NEW SUBSECTION. 22. The taxes imposed under this  
18 division shall be reduced by a renewable chemical  
19 production tax credit allowed under section 15.319.

20 Sec. 172. TAX CREDIT CLAIMS. Renewable chemical  
21 production tax credits issued pursuant to the renewable  
22 chemical production tax credit program enacted in  
23 this division of this Act shall not be issued by  
24 the economic development authority prior to July 1,  
25 2017, and shall not be claimed by a taxpayer prior to  
26 September 1, 2017.

27 Sec. 173. EFFECTIVE UPON ENACTMENT. This division  
28 of this Act, being deemed of immediate importance,  
29 takes effect upon enactment.

30 Sec. 174. APPLICABILITY. This division of this Act  
31 applies to renewable chemicals produced in the state  
32 from biomass feedstock on or after January 1, 2016.

### 33 DIVISION XXII

#### 34 ANGEL INVESTOR TAX CREDITS

35 Sec. 175. Section 2.48, subsection 3, paragraph  
36 d, subparagraph (1), Code 2015, is amended to read as  
37 follows:

38 (1) Tax credits for investments in qualifying  
39 ~~businesses and community-based seed capital funds~~ under  
40 chapter 15E, division V.

41 Sec. 176. Section 15.119, subsection 2, paragraph  
42 d, Code 2015, is amended to read as follows:

43 d. The tax credits for investments in qualifying  
44 ~~businesses and community-based seed capital funds~~  
45 issued pursuant to section 15E.43. In allocating tax  
46 credits pursuant to this subsection, the authority  
47 shall allocate two million dollars for purposes of this  
48 paragraph, unless the authority determines that the tax  
49 credits awarded will be less than that amount.

50 Sec. 177. Section 15E.41, Code 2015, is amended by

1 striking the section and inserting in lieu thereof the  
2 following:

3 **15E.41 Purpose.**

4 The purpose of this division is to stimulate job  
5 growth, create wealth, and accelerate the creation  
6 of new ventures by using investment tax credits to  
7 incentivize the transfer of capital from investors to  
8 entrepreneurs, particularly during early-stage growth.

9 Sec. 178. Section 15E.42, Code 2015, is amended by  
10 adding the following new subsection:

11 NEW SUBSECTION. 2A. "*Entrepreneurial assistance*  
12 *program*" includes the entrepreneur investment awards  
13 program administered under section 15E.362, the receipt  
14 of services from a service provider engaged pursuant  
15 to section 15.411, subsection 1, or the program  
16 administered under section 15.411, subsection 2.

17 Sec. 179. Section 15E.42, subsection 3, Code 2015,  
18 is amended to read as follows:

19 3. "*Investor*" means a person making a cash  
20 investment in a qualifying business ~~or in a~~  
21 ~~community-based seed capital fund.~~ "*Investor*" does not  
22 include a person that holds at least a seventy percent  
23 ownership interest as an owner, member, or shareholder  
24 in a qualifying business.

25 Sec. 180. Section 15E.42, subsection 4, Code 2015,  
26 is amended by striking the subsection.

27 Sec. 181. Section 15E.43, subsections 1 and 2, Code  
28 2015, are amended to read as follows:

29 1. *a.* For tax years beginning on or after January  
30 1, ~~2002~~ 2015, a tax credit shall be allowed against the  
31 taxes imposed in chapter 422, divisions II, III, and V,  
32 and in chapter 432, and against the moneys and credits  
33 tax imposed in section 533.329, for a portion of a  
34 taxpayer's equity investment, as provided in subsection  
35 2, in a qualifying business ~~or a community-based seed~~  
36 ~~capital fund.~~

37 *b.* An individual may claim a tax credit under this  
38 ~~paragraph~~ section of a partnership, limited liability  
39 company, S corporation, estate, or trust electing  
40 to have income taxed directly to the individual.  
41 The amount claimed by the individual shall be based  
42 upon the pro rata share of the individual's earnings  
43 from the partnership, limited liability company, S  
44 corporation, estate, or trust.

45 ~~*b. c.*~~ *c.* A tax credit shall be allowed only for an  
46 investment made in the form of cash to purchase equity  
47 in a qualifying business ~~or in a community-based seed~~  
48 ~~capital fund.~~ ~~A taxpayer that has received a tax~~  
49 ~~credit for an investment in a community-based seed~~  
50 ~~capital fund shall not claim the tax credit prior to~~

1 the third tax year following the tax year in which the  
2 investment is made. Any tax credit in excess of the  
3 taxpayer's liability for the tax year may be credited  
4 to the tax liability for the following five years or  
5 until depleted, whichever is earlier. A tax credit  
6 shall not be carried back to a tax year prior to the  
7 tax year in which the taxpayer redeems the tax credit.

8 ~~c. In the case of a tax credit allowed against the~~  
9 ~~taxes imposed in chapter 422, division II, where the~~  
10 ~~taxpayer died prior to redeeming the entire tax credit,~~  
11 ~~the remaining credit can be redeemed on the decedent's~~  
12 ~~final income tax return.~~

13 d. For a tax credit claimed against the taxes  
14 imposed in chapter 422, division II, any tax credit in  
15 excess of the tax liability is refundable. In lieu of  
16 claiming a refund, the taxpayer may elect to have the  
17 overpayment shown on the taxpayer's final, completed  
18 return credited to the tax liability for the following  
19 tax year. For a tax credit claimed against the taxes  
20 imposed in chapter 422, divisions III and V, and in  
21 chapter 432, and against the moneys and credits tax  
22 imposed in section 533.329, any tax credit in excess  
23 of the taxpayer's liability for the tax year may be  
24 credited to the tax liability for the following three  
25 years or until depleted, whichever is earlier. A tax  
26 credit shall not be carried back to a tax year prior  
27 to the tax year in which the taxpayer redeems the tax  
28 credit.

29 2. a. A The amount of the tax credit shall equal  
30 twenty twenty-five percent of the taxpayer's equity  
31 investment.

32 b. The maximum amount of a tax credit for an  
33 investment by an investor in any one qualifying  
34 business shall be fifty thousand dollars. Each year,  
35 an investor and all affiliates of the investor shall  
36 not claim tax credits under this section for more  
37 than five different investments in five different  
38 qualifying businesses that may be issued per calendar  
39 year to a natural person and the person's spouse or  
40 dependent shall not exceed one hundred thousand dollars  
41 combined. For purposes of this paragraph, a tax credit  
42 issued to a partnership, limited liability company, S  
43 corporation, estate, or trust electing to have income  
44 taxed directly to the individual shall be deemed to be  
45 issued to the individual owners based upon the pro rata  
46 share of the individual's earnings from the entity.  
47 For purposes of this paragraph, "dependent" has the  
48 same meaning as provided by the Internal Revenue Code.

49 c. The maximum amount of tax credits that may be  
50 issued per calendar year for equity investments in any

1 one qualifying business shall not exceed five hundred  
2 thousand dollars.

3 Sec. 182. Section 15E.43, subsections 5 and 7, Code  
4 2015, are amended to read as follows:

5 5. A tax credit shall not be ~~transferable~~  
6 transferred to any other taxpayer person.

7 7. The authority shall develop a system for  
8 registration and ~~authorization~~ issuance of tax credits  
9 authorized pursuant to this division and shall control  
10 distribution of all tax ~~credits distributed credit~~  
11 certificates to investors pursuant to this division.  
12 The authority shall develop rules for the qualification  
13 and administration of qualifying businesses and  
14 ~~community-based seed capital funds.~~ The department of  
15 revenue shall adopt ~~these criteria as administrative~~  
16 ~~rules and any other~~ rules pursuant to chapter 17A as  
17 necessary for the administration of this division.

18 Sec. 183. Section 15E.43, subsections 6 and 8, Code  
19 2015, are amended by striking the subsections.

20 Sec. 184. Section 15E.44, subsection 2, paragraph  
21 c, Code 2015, is amended by striking the paragraph and  
22 inserting in lieu thereof the following:

23 c. The business is participating in an  
24 entrepreneurial assistance program. The authority may  
25 waive this requirement if a business establishes that  
26 its owners, directors, officers, and employees have an  
27 appropriate level of experience such that participation  
28 in an entrepreneurial assistance program would not  
29 materially change the prospects of the business. The  
30 authority may consult with outside service providers in  
31 consideration of such a waiver.

32 Sec. 185. Section 15E.44, subsection 2, paragraphs  
33 e and f, Code 2015, are amended to read as follows:

34 e. The business shall not have a net worth that  
35 exceeds ~~five ten~~ million dollars.

36 f. The business shall have secured all of the  
37 following at the time of application for tax credits:

38 (1) At least two investors.

39 (2) ~~total~~ Total equity financing, ~~near equity~~  
40 ~~financing,~~ binding investment commitments, or some  
41 combination thereof, equal to at least ~~two hundred~~  
42 ~~fifty~~ five hundred thousand dollars, from investors.  
43 For purposes of this subparagraph, "investor" includes  
44 a person who executes a binding investment commitment  
45 to a business.

46 Sec. 186. Section 15E.46, Code 2015, is amended to  
47 read as follows:

48 **15E.46 Reports Confidentiality — reports.**

49 1. Except as provided in subsection 2, all  
50 information or records in the possession of the

1 authority with respect to this division shall be  
2 presumed by the authority to be a trade secret  
3 protected under chapter 550 or common law and shall be  
4 kept confidential by the authority unless otherwise  
5 ordered by a court.

6 2. All of the following shall be considered public  
7 information under chapter 22:

8 a. The identity of a qualifying business.

9 b. The identity of an investor and the qualifying  
10 business in which the investor made an equity  
11 investment.

12 c. The number of tax credit certificates issued by  
13 the authority.

14 d. The total dollar amount of tax credits issued by  
15 the authority.

16 3. The authority shall publish an annual report  
17 of the activities conducted pursuant to this division  
18 and shall submit the report to the governor and the  
19 general assembly. The report shall include a listing  
20 of eligible qualifying businesses and the number of  
21 tax credit certificates and the amount of tax credits  
22 issued by the authority.

23 Sec. 187. Section 15E.52, subsection 4, Code 2015,  
24 is amended to read as follows:

25 4. A taxpayer shall not claim a tax credit under  
26 this section if the taxpayer is a venture capital  
27 investment fund allocation manager for the Iowa fund  
28 of funds created in section 15E.65 or an investor that  
29 receives a tax credit for the same investment in a  
30 qualifying business as described in section 15E.44 or  
31 in a community-based seed capital fund as described in  
32 section 15E.45, Code 2015.

33 Sec. 188. Section 422.11F, subsection 1, Code 2015,  
34 is amended to read as follows:

35 1. The taxes imposed under this division, less  
36 the credits allowed under section 422.12, shall be  
37 reduced by an investment tax credit authorized pursuant  
38 to section 15E.43 for an investment in a qualifying  
39 business or a community-based seed capital fund.

40 Sec. 189. Section 422.33, subsection 12, paragraph  
41 a, Code 2015, is amended to read as follows:

42 a. The taxes imposed under this division shall be  
43 reduced by an investment tax credit authorized pursuant  
44 to section 15E.43 for an investment in a qualifying  
45 business or a community-based seed capital fund.

46 Sec. 190. Section 422.60, subsection 5, paragraph  
47 a, Code 2015, is amended to read as follows:

48 a. The taxes imposed under this division shall be  
49 reduced by an investment tax credit authorized pursuant  
50 to section 15E.43 for an investment in a qualifying

1 ~~business or a community-based seed capital fund.~~  
2 Sec. 191. Section 432.12C, subsection 1, Code 2015,  
3 is amended to read as follows:  
4 1. The tax imposed under this chapter shall be  
5 reduced by an investment tax credit authorized pursuant  
6 to section 15E.43 for an investment in a qualifying  
7 ~~business or a community-based seed capital fund.~~  
8 Sec. 192. REPEAL. Section 15E.45, Code 2015, is  
9 repealed.  
10 Sec. 193. TAX CREDIT CLAIMS. Tax credits for  
11 equity investments in qualifying businesses made on  
12 or after the effective date of this division of this  
13 Act shall not be issued by the economic development  
14 authority prior to July 1, 2016, and shall not be  
15 claimed by a taxpayer prior to September 1, 2016.  
16 Sec. 194. EFFECTIVE UPON ENACTMENT. This division  
17 of this Act, being deemed of immediate importance,  
18 takes effect upon enactment.  
19 Sec. 195. APPLICABILITY. Unless otherwise provided  
20 in this division of this Act, this division of this Act  
21 applies to equity investments in a qualifying business  
22 made on or after the effective date of this division of  
23 this Act, and equity investments made in a qualifying  
24 business or community-based seed capital fund prior to  
25 the effective date of this division of this Act shall  
26 be governed by sections 15E.41 through 15E.46, 422.11F,  
27 422.33, 422.60, 432.12C, and 533.329, Code 2015.  
28 Sec. 196. APPLICABILITY. The sections of this  
29 division of this Act amending section 15E.44,  
30 subsection 2, apply to businesses that submit an  
31 application to the economic development authority to  
32 be registered as a qualifying business on or after  
33 the effective date of this division of this Act, and  
34 businesses that submit an application to the economic  
35 development authority to be registered as a qualifying  
36 business before the effective date of this division  
37 of this Act shall be governed by section 15E.44,  
38 subsection 2, Code 2015.

39 DIVISION XXIII

40 ENTREPRENEUR INVESTMENT AWARDS PROGRAM

41 Sec. 197. Section 15E.362, Code 2015, is amended by  
42 striking the section and inserting in lieu thereof the  
43 following:

44 **15E.362 Entrepreneur investment awards program.**

45 1. For purposes of this division, unless the  
46 context otherwise requires:

47 a. "*Business development services*" includes but  
48 is not limited to corporate development services,  
49 business model development services, business planning  
50 services, marketing services, financial strategies and



1 management services, mentoring and management coaching,  
2 and networking services.

3 *b. "Eligible entrepreneurial assistance provider"*  
4 means a person meeting the requirements of subsection  
5 3.

6 *c. "Financial assistance"* means the same as defined  
7 in section 15.327.

8 *d. "Program"* means the entrepreneur investment  
9 awards program administered pursuant to this division.

10 2. The authority shall establish and administer  
11 an entrepreneur investment awards program for  
12 purposes of providing financial assistance to eligible  
13 entrepreneurial assistance providers that provide  
14 technical and financial assistance to entrepreneurs and  
15 start-up companies seeking to create, locate, or expand  
16 a business in the state. Financial assistance under  
17 the program shall be provided from the entrepreneur  
18 investment awards program fund created in section  
19 15E.363.

20 3. In order to be eligible for financial assistance  
21 under the program an entrepreneurial assistance  
22 provider must meet all of the following requirements:

23 *a.* The provider must have its principal place of  
24 operations located in this state.

25 *b.* The provider must offer a comprehensive set  
26 of business development services to emerging and  
27 early-stage innovation companies to assist in the  
28 creation, location, growth, and long-term success of  
29 the company in this state.

30 *c.* The business development services may be  
31 performed at the physical location of the provider or  
32 the company.

33 *d.* The business development services may be  
34 provided in consideration of equity participation in  
35 the company, a fee for services, a membership agreement  
36 with the company, or any combination thereof.

37 4. Entrepreneurial assistance providers may apply  
38 for financial assistance under the program in the  
39 manner and form prescribed by the authority.

40 5. The economic development authority board in its  
41 discretion may approve, deny, or defer each application  
42 for financial assistance under the program from  
43 persons it determines to be an eligible entrepreneurial  
44 assistance provider.

45 6. Subject to subsection 7, the amount of financial  
46 assistance awarded to an eligible entrepreneurial  
47 assistance provider shall be within the discretion of  
48 the authority.

49 7. *a.* The maximum amount of financial assistance  
50 awarded to an eligible entrepreneurial assistance

1 provider shall not exceed two hundred thousand dollars.

2     *b.* The maximum amount of financial assistance  
3 provided under the program shall not exceed one million  
4 dollars in a fiscal year.

5     8. The authority shall award financial assistance  
6 on a competitive basis. In making awards of financial  
7 assistance, the authority may develop scoring criteria  
8 and establish minimum requirements for the receipt of  
9 financial assistance under the program. In making  
10 awards of financial assistance, the authority may  
11 consider all of the following:

12     *a.* The business experience of the professional  
13 staff employed or retained by the eligible  
14 entrepreneurial assistance provider.

15     *b.* The business plan review capacity of the  
16 professional staff of the eligible entrepreneurial  
17 assistance provider.

18     *c.* The expertise in all aspects of business  
19 disciplines of the professional staff of the eligible  
20 entrepreneurial assistance provider.

21     *d.* The access of the eligible entrepreneurial  
22 assistance provider to external service providers,  
23 including legal, accounting, marketing, and financial  
24 services.

25     *e.* The service model and likelihood of success of  
26 the eligible entrepreneurial assistance provider and  
27 its similarity to other successful entrepreneurial  
28 assistance providers in the country.

29     *f.* The financial need of the eligible  
30 entrepreneurial assistance provider.

31     9. Financial assistance awarded to an eligible  
32 entrepreneurial assistance provider shall only be  
33 used for the purpose of operating costs incurred by  
34 the eligible entrepreneurial assistance provider in  
35 providing business development services to emerging  
36 and early-stage innovation companies in this state.  
37 Such financial assistance shall not be distributed to  
38 owners or investors of the company to which business  
39 development services are provided and shall not  
40 be distributed to other persons assisting with the  
41 provision of business development services to the  
42 company.

43     10. The authority may contract with outside service  
44 providers for assistance with the program or may  
45 delegate the administration of the program to the Iowa  
46 innovation corporation pursuant to section 15.106B.

47     11. The authority may make client referrals to  
48 eligible entrepreneurial assistance providers.

49     Sec. 198. Section 15E.363, subsection 3, Code 2015,  
50 is amended to read as follows:

1     3. The Moneys credited to the fund are appropriated  
2 to the authority and shall be used to provide grants  
3 under the entrepreneur investment awards program  
4 established in section 15E.362 financial assistance  
5 under the program.

6                     DIVISION XXIV

7             WORKFORCE HOUSING TAX INCENTIVES PROGRAM

8     Sec. 199. Section 15.354, subsection 3, paragraph  
9 e, Code 2015, is amended to read as follows:

10     e. (1) Upon review of the examination and  
11 verification of the amount of the qualifying new  
12 investment, the authority may issue a tax credit  
13 certificate to the housing business stating the amount  
14 of workforce housing investment tax credits under  
15 section 15.355 the eligible housing business may claim.

16     (2) If upon review of the examination in  
17 subparagraph (1) the authority determines that a  
18 housing project has incurred project costs in excess of  
19 the amount submitted in the application made pursuant  
20 to subsection 1, the authority shall do one of the  
21 following:

22     (a) If the project costs do not cause the housing  
23 project's average dwelling unit cost to exceed the  
24 applicable maximum amount authorized in section 15.353,  
25 subsection 3, the authority may consider the agreement  
26 fulfilled and may issue a tax credit certificate.

27     (b) If the project costs cause the housing  
28 project's average dwelling unit cost to exceed the  
29 applicable maximum amount authorized in section  
30 15.353, subsection 3, but does not cause the average  
31 dwelling unit cost to exceed one hundred ten percent  
32 of such applicable maximum amount, the authority  
33 may consider the agreement fulfilled and may issue a  
34 tax credit certificate. In such case, the authority  
35 shall reduce the amount of tax incentives the eligible  
36 housing project may claim under section 15.355,  
37 subsections 2 and 3, by the same percentage that the  
38 housing project's average dwelling unit cost exceeds  
39 the applicable maximum amount under section 15.353,  
40 subsection 3, and such tax incentive reduction shall  
41 be reflected on the tax credit certificate. If  
42 the authority issues a certificate pursuant to this  
43 subparagraph division, the department of revenue shall  
44 accept the certificate notwithstanding that the housing  
45 project's average dwelling unit costs exceeds the  
46 maximum amount specified in section 15.353, subsection  
47 3.

48     (c) If the project costs cause the housing  
49 project's average dwelling unit cost to exceed one  
50 hundred ten percent of the applicable maximum amount

1 authorized in 15.353, subsection 3, the authority  
2 shall determine the eligible housing business to be in  
3 default under the agreement and shall not issue a tax  
4 credit certificate.

5 Sec. 200. Section 15.355, subsection 2, Code 2015,  
6 is amended to read as follows:

7 2. A housing business may claim a refund of the  
8 sales and use taxes paid under chapter 423 that are  
9 directly related to a housing project. The refund  
10 available pursuant to this subsection shall be as  
11 provided in section 15.331A ~~to the extent applicable~~  
12 ~~for purposes of this program~~, excluding subsection  
13 2, paragraph "c", of that section. For purposes of  
14 the program, the term "*project completion*", as used  
15 in section 15.331A, shall mean the date on which the  
16 authority notifies the department of revenue that all  
17 applicable requirements of an agreement entered into  
18 pursuant to section 15.354 are satisfied.

19 Sec. 201. EFFECTIVE UPON ENACTMENT. This division  
20 of this Act, being deemed of immediate importance,  
21 takes effect upon enactment.

22 Sec. 202. RETROACTIVE APPLICABILITY. This division  
23 of this Act applies retroactively to May 30, 2014, for  
24 all agreements entered into pursuant to Code section  
25 15.354 on or after that date.

#### 26 DIVISION XXV

#### 27 MISCELLANEOUS CHANGES TO ECONOMIC DEVELOPMENT AUTHORITY 28 PROGRAMS

29 Sec. 203. Section 15.293B, subsection 4, Code 2015,  
30 is amended to read as follows:

31 4. A registered project shall be completed within  
32 thirty months of the date the project was registered  
33 unless the authority, upon recommendation of the  
34 council and approval of the board, provides additional  
35 time to complete the project. ~~A project shall not be~~  
36 ~~provided more than twelve months of additional time.~~  
37 If the registered project is not completed within the  
38 time required, the project is not eligible to claim a  
39 tax credit provided in section 15.293A.

40 Sec. 204. SPECIAL PROJECT EXTENSION.  
41 Notwithstanding any other provision of law to the  
42 contrary, the economic development authority may extend  
43 the project completion date for a project awarded tax  
44 incentives under both the redevelopment tax credit  
45 program in sections 15.293A and 15.293B and the housing  
46 enterprise zone tax incentives program in section  
47 15E.193B, Code 2014, if the property that is the  
48 subject of the project suffered a catastrophic fire  
49 during the 2014 calendar year.

50 Sec. 205. EFFECTIVE UPON ENACTMENT. This division

1 of this Act, being deemed of immediate importance,  
2 takes effect upon enactment.

3     Sec. 206. RETROACTIVE APPLICABILITY. The  
4 section of this division of this Act amending Code  
5 section 15.293B applies retroactively to qualifying  
6 redevelopment project agreements entered into on or  
7 after July 1, 2010, for which a request for a project  
8 extension is submitted to the economic development  
9 authority on or after January 1, 2015.

10                     DIVISION XXVI

11                     HOUSING ENTERPRISE TAX CREDIT

12     Sec. 207. 2014 Iowa Acts, chapter 1130, is amended  
13 by adding the following new section:

14     NEW SECTION. SEC. 41A. Notwithstanding the section  
15 of this Act repealing section 15E.193B, the economic  
16 development authority may enter into an agreement  
17 and issue housing enterprise tax credits to a housing  
18 business if all the following conditions are met:

19     1. The city or county in which the enterprise  
20 zone is located mailed, or caused to be mailed, the  
21 necessary program application forms on or after June 1,  
22 2014, and prior to July 1, 2014, but the applications  
23 were not received by the economic development  
24 authority. The economic development authority may  
25 accept an affidavit by a city to confirm timely mailing  
26 of the application forms, notwithstanding section  
27 622.105.

28     2. The application forms submitted pursuant to  
29 subsection 1 were approved by all necessary governing  
30 bodies and commissions of the city or county as  
31 required by chapter 15E, division XVIII, Code 2014.

32     3. The economic development authority determines  
33 the housing business would otherwise be eligible under  
34 section 15E.193B, Code 2014.

35     4. The city or county and the eligible housing  
36 business meet all other requirements of the housing  
37 enterprise tax credit program under chapter 15E,  
38 division XVIII, Code 2014, and the agreement to be  
39 entered into pursuant to this section.

40     Sec. 208. 2014 Iowa Acts, chapter 1130, section 43,  
41 subsection 1, is amended to read as follows:

42     1. On or after the effective date of this division  
43 of this Act, a city or county shall not create an  
44 enterprise zone under chapter 15E, division XVIII,  
45 or enter into a new agreement or amend an existing  
46 agreement under chapter 15E, division XVIII, unless  
47 otherwise authorized in this Act.

48     Sec. 209. EFFECTIVE UPON ENACTMENT. This division  
49 of this Act, being deemed of immediate importance,  
50 takes effect upon enactment.

1     Sec. 210. RETROACTIVE APPLICABILITY. This division  
2 of this Act applies retroactively to July 1, 2014.

3                     DIVISION XXVII

4     ELIGIBILITY VERIFICATION — UNEMPLOYMENT INSURANCE

5     Sec. 211. NEW SECTION. 96.55 Eligibility  
6 verification procedures.

7     1. The department shall establish procedures to  
8 accurately verify the eligibility to receive benefits  
9 of each individual filing a claim for benefits in order  
10 to prevent payment of fraudulent or erroneous benefits.  
11 The procedures shall include but not be limited to the  
12 following components:

13     a. A requirement that each individual filing  
14 a claim for benefits provide correct answers to  
15 randomized questions relating to the individual's  
16 identity.

17     b. A process to prevent an individual who is  
18 ineligible for benefits due to the individual's  
19 incarceration in a jail, prison, or other correctional  
20 institution or facility from filing a claim for  
21 benefits or receiving benefits. The department shall  
22 coordinate the administration of this process with  
23 the department of corrections and federal, state,  
24 and local law enforcement agencies. The department  
25 of corrections and state and local law enforcement  
26 agencies shall cooperate with the department in the  
27 administration of this process.

28     2. The department may utilize one or more requests  
29 for proposals to administer this section. The  
30 department may enter into agreements pursuant to  
31 chapter 28E to administer this section. The department  
32 shall utilize existing information technology resources  
33 of state and local government to administer this  
34 section where practicable.

35     Sec. 212. IMPLEMENTATION — REPORT. The department  
36 of workforce development shall implement the procedures  
37 required by this division of this Act no later than  
38 June 30, 2016. The department shall submit a report  
39 on the department's progress in implementing the  
40 procedures required by this division of this Act to  
41 the general assembly by December 15, 2015. The report  
42 shall include any statutory changes necessary to  
43 facilitate the implementation of this division of this  
44 Act.

45                     DIVISION XXVIII

46     REFUND FRAUD — INCOME TAXES

47     Sec. 213. Section 421.17, subsection 23, Code 2015,  
48 is amended to read as follows:

49     23. To develop, modify, or contract with vendors to  
50 create or administer systems or programs which identify

1 nonfilers of returns or nonpayers of taxes administered  
2 by the department and to identify and prevent the  
3 issuance of fraudulent or erroneous refunds. Fees  
4 for services, reimbursements, costs incurred by the  
5 department, or other remuneration may be funded from  
6 the amount of tax, penalty, or interest actually  
7 collected and shall be paid only after the amount is  
8 collected. An amount is appropriated from the amount  
9 of tax, penalty, and interest actually collected, not  
10 to exceed the amount collected, which is sufficient  
11 to pay for services, reimbursement, costs incurred by  
12 the department, or other remuneration pursuant to this  
13 subsection. Vendors entering into a contract with the  
14 department pursuant to this subsection are subject to  
15 the requirements and penalties of the confidentiality  
16 laws of this state regarding tax information. The  
17 director shall report annually to the legislative  
18 services agency and the chairpersons and ranking  
19 members of the ways and means committees on the amount  
20 of costs incurred and paid during the previous fiscal  
21 year pursuant to this subsection and the incidence  
22 of refund fraud and the costs incurred and amounts  
23 prevented from issuance during the previous fiscal year  
24 pursuant to this subsection.

25 Sec. 214. IMPLEMENTATION — REPORT. The director  
26 of revenue shall implement the procedures required  
27 by this division of this Act no later than January  
28 1, 2016. The director shall submit a report on the  
29 director's progress in implementing the procedures  
30 required by this division of this Act to the general  
31 assembly by October 3, 2016. The report shall include  
32 any statutory changes necessary to facilitate the  
33 implementation of this division of this Act.

#### 34 DIVISION XXIX

#### 35 ELIGIBILITY VERIFICATION — MEDICAID

36 Sec. 215. MEDICAID PROGRAM — ELIGIBILITY  
37 VERIFICATION SYSTEM. The department of human services  
38 shall ensure during the fiscal year beginning July  
39 1, 2015, that the department's Medicaid program  
40 eligibility system, the eligibility integrated  
41 application solution (ELIAS), is capable of accurately  
42 verifying the identity of individuals for the purposes  
43 of initial eligibility and redetermination of  
44 eligibility for the Medicaid program. The department  
45 shall submit a report on the department's progress  
46 in implementing this section to the general assembly  
47 by December 15, 2015. The report shall include  
48 any statutory changes necessary to facilitate the  
49 implementation of this section.

#### 50 DIVISION XXX

1 EXEMPTION FROM FRANCHISE FEES — STATE AGENCIES

2 Sec. 216. Section 364.2, subsection 4, paragraph  
3 f, subparagraph (2), Code 2015, is amended to read as  
4 follows:

5 (2) Franchise fees collected pursuant to an  
6 ordinance in effect on May 26, 2009, shall be deposited  
7 in the city's general fund and such fees collected in  
8 excess of the amounts necessary to inspect, supervise,  
9 and otherwise regulate the franchise may be used by  
10 the city for any other purpose authorized by law.  
11 Franchise fees collected pursuant to an ordinance  
12 that is adopted or amended on or after May 26, 2009,  
13 to increase the percentage rate at which franchise  
14 fees are assessed shall be credited to the franchise  
15 fee account within the city's general fund and used  
16 pursuant to section 384.3A. ~~If a city franchise fee is~~  
17 ~~assessed to customers of a franchise, the fee shall~~  
18 ~~not be assessed to the city as a customer.~~ Before a  
19 city adopts or amends a franchise fee rate ordinance  
20 or franchise ordinance to increase the percentage  
21 rate at which franchise fees are assessed, a revenue  
22 purpose statement shall be prepared specifying the  
23 purpose or purposes for which the revenue collected  
24 from the increased rate will be expended. If property  
25 tax relief is listed as a purpose, the revenue purpose  
26 statement shall also include information regarding the  
27 amount of the property tax relief to be provided with  
28 revenue collected from the increased rate. The revenue  
29 purpose statement shall be published as provided in  
30 section 362.3.

31 Sec. 217. Section 364.2, subsection 4, paragraph  
32 f, Code 2015, is amended by adding the following new  
33 subparagraph:

34 NEW SUBPARAGRAPH. (4) (a) If a city franchise  
35 fee is assessed to customers of a franchise or if a  
36 franchise fee or substantially similar fee is assessed  
37 by the franchisee to customers of the franchise for the  
38 payment of a franchise fee assessed by the city to the  
39 franchisee, the fee shall not be assessed to the city  
40 or to a state agency as a customer.

41 (b) For purposes of this subparagraph, "*state*  
42 *agency*" means any executive, judicial, or legislative  
43 department, commission, board, institution, division,  
44 bureau, office, agency, or other entity of state  
45 government.

46 Sec. 218. APPLICABILITY. This division of this  
47 Act applies to franchise fees assessed by a city to  
48 a customer on or after July 1, 2015, pursuant to an  
49 ordinance adopted before, on, or after that date.  
50 This division of this Act also applies to franchise



1 fees or other substantially similar fees assessed  
2 by a franchisee to a customer on or after July 1,  
3 2015, to pay a franchise fee assessed by the city to  
4 the franchisee pursuant to an ordinance or franchise  
5 agreement adopted before, on, or after July 1, 2015.

6 DIVISION XXXI

7 PAYMENTS IN LIEU OF TAXES AGREEMENTS

8 Sec. 219. NEW SECTION. 262.9D Agreements for  
9 payments in lieu of taxes.

10 1. For purposes of this section:

11 a. "*Payments in lieu of taxes*" are payments made  
12 as a substitute for property taxes not levied on real  
13 property as a result of a property tax exemption, which  
14 payments are made by an institution under the control  
15 of the board to a political subdivision in which the  
16 institution is located pursuant to an agreement entered  
17 into by the board or an institution under the control  
18 of the board and the political subdivision. Payments  
19 in lieu of taxes are not payments made in accordance  
20 with a contract for services under section 364.19 or  
21 other service agreements authorized in statute.

22 b. "*Political subdivision*" means a city, county,  
23 school district, or any other public body or  
24 corporation of this state that has power to levy  
25 or certify a tax or sum of money to be collected by  
26 taxation or otherwise derives funds from a property tax  
27 levied against taxable property situated within the  
28 political subdivision.

29 2. Any agreement providing for payments in lieu of  
30 taxes between the board or an institution under the  
31 control of the board and a political subdivision shall  
32 be approved by the board at a regular meeting in open  
33 session prior to the execution of such an agreement.  
34 A request for board approval of an agreement for  
35 payments in lieu of taxes shall include a detailed  
36 explanation of the need for the agreement, the manner  
37 in which payments are calculated, and concurrence from  
38 the appropriate local assessor as to the assessment  
39 calculation for establishing the amount of each payment  
40 under the agreement. The agreement shall also include  
41 a termination date for the agreement and shall ensure,  
42 to the extent permitted by law, that the payments made  
43 under the agreement are apportioned in the same manner  
44 as property taxes are apportioned among the political  
45 subdivisions in which the property is located.

46 Sec. 220. APPLICABILITY. This division of this Act  
47 applies to any agreement for payments in lieu of taxes  
48 entered into on or after July 1, 2015.>

49 2. By renumbering as necessary.