

**EIGHTY-SIXTH GENERAL ASSEMBLY  
2016 REGULAR SESSION  
DAILY  
HOUSE CLIP SHEET**

MARCH 11, 2016

SENATE FILE 166

H-8102

1 Amend Senate File 166, as amended, passed, and  
2 reprinted by the Senate, as follows:  
3 1. By striking everything after the enacting clause  
4 and inserting:  
5 <Section 1. NEW SECTION. 99E.1 Definitions.  
6 As used in this chapter, unless the context  
7 otherwise requires:  
8 1. "Applicant" means an internet fantasy sports  
9 contest service provider applying for a license to  
10 conduct internet fantasy sports contests under this  
11 chapter.  
12 2. "Commission" means the state racing and gaming  
13 commission created under section 99D.5.  
14 3. "Fantasy sports contest" includes any fantasy or  
15 simulated game or contest in which the fantasy sports  
16 contest operator is not a participant in the game or  
17 contest, the value of all prizes and awards offered to  
18 winning participants are established and made known  
19 to the participants in advance of the contest, all  
20 winning outcomes reflect the relative knowledge and  
21 skill of the participants and shall be determined by  
22 accumulated statistical results of the performance  
23 of individuals, including athletes in the case of  
24 sporting events, and no winning outcome is based on the  
25 score, point spread, or any performance or performances  
26 of any single actual team or solely on any single  
27 performance of an individual athlete or player in any  
28 single actual event. For purposes of this subsection,  
29 "athlete" does not include an athlete participating in  
30 any extracurricular interscholastic athletic contest or  
31 competition which is sponsored or administered by an  
32 organization as defined in section 280.13.  
33 4. "Internet fantasy sports contest" means a method  
34 of entering a fantasy sports contest by which a person  
35 may establish an account with an internet fantasy

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1 sports contest service provider, deposit money into  
2 the account, and use the account balance for entering  
3 a fantasy sports contest by utilizing electronic  
4 communication.

5 5. "Internet fantasy sports contest adjusted  
6 revenues" means, for each internet fantasy sports  
7 contest, the amount equal to the total charges and  
8 fees collected from all participants entering the  
9 internet fantasy sports contest less winnings paid to  
10 participants in the contest, multiplied by the resident  
11 percentage.

12 6. "Internet fantasy sports contest player" means a  
13 person who is at least twenty-one years of age, is a  
14 resident of this state, and participates in an internet  
15 fantasy sports contest operated by an internet fantasy  
16 sports contest service provider.

17 7. "Internet fantasy sports contest service  
18 provider" means a person, including a licensee under  
19 chapter 99D or 99F, who conducts an internet fantasy  
20 sports contest as authorized by this chapter.

21 8. "Resident percentage" means, for each internet  
22 fantasy sports contest, the percentage, rounded to the  
23 nearest tenth of a percent, equal to the total charges  
24 and fees collected from all internet fantasy sports  
25 contest players divided by the total charges and fees  
26 collected from all participants in the internet fantasy  
27 sports contest.

28 Sec. 2. NEW SECTION. 99E.2 Internet fantasy sports  
29 contests authorized.

30 The system of entering an internet fantasy sports  
31 contest as provided by this chapter is legal when  
32 conducted by a licensed internet fantasy sports contest  
33 service provider as provided in this chapter.

34 Sec. 3. NEW SECTION. 99E.3 Commission ---- powers.

35 The commission shall have full jurisdiction over and

1 shall supervise internet fantasy sports contests and  
2 internet fantasy sports contest service providers as  
3 governed by this chapter. The commission shall have  
4 the following powers and shall adopt rules pursuant to  
5 chapter 17A to implement this chapter:

6 1. To investigate applicants and determine the  
7 eligibility of applicants for a license to conduct  
8 internet fantasy sports contests.

9 2. To license and regulate internet fantasy sports  
10 contest service providers subject to the requirements  
11 of this chapter.

12 3. To investigate alleged violations of this  
13 chapter or the commission rules, orders, or final  
14 decisions and to take appropriate disciplinary action  
15 against a licensee, or institute appropriate legal  
16 action for enforcement, or both. Information gathered  
17 during an investigation is confidential during the  
18 pendency of the investigation.

19 4. To assess fines and revoke or suspend licenses.

20 5. To require, beginning July 1, 2018, licensees  
21 to establish a process with the state for licensees to  
22 have electronic access to names and social security  
23 numbers of debtors of claimant agencies through a  
24 secured interactive internet site maintained by the  
25 state.

26 6. To take any other action as may be reasonable or  
27 appropriate to enforce this chapter and the commission  
28 rules.

29 Sec. 4. NEW SECTION. 99E.4 Requirements of  
30 applicant ---- fee ---- penalty.

31 1. An applicant for a license to conduct internet  
32 fantasy sports contests shall complete and sign an  
33 application on the form prescribed and published by  
34 the commission. The application shall include such  
35 information of the applicant that the commission deems

1 necessary for purposes of issuing a license pursuant  
2 to this chapter.

3 2. The commission shall charge the applicant a fee  
4 set by the department of public safety, division of  
5 criminal investigation, to defray the costs associated  
6 with any investigations conducted pursuant to the  
7 requirements of this section concerning the applicant.  
8 This fee is in addition to any other license fee  
9 charged by the commission. The fee may be retained by  
10 the department of public safety, division of criminal  
11 investigation, and shall be considered repayment  
12 receipts as defined in section 8.2.

13 3. A license shall not be granted to an applicant  
14 if there is substantial evidence that any of the  
15 following apply:

16 a. A license issued to the applicant to conduct  
17 internet fantasy sports contests in another  
18 jurisdiction has been revoked by an entity licensing  
19 persons to conduct such contests in that jurisdiction.

20 b. The applicant has not demonstrated financial  
21 responsibility sufficient to adequately meet the  
22 requirements of the enterprise proposed.

23 c. The applicant does not adequately disclose the  
24 true owners of the enterprise proposed.

25 d. The applicant has knowingly made a false  
26 statement of a material fact to the commission.

27 e. The applicant has failed to meet a monetary  
28 obligation in connection with conducting an internet  
29 fantasy sports contest.

30 f. The applicant is not of good repute and moral  
31 character or the applicant has pled guilty to, or has  
32 been convicted of, a felony.

33 4. A person who knowingly makes a false statement  
34 on the application is guilty of an aggravated  
35 misdemeanor.

1 5. For the purposes of this section, "applicant"  
2 includes each member of the board of directors of an  
3 internet fantasy sports contest service provider.

4 Sec. 5. NEW SECTION. 99E.5 Licenses ---- fees ----  
5 terms and conditions ---- revocation.

6 1. If the commission is satisfied that the  
7 requirements of this chapter and its rules adopted  
8 under this chapter applicable to licensees have been  
9 or will be complied with, the commission shall issue a  
10 license for a period of not more than three years to an  
11 applicant to conduct internet fantasy sports contests  
12 in this state.

13 2. A licensed internet fantasy sports contest  
14 service provider shall comply with all of the following  
15 requirements:

16 a. Prevent employees of the internet fantasy sports  
17 contest service provider and relatives living in the  
18 same household as such employees from competing in  
19 any internet fantasy sports contest conducted by the  
20 service provider in which the service provider offers a  
21 cash prize over five dollars.

22 b. Verify that an internet fantasy sports contest  
23 player is twenty-one years of age or older and is a  
24 resident of Iowa.

25 c. Ensure that individuals who participate in a  
26 game or contest that is the subject of an internet  
27 fantasy sports contest are restricted from entering an  
28 internet fantasy sports contest in which the outcome  
29 is determined, in whole or in part, by the accumulated  
30 statistical results of a team of individuals in the  
31 game or contest in which they participate.

32 d. Allow individuals to restrict themselves from  
33 entering an internet fantasy sports contest conducted  
34 by the internet fantasy sports contest service provider  
35 upon request and take reasonable steps to prevent those

1 individuals from entering any internet fantasy sports  
2 contests conducted by the internet fantasy sports  
3 contest service provider.

4 e. Disclose the number of entries a single internet  
5 fantasy sports contest player may submit to each  
6 internet fantasy sports contest and take reasonable  
7 steps to prevent players from submitting more than the  
8 allowable number of entries for that internet fantasy  
9 sports contest.

10 f. Segregate internet fantasy sports contest player  
11 funds from operational funds and maintain a reserve  
12 in the form of cash, cash equivalents, an irrevocable  
13 letter of credit, a bond, or a combination thereof in  
14 the amount of the deposits in internet fantasy sports  
15 contest player accounts for the benefit and protection  
16 of internet fantasy sports contest player funds held  
17 in internet fantasy sports contest accounts by the  
18 internet fantasy sports contest service provider.

19 g. Annually contract with a third party to  
20 perform an independent audit, consistent with the  
21 standards established by the public company accounting  
22 oversight board, to ensure compliance with all of the  
23 requirements in this chapter and submit the results of  
24 the independent audit to the commission.

25 h. Pay the tax as provided in section 99E.6.

26 3. The annual license fee to conduct internet  
27 fantasy sports contests shall be five hundred dollars.  
28 Moneys collected by the commission from the annual  
29 license fee paid under this subsection shall be  
30 considered repayment receipts as defined in section  
31 8.2.

32 4. Upon a violation of any of the conditions listed  
33 in section 99E.4 or this section by a licensee, the  
34 commission shall immediately revoke the license.

35 Sec. 6. NEW SECTION. 99E.6 Internet fantasy sports

1 contest tax ---- rate.

2 A tax of seven and one-half percent is imposed on  
3 internet fantasy sports contest adjusted revenues.

4 The tax imposed by this section shall be paid by the  
5 internet fantasy sports contest service provider to  
6 the commission as provided by the commission. The tax  
7 shall be deposited in the rebuild Iowa infrastructure  
8 fund created in section 8.57.

9 Sec. 7. NEW SECTION. 99E.7 Internet fantasy sports  
10 contests ---- age restrictions.

11 A person under the age of twenty-one years shall not  
12 enter an internet fantasy sports contest. A person  
13 who violates this section with respect to entering an  
14 internet fantasy sports contest commits a scheduled  
15 violation under section 805.8C, subsection 11.

16 Sec. 8. NEW SECTION. 99E.8 Division of criminal  
17 investigation.

18 The division of criminal investigation of the  
19 department of public safety may investigate to  
20 determine licensee compliance with the requirements  
21 of this chapter. Investigations may be conducted  
22 either on the criminal investigation division's own  
23 initiative or at the request of the commission. The  
24 criminal investigation division and the commission  
25 shall cooperate to the maximum extent possible on an  
26 investigation.

27 Sec. 9. NEW SECTION. 99E.9 Setoff.

28 1. A licensee or a person acting on behalf of a  
29 licensee shall be provided electronic access to the  
30 names of the persons indebted to a claimant agency  
31 pursuant to the process established pursuant to section  
32 99E.3, subsection 5. The electronic access provided  
33 by the claimant agency shall include access to the  
34 names of the debtors, their social security numbers,  
35 and any other information that assists the licensee

1 in identifying the debtors. If the name of a debtor  
2 provided to the licensee through electronic access is  
3 retrieved by the licensee and the winnings are equal  
4 to or greater than one thousand two hundred dollars  
5 per occurrence, the retrieval of such a name shall  
6 constitute a valid lien upon and claim of lien against  
7 the winnings of the debtor whose name is electronically  
8 retrieved from the claimant agency. If a debtor's  
9 winnings are equal to or greater than one thousand two  
10 hundred dollars per occurrence, the full amount of the  
11 debt shall be collectible from any winnings due the  
12 debtor without regard to limitations on the amounts  
13 that may be collectible in increments through setoff  
14 or other proceedings.

15 2. The licensee is authorized and directed to  
16 withhold any winnings of a debtor which are paid out  
17 directly by the licensee subject to the lien created by  
18 this section and provide notice of such withholding to  
19 the winner when the winner appears and claims winnings  
20 in person. The licensee shall pay the funds over to  
21 the collection entity which administers the setoff  
22 program pursuant to section 8A.504.

23 3. Notwithstanding any other provision of law to  
24 the contrary, the licensee may provide to a claimant  
25 agency all information necessary to accomplish and  
26 effectuate the intent of this section, and likewise the  
27 claimant agency may provide all information necessary  
28 to accomplish and effectuate the intent of this  
29 section.

30 4. The information obtained by a claimant agency  
31 from the licensee in accordance with this section shall  
32 retain its confidentiality and shall only be used by a  
33 claimant agency in the pursuit of its debt collection  
34 duties and practices. An employee or prior employee  
35 of a claimant agency who unlawfully discloses any such

1 information for any other purpose, except as otherwise  
2 specifically authorized by law, shall be subject to the  
3 penalties specified by law for unauthorized disclosure  
4 of confidential information by an agent or employee of  
5 the claimant agency.

6 5. The information obtained by a licensee from a  
7 claimant agency in accordance with this section shall  
8 retain its confidentiality and only be used by the  
9 licensee in the pursuit of debt collection duties and  
10 practices. An employee or prior employee of a licensee  
11 who unlawfully discloses any such information for  
12 any other purpose, except as otherwise specifically  
13 authorized by law, shall be subject to the same  
14 penalties specified by law for unauthorized disclosure  
15 of confidential information by an agent or employee of  
16 the licensee.

17 6. Except as otherwise provided in this chapter,  
18 attachments, setoffs, or executions authorized and  
19 issued pursuant to law shall be withheld if timely  
20 served upon the licensee.

21 7. A claimant agency or licensee, acting in good  
22 faith, shall not be liable to any person for actions  
23 taken pursuant to this section.

24 Sec. 10. NEW SECTION. 99E.10 Penalties.

25 In addition to any other penalty specified in this  
26 chapter, a person who willfully fails to comply with  
27 the requirements of this chapter and the rules adopted  
28 pursuant to chapter 17A commits a class "D" felony and,  
29 in addition, shall be barred for life from internet  
30 fantasy sports contests.

31 Sec. 11. Section 232C.4, subsection 3, Code 2016,  
32 is amended to read as follows:

33 3. An emancipated minor shall remain subject  
34 to voting restrictions under chapter 48A, gambling  
35 restrictions under chapter 99B, 99D, 99F, 99G, or 725,

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1 internet fantasy sports contest restrictions under  
2 chapter 99E, alcohol restrictions under chapter 123,  
3 compulsory attendance requirements under chapter 299,  
4 and cigarette tobacco restrictions under chapter 453A.  
5 Sec. 12. Section 714B.10, subsection 1, Code 2016,  
6 is amended to read as follows:

7 1. Advertising by sponsors registered pursuant  
8 to chapter 557B, licensed pursuant to chapter 99B, or  
9 regulated pursuant to chapter 99D, 99E, 99F, or 99G.

10 Sec. 13. Section 805.8C, Code 2016, is amended by  
11 adding the following new subsection:

12 NEW SUBSECTION. 11. Internet fantasy sports contest  
13 violations. For violations of legal age for entering  
14 an internet fantasy sports contest under section 99E.7,  
15 the scheduled fine is five hundred dollars. Failure  
16 to pay the fine by a person under the age of eighteen  
17 shall not result in the person being detained in a  
18 secure facility.

19 Sec. 14. IMPLEMENTATION DATE. The following  
20 provision or provisions of this Act shall not be  
21 implemented until July 1, 2018:

22 1. The section of this Act enacting section 99E.9.>

23 2. Title page, line 1, after <contests> by  
24 inserting <, providing for a tax, making penalties  
25 applicable, and including implementation provisions>

COMMITTEE ON STATE GOVERNMENT

VANDER LINDEN of Mahaska, Chairperson

H-8102 FILED MARCH 10, 2016

SENATE FILE 2162

H-8098

1 Amend Senate File 2162, as passed by the Senate, as  
2 follows:

3 1. Page 2, after line 16 by inserting:

4 <2A. Rules adopted pursuant to this section shall  
5 provide for the division's acceptance of the filing of  
6 paper documents.>

7 2. By renumbering, redesignating, and correcting  
8 internal references as necessary.

COMMITTEE ON STATE GOVERNMENT

VANDER LINDEN of Mahaska, Chairperson

H-8098 FILED MARCH 10, 2016

SENATE FILE 2247

H-8097

1 Amend Senate File 2247, as passed by the Senate, as  
2 follows:

3 1. Page 2, by striking lines 7 through 15.

COMMITTEE ON TRANSPORTATION

BYRNES of Mitchell, Chairperson

H-8097 FILED MARCH 10, 2016

SENATE FILE 2259

H-8099

1 Amend Senate File 2259, as passed by the Senate, as  
2 follows:

3 1. Page 1, line 13, by striking <judge> and  
4 inserting <court, with preference given to the  
5 committing judge, if available,>

COMMITTEE ON HUMAN RESOURCES

L. MILLER of Scott, Chairperson

H-8099 FILED MARCH 10, 2016

SENATE FILE 2273

H-8100

1 Amend Senate File 2273, as passed by the Senate, as  
2 follows:

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

5 <Section 1. Section 10A.104, subsection 12, Code  
6 2016, is amended to read as follows:

7 12. Administer inspections and licensing of hotels  
8 and home ~~food establishments~~ bakeries.

9 Sec. 2. Section 137D.1, subsections 3 and 4, Code  
10 2016, are amended to read as follows:

11 3. ~~"Home food establishment"~~ "Home bakery" means  
12 a business on the premises of a residence in which  
13 prepared food is created for sale or resale, for  
14 consumption off the premises, if the business has  
15 gross annual sales of prepared food of less than  
16 ~~twenty thirty-five~~ thousand dollars. However, a ~~home~~  
17 ~~food establishment~~ "home bakery" does not include a  
18 residence in which food is prepared to be used or  
19 sold by churches, fraternal societies, charitable  
20 organizations, or civic organizations.

21 4. "Prepared food" means soft pies, bakery  
22 products with a custard or cream filling, or ~~any~~  
23 ~~other potentially hazardous~~ baked goods that are a  
24 time/temperature control for safety food. "Prepared  
25 food" does not ~~mean nonhazardous~~ include baked goods  
26 that are not a time/temperature control for safety  
27 food, including but not limited to breads, fruit pies,  
28 cakes, or other ~~nonhazardous~~ pastries that are not a  
29 time/temperature control for safety food.

30 Sec. 3. Section 137D.1, Code 2016, is amended by  
31 adding the following new subsection:

32 NEW SUBSECTION. 5. "Time/temperature control  
33 for safety food" means a food that requires time and  
34 temperature controls for safety to limit pathogenic  
35 microorganism growth or toxin formation.

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1 Sec. 4. Section 137D.2, Code 2016, is amended to  
2 read as follows:

3 137D.2 Licenses and inspections.

4 1. A person shall not open or operate a home ~~food~~  
5 ~~establishment~~ bakery until a license has been obtained  
6 from the department of inspections and appeals. The  
7 department shall collect a fee of ~~thirty-three dollars~~  
8 ~~and seventy-five cents~~ fifty dollars for a license.  
9 After collection, the fees shall be deposited in the  
10 general fund of the state. A license shall expire one  
11 year from date of issue. A license is renewable.

12 2. A person shall not sell or distribute from  
13 a home ~~food establishment~~ bakery if the home ~~food~~  
14 ~~establishment~~ bakery is unlicensed, the license of the  
15 home ~~food establishment~~ bakery is suspended, or the  
16 food fails to meet standards adopted for such food by  
17 the department.

18 3. An application for a license under this chapter  
19 shall be made upon a form furnished by the department  
20 and shall contain the items required by it according to  
21 rules adopted by the department.

22 4. The department shall regulate, license, and  
23 inspect home ~~food establishments~~ bakeries according to  
24 standards adopted by rule.

25 5. The department shall provide for the periodic  
26 inspection of a home ~~food establishment~~ bakery. The  
27 inspector may enter the home ~~food establishment~~ bakery  
28 at any reasonable hour to make the inspection. The  
29 department shall inspect only those areas related to  
30 preparing food for sale.

31 6. The department shall regulate and inspect food  
32 prepared at a home ~~food establishment~~ bakery according  
33 to standards adopted by rule. The inspection may  
34 occur at any place where the prepared food is created,  
35 transported, or stored for sale or resale.

1 Sec. 5. Section 137D.3, Code 2016, is amended to  
2 read as follows:

3 137D.3 Penalty.

4 A person who violates a provision of this chapter,  
5 including a standard adopted by departmental rule,  
6 relating to home ~~food establishments~~ bakeries or  
7 prepared foods created in a home ~~food establishment~~  
8 bakery, is guilty of a simple misdemeanor. Each day  
9 that the violation continues constitutes a separate  
10 offense.

11 Sec. 6. Section 137D.4, Code 2016, is amended to  
12 read as follows:

13 137D.4 Injunction.

14 A person operating a home ~~food establishment~~  
15 bakery or selling prepared foods created at a home  
16 ~~food establishment~~ bakery in violation of a provision  
17 of this chapter may be restrained by injunction  
18 from further operating that home ~~food establishment~~  
19 bakery. If an imminent health hazard exists, the  
20 home ~~food establishment~~ bakery must cease operation.  
21 Operation shall not be resumed until authorized by the  
22 department.

23 Sec. 7. Section 137D.6, Code 2016, is amended to  
24 read as follows:

25 137D.6 Conflicts with state building code.

26 Provisions of this chapter, including standards  
27 for home ~~food establishments~~ bakeries adopted by the  
28 department, in conflict with the state building code,  
29 as adopted pursuant to section 103A.7, shall not apply  
30 where the state building code has been adopted or when  
31 the state building code applies throughout the state.

32 Sec. 8. Section 137D.8, subsections 1 and 3, Code  
33 2016, are amended to read as follows:

34 1. The person's home ~~food establishment~~ bakery does  
35 not conform to a provision of this chapter or a rule

1 adopted pursuant to this chapter.

2 3. The person conducts an activity constituting a  
3 criminal offense in the home ~~food establishment~~ bakery  
4 and is convicted of a serious misdemeanor or a more  
5 serious offense as a result.

6 Sec. 9. Section 137F.1, subsection 7, paragraph d,  
7 Code 2016, is amended to read as follows:

8 d. Premises which are a home ~~food establishment~~  
9 bakery pursuant to chapter 137D.>

10 2. Title page, by striking lines 1 through 3 and  
11 inserting <An Act relating to licensure of home food  
12 establishments.>

COMMITTEE ON STATE GOVERNMENT

VANDER LINDEN of Mahaska, Chairperson

SENATE FILE 2275

H-8101

1 Amend Senate File 2275, as passed by the Senate, as  
2 follows:

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

5 <Section 1. Section 157.1, subsection 5, paragraph  
6 a, Code 2016, is amended to read as follows:

7 a. Arranging, braiding, dressing, curling, waving,  
8 press and curl hair straightening, shampooing, cutting,  
9 singeing, bleaching, coloring, or similar works, upon  
10 the hair of any person, or upon a wig or hairpiece when  
11 done in conjunction with haircutting or hairstyling by  
12 any means. "Cosmetology" does not include natural hair  
13 braiding.

14 Sec. 2. Section 157.1, Code 2016, is amended by  
15 adding the following new subsections:

16 NEW SUBSECTION. 19A. "Mechanical device" means a  
17 clip, comb, hairpin, or scissors.

18 NEW SUBSECTION. 24A. "Natural hair braiding" means  
19 twisting, wrapping, weaving, extending, locking, or  
20 braiding hair by hand or with a mechanical device.

21 "Natural hair braiding", also known as African-style  
22 hair braiding, is not limited to any particular  
23 cultural, ethnic, racial, or religious forms of hair  
24 styles.

25 a. "Natural hair braiding" includes:

26 (1) The use of natural or synthetic hair  
27 extensions, natural or synthetic hair and fibers,  
28 decorative beads, or other hair accessories.

29 (2) Minor trimming of natural hair or hair  
30 extensions incidental to twisting, wrapping, weaving,  
31 extending, locking, or braiding hair.

32 (3) The use of topical agents such as conditioners,  
33 gels, moisturizers, oils, and pomades.

34 b. "Natural hair braiding" does not include:

35 (1) The application of dyes, reactive chemicals, or

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1 other preparations to alter the color of the hair or to  
2 straighten, curl, or alter the structure of the hair.

3 (2) The use of chemical hair joining agents such as  
4 synthetic tape, keratin bonds, or fusion bonds.>

5 2. By renumbering as necessary.

COMMITTEE ON STATE GOVERNMENT

VANDER LINDEN of Mahaska, Chairperson

H-8101 FILED MARCH 10, 2016



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**HF 2355** – Human Trafficking Office (LSB5128HV.1)  
Analyst: Alice Wisner (Phone: 515-281-6764) ([alice.wisner@legis.iowa.gov](mailto:alice.wisner@legis.iowa.gov))  
Fiscal Note Version – Revised (new information from the department)

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**Description**

**House File 2355** establishes an office within the Department of Public Safety (DPS) to coordinate and oversee efforts to combat the crime of human trafficking within the state of Iowa. Duties of the office include:

- Be the point of contact for anti-human trafficking activity within the state of Iowa.
- Consult and work with other agencies and organizations having expertise in dealing with the crime of human trafficking.
- Develop a strategy to collect and maintain criminal history data on incidents related to human trafficking.
- Develop a strategy for sharing victim and offender data among governmental agencies.
- Apply for and assist other governmental agencies to apply for grants to combat human trafficking.
- Research and recommend training to identify and respond to human trafficking victims.
- Report by November 1, 2017, and annually thereafter, to the General Assembly regarding the office's activities related to combatting human trafficking, and the identified occurrences of human trafficking within the state.

**Background**

Human trafficking is the illegal trade of people, including sexual exploitation and labor trafficking. It is estimated that human trafficking is second only to drug trafficking as the most profitable international crime. Victims enter into human trafficking through a variety of actions, including force, fraud, and coercion.

During the 2015 Legislative Session, the ending balance of the **Mortgage Servicing Settlement Fund** was transferred to the Office of the Attorney General (AG) to establish the **Human Trafficking Enforcement Fund**.<sup>1</sup> That money was to be used by the Crime Victim Assistance Division (CVAD) of the AG to develop and conduct outreach, public awareness, and training programs related to human trafficking for certain populations. As of February 2016, there is approximately \$603,000 in the Human Trafficking Enforcement Fund, and a plan is being developed for use of the funds. The AG was also allowed in **SF 510** to use up to \$300,000 per year from the **Victim Compensation Fund** to provide training to professionals concerning victim services, homicide, domestic violence, sexual assault, stalking, harassment, and human trafficking. **House File 2355** will direct the coordination of investigative and victim advocate training, investigative response, a criminal intelligence collection strategy, the coordination of information sharing among law enforcement, governmental and nongovernmental agencies, and apply for and assist agencies when applying for grants associated with combatting human trafficking in Iowa.

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<sup>1</sup> **SF 510** (Standing Appropriations Act)

### **Assumptions**

The DPS currently has designated a state trooper as the Human Trafficking Training Coordinator for the Department. This position is also responsible for the coordination of human trafficking issues related to training and outreach. This trooper will act as the coordinator as outlined in this bill.

If funding becomes available, the DPS will add the following positions and support at a cost of \$483,000. That estimate includes:

- 4.0 full-time equivalent (FTE) positions, including a special agent in charge, two special agent 2 positions, and one criminal intelligence analyst senior. The total salary and benefit cost for these positions is \$345,000. These costs are based on entry-level figures, but the actual costs could be higher if the positions are filled by current employees.
- Support of \$138,000 including vehicles, travel, weapons, computers, etc. during FY 2017. This cost is expected to decrease to \$30,000 in FY 2018.

### **Fiscal Impact**

The DPS will implement the proposed legislation with no additional cost at this time.

### **Sources**

Iowa Department of Public Safety  
Iowa Department of Justice, Attorney General's Office  
U.S. Department of Homeland Security  
U.S. Department of Justice

/s/ Holly M. Lyons

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March 10, 2016

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The fiscal note for this bill was prepared pursuant to [Joint Rule 17](#) and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the LSA upon request.

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