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

MARCH 23, 2016

HOUSE FILE 2380

H-8136

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- Amend House File 2380 as follows:
- 2 1. By striking everything after the enacting clause 3 and inserting:
- 4 <Section 1. <u>NEW SECTION</u>. 135.190 Possession and 5 administration of opioid antagonists.
- 6 1. For purposes of this section, unless the context 7 otherwise requires:
- 8 a. "Opioid antagonist" means the same as defined in 9 section 147A.1.
- 10 b. "Opioid-related overdose" means the same as 11 defined in section 147A.1.
- 12 c. "Person in a position to assist" means a family 13 member, friend, caregiver, health care provider, 14 employee of a substance abuse treatment facility, or 15 other person who may be in a place to render aid to 16 a person at risk of experiencing an opioid-related 17 overdose.
- 18 2. A person in a position to assist may possess 19 and provide or administer an opioid antagonist to 20 an individual if the person in a position to assist 21 reasonably and in good faith believes that such 22 individual is experiencing an opioid-related overdose.
- 23 3. A person in a position to assist who has acted 24 reasonably and in good faith shall not be liable for 25 any injury arising from the provision, administration, 26 or assistance in the administration of an opioid 27 antagonist as provided in this section.
- 28 Sec. 2. Section 147A.1, Code 2016, is amended by 29 adding the following new subsections:
- NEW SUBSECTION. 6A. "First responder" means an subsection and emergency medical care provider, a registered nurse staffing an authorized service program under section 147A.12, a physician assistant staffing an authorized service program under section 147A.13, a fire fighter, or a peace officer as defined in section 801.4 who H-8136

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- 1 is trained and authorized to administer an opioid 2 antagonist.
- 3 <u>NEW SUBSECTION</u>. 6B. "Licensed health care 4 professional" means the same as defined in section 5 280.16.
- NEW SUBSECTION. 6C. "Opioid antagonist" means a drug that binds to opioid receptors and blocks or inhibits the effects of opioids acting on those receptors, including but not limited to naloxone hydrochloride or any other similarly acting drug approved by the United States food and drug administration.
- NEW SUBSECTION. 6D. "Opioid-related overdose"
 the means a condition affecting a person which may
 include extreme physical illness, a decreased level
 of consciousness, respiratory depression, a coma, or
 the ceasing of respiratory or circulatory function
 resulting from the consumption or use of an opioid, or
 another substance with which an opioid was combined.
- 20 Sec. 3. <u>NEW SECTION</u>. 147A.18 Possession and 21 administration of an opioid antagonist ---- immunity.
- 1. Notwithstanding any other provision of law to the contrary, a licensed health care professional may prescribe an opioid antagonist in the name of a service program, law enforcement agency, or fire department to be maintained for use as provided in this section.
- 27 2. A service program, law enforcement agency,
 28 or fire department may obtain a prescription for and
 29 maintain a supply of opioid antagonists. A service
 30 program, law enforcement agency, or fire department
 31 that obtains such a prescription shall replace an
 32 opioid antagonist upon its use or expiration.
- 33 3. A first responder employed by a service program, 34 law enforcement agency, or fire department that 35 maintains a supply of opioid antagonists pursuant to $\frac{1}{100}$

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- 1 this section may possess and provide or administer such 2 an opioid antagonist to an individual if the first 3 responder reasonably and in good faith believes that 4 such individual is experiencing an opioid-related 5 overdose.
- 6 4. The following persons, provided they have acted 7 reasonably and in good faith, shall not be liable for 8 any injury arising from the provision, administration, 9 or assistance in the administration of an opioid 10 antagonist as provided in this section:
- 11 a. A first responder who provides, administers, or 12 assists in the administration of an opioid antagonist 13 to an individual as provided in this section.
- 14 b. A service program, law enforcement agency, or 15 fire department.
 - c. The prescriber of the opioid antagonist.
- 17 5. The department shall adopt rules pursuant 18 to chapter 17A to implement and administer this
- 19 section, including but not limited to standards
- 20 and procedures for the prescription, distribution,
- 21 storage, replacement, and administration of opioid
- 22 antagonists, and for the training and authorization
- 23 to be required for first responders to administer an 24 opioid antagonist.
- 25 Sec. 4. CONTINGENT IMPLEMENTATION. Implementation 26 of the section of this Act enacting section 147A.18 is 27 contingent upon the availability of funding.>
- 28 2. Title page, by striking lines 1 through 3 and
- 29 inserting <An Act relating to the possession and
- 30 administration of emergency drugs by first responders
- 31 and other persons in a position to assist for purposes
- 32 of treating drug overdose victims and including
- 33 contingent implementation provisions.>

By KLEIN of Washington ABDUL-SAMAD of Polk

H-8136 FILED MARCH 22, 2016

HOUSE FILE 2440

H-8138

- 1 Amend House File 2440 as follows:
- 2 1. Page 3, line 14, by striking <requirement> and
- 3 inserting <and insurance verification requirements>
- 4 2. Page 5, by striking lines 30 and 31 and 5 inserting:
- 6 <5. Notification and insurance verification during 7 disaster response period.>
 - 3. Page 6, after line 17 by inserting:
- 9 <___. Upon request of the secretary of state, an 10 out-of-state business that enters the state to perform
- 11 disaster and emergency-related work during a disaster
- 12 response period shall provide proof of workers'
- 13 compensation insurance coverage and liability insurance
- 14 coverage, if any. Such proof shall be provided within
- 15 ten days of the request.>
- 16 4. Page 6, line 18, after <notification> by
- 17 inserting <and insurance verification>
- 18 5. By renumbering, redesignating, and correcting
- 19 internal references as necessary.

By BYRNES of Mitchell

H-8138 FILED MARCH 22, 2016

Senate Amendment to HOUSE FILE 2283

H-8134

- 1 Amend House File 2283, as passed by the House, as 2 follows:
- 3 1. Page 1, by striking lines 3 through 19 and 4 inserting:
- 5 <2.<u>a.</u> A person shall not operate or ride a 6 snowmobile with a firearm in the person's possession 7 unless it is unloaded and enclosed in a carrying case.
- 8 However, a nonambulatory person may carry an uncased
- 9 and unloaded firearm while operating or riding a 10 snowmobile.
- 11 <u>b. (1) A person may operate or ride on a</u>
 12 snowmobile with a loaded firearm, whether concealed or
 13 not, without a permit to carry weapons, if the person
 14 operates or rides on land owned or possessed by the
 15 person, and the person's conduct is otherwise lawful.
- 16 (2) If a person is operating or riding on a
 17 snowmobile on land that is not owned or possessed
 18 by the person, the person may operate or ride the
 19 snowmobile with a loaded firearm, whether concealed or
 20 not, if all of the following apply:
- 21 <u>(a) The firearm is a pistol or revolver and is</u> 22 secured in a retention holster upon the person.
- 23 (b) The person has in the person's possession and 24 displays to a peace officer on demand a valid permit to 25 carry weapons which has been issued to the person.
- 26 (c) The person's conduct is within the limits of 27 the permit to carry weapons.
- 28 <u>c. A person shall not discharge a firearm while on</u> 29 <u>a snowmobile, except that a nonambulatory person may</u> 30 <u>discharge a firearm from a snowmobile while lawfully</u> 31 <u>hunting if the person is not operating or riding a</u> 32 moving snowmobile.>
- 33 2. By striking page 1, line 22, through page 2, 34 line 8, and inserting:
- 35 <2. a. A person shall not operate or ride an $\frac{\text{H-8134}}{\text{-1-}}$

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- 1 all-terrain vehicle with a firearm in the person's 2 possession unless it is unloaded and enclosed in a 3 carrying case. However, a nonambulatory person may 4 carry an uncased and unloaded firearm while operating 5 or riding an all-terrain vehicle.
- 6 b. (1) A person may operate or ride on an
 7 all-terrain vehicle with a loaded firearm, whether
 8 concealed or not, without a permit to carry weapons, if
 9 the person operates or rides on land owned or possessed
 10 by the person, and the person's conduct is otherwise
 11 lawful.
- 12 (2) If a person is operating or riding on an all-terrain vehicle on land that is not owned or possessed by the person, the person may operate or ride the all-terrain vehicle with a loaded firearm, whether concealed or not, if all of the following apply:
- 17 <u>(a) The firearm is a pistol or revolver and is</u> 18 secured in a retention holster upon the person.
- 19 (b) The person has in the person's possession and 20 displays to a peace officer on demand a valid permit to 21 carry weapons which has been issued to the person.
- 22 (c) The person's conduct is within the limits of 23 the permit to carry weapons.
- 24 <u>c. A person shall not discharge a firearm while on</u> 25 an all-terrain vehicle, except that a nonambulatory
- 26 person may discharge a firearm from an all-terrain
- 27 vehicle while lawfully hunting if the person is not
- 28 <u>operating or riding a moving all-terrain vehicle.</u>> RECEIVED FROM THE SENATE

H-8134 FILED MARCH 22, 2016

Senate Amendment to HOUSE FILE 2385

H-8135

- 1 Amend <u>House File 2385</u>, as passed by the House, as 2 follows:
- 3 1. Page 1, by striking lines 3 through 5 and 4 inserting:
- 5 <3. A person who violates this section is subject
- 6 to a civil penalty not to exceed of one thousand
- 7 dollars for each violation a first offense, two
- 8 thousand dollars for a second offense, and three
- 9 thousand dollars for a third or subsequent offense.>
- 10 2. By striking page 1, line 28, through page 2, 11 line 9.
- 12 3. By renumbering as necessary.

RECEIVED FROM THE SENATE

H-8135 FILED MARCH 22, 2016

HOUSE FILE 2437

H-8133

- 1 Amend House File 2437 as follows:
- 2 1. Page 5, by striking lines 22 through 31 and 3 inserting:
- 4 <Sec. ___. Section 321.194, Code 2016, is amended 5 to read as follows:
- 6 321.194 Special minors' licenses.
- 7 1. Driver's license issued for travel to and from 8 school Persons eligible. Upon certification of a 9 special need by the school board, superintendent of 10 the applicant's school, or principal, if authorized by 11 the superintendent, the department may issue a class 12 C or M driver's license to a person between the ages 13 of fourteen and eighteen years whose if all of the 14 following apply:
- 15 <u>a.</u> The person's driving privileges have not been 16 suspended, revoked, or barred under this chapter or 17 chapter 321J during, and who the person has not been 18 convicted of a moving traffic violation or involved 19 in a motor vehicle accident for, the six-month period 20 immediately preceding the application for the special 21 minor's license and who.
- b. The person has successfully completed an approved driver education course. However, the completion of a course is not required if the applicant demonstrates to the satisfaction of the department that completion of the course would impose a hardship upon the applicant. The department shall adopt rules defining the term "hardship" and establish procedures for the demonstration and determination of when completion of the course would impose a hardship upon an applicant.
- 32 2. Driving privileges.
- 33 a. Permitted operations. The driver's license 34 entitles the holder, while having the license in 35 immediate possession, to operate a motor vehicle other H-8133

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- 1 than a commercial motor vehicle or as a chauffeur:
- 2 (1) During the hours of 5:00 a.m. to 10:00 p.m. 3 over the most direct and accessible route between the 4 licensee's residence and schools of enrollment or
- 5 the closest school bus stop or public transportation
- 6 service, and between schools of enrollment, for
- 7 the purpose of attending duly scheduled courses of
- 8 instruction and extracurricular activities within the 9 school district of enrollment.
- 10 (2) During the hours of 5:00 a.m. to 10:00 p.m.

 11 over the most direct and accessible route between the

 12 licensee's residence or school of enrollment and a

 13 site, facility, or school that is not the student's

 14 licensee's school of enrollment for the purpose of

 15 participating in extracurricular activities conducted

 16 under a sharing agreement with the student's licensee's

 17 school of enrollment or conducted at a site or facility

 18 designated by the licensee's school district for

 19 the accommodation of the school's extracurricular

 20 activities, provided the site, facility, or school is

 21 within the licensee's school district of enrollment

 22 or is within a school district contiguous to the
- 24 (3) To a service station for the purpose of 25 refueling, so long as the service station is the 26 station closest to the route the licensee is traveling 27 on under subparagraph (1) or (2).

23 licensee's school district of enrollment.

- 28 (4) At any time when the licensee is accompanied in 29 accordance with section 321.180B, subsection 1.
 - b. Restrictions.
- 31 (1) Passengers. Unless accompanied in accordance 32 with section 321.180B, subsection 1, a person issued 33 a driver's license pursuant to this section must 34 limit the number of unrelated minor passengers in 35 the motor vehicle when the licensee is operating the H-8133 -2-

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- 1 motor vehicle to one. For purposes of this section,
 2 "unrelated minor passenger" means a passenger who is
 3 under eighteen years of age and who is not a sibling of
 4 the driver, a stepsibling of the driver, or a child who
 5 resides in the same household as the driver.
- (2) Electronic communication devices. A person issued a driver's license under this section shall not use an electronic communication device or an electronic entertainment device while driving a motor vehicle unless the motor vehicle is at a complete stop off the traveled portion of the roadway. This subparagraph does not apply to the use of electronic equipment which is permanently installed in the motor vehicle or to a portable device which is operated through permanently installed equipment. The department, in cooperation with the department of public safety, shall establish educational programs to foster compliance with the requirements of this subparagraph.
- c. 3. Certification of need and issuance of 20 license. Each application shall be accompanied by 21 a statement from the school board, superintendent, 22 or principal, if authorized by the superintendent, 23 of the applicant's school. The statement shall be 24 upon a form provided by the department. The school 25 board, superintendent, or principal, if authorized by 26 the superintendent, shall certify that a need exists 27 for the license and that the board, superintendent, 28 or principal authorized by the superintendent is not 29 responsible for actions of the applicant which pertain 30 to the use of the driver's license. Upon receipt of a 31 statement of necessity, the department shall issue the 32 driver's license provided the applicant is otherwise 33 eligible for issuance of the license. The fact that 34 the applicant resides at a distance less than one mile 35 from the applicant's school of enrollment is prima H-8133

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 1 facie evidence of the nonexistence of necessity for
 2 the issuance of a license. The school board shall
 3 develop and adopt a policy establishing the criteria
 4 that shall be used by a school district administrator
 5 to approve or deny certification that a need exists for
6 a license. The student may appeal to the school board
7 the decision of a school district administrator to
8 deny certification. The decision of the school board
9 is final. The driver's license shall not be issued
10 for purposes of attending a public school in a school
11 district other than either of the following:
     \frac{1}{1} a. The district of residence of the parent or
13 quardian of the student.
     \frac{(2)}{(2)} b. A district which is contiguous to the
15 district of residence of the parent or guardian of
16 the student, if the student is enrolled in the public
17 school which is not the school district of residence
18 because of open enrollment under section 282.18 or as
19 a result of an election by the student's district of
20 residence to enter into one or more sharing agreements
21 pursuant to the procedures in chapter 282.
22
      d. (1) A person issued a driver's license under
23 this section shall not use an electronic communication
24 device or an electronic entertainment device while
25 driving a motor vehicle unless the motor vehicle is
26 at a complete stop off the traveled portion of the
27 roadway. This subparagraph does not apply to the use
28 of electronic equipment which is permanently installed
29 in the motor vehicle or to a portable device which is
30 operated through permanently installed equipment.
     (2) The department, in cooperation with the
32 department of public safety, shall establish
33 educational programs to foster compliance with the
34 requirements of subparagraph (1).
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2. 4. Suspension and revocation. A driver's

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 1 license issued under this section is subject to
 2 suspension or revocation for the same reasons and
 3 in the same manner as suspension or revocation of
 4 any other driver's license. The department may also
 5 suspend a driver's license issued under this section
 6 upon receiving satisfactory evidence that the licensee
 7 has violated the restrictions of the license or has
 8 been involved in one or more accidents chargeable to
 9 the licensee. The department may suspend a driver's
10 license issued under this section upon receiving a
11 record of the licensee's conviction for one violation.
12 The department shall revoke the license upon receiving
13 a record of conviction for two or more violations of a
14 law of this state or a city ordinance regulating the
15 operation of motor vehicles on highways other than
16 parking violations as defined in section 321.210.
17 After a person licensed under this section receives two
18 or more convictions which require revocation of the
19 person's license under this section, the department
20 shall not grant an application for a new driver's
21 license until the expiration of thirty days.
      3. 5. Citations for violation of restrictions.
22
23 person who violates the restrictions imposed under
24 subsection 1, paragraph "a" or "d", 2 may be issued a
25 citation under this section and shall not be issued a
26 citation under section 321.193. A violation of the
27 restrictions imposed under subsection 1, paragraph "a"
28 <del>or "d",</del> 2 shall not be considered a moving violation.
      Sec. ____. Section 321.482A, unnumbered paragraph 1,
30 Code 2016, is amended to read as follows:
      Notwithstanding section 321.482, a person who is
32 convicted of operating a motor vehicle in violation
33 of section 321.178, subsection 2, paragraph "a",
34 subparagraph (2), section 321.180B, subsection 6,
35 section 321.194, subsection 1 2, paragraph - "d" "b",
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 1 subparagraph (2), section 321.256, section 321.257,
 2 section 321.275, subsection 4, section 321.276,
 3 321.297, 321.298, 321.299, 321.302, 321.303, 321.304,
 4 321.305, 321.306, 321.307, 321.308, section 321.309,
 5 subsection 2, or section 321.311, 321.319, 321.320,
 6 321.321, 321.322, 321.323, 321.324, 321.324A, 321.327,
 7 321.329, 321.333, or 321.372, subsection 3, causing
 8 serious injury to or the death of another person may be
 9 subject to the following penalties in addition to the
10 penalty provided for a scheduled violation in section
11 805.8A or any other penalty provided by law:>
12
      2. By renumbering as necessary.
                              By B. MOORE of Jackson
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HOUSE FILE 2439

H-8139

- 1 Amend House File 2439 as follows:
- 2 1. Page 2, by striking lines 9 through 11 and
- 3 inserting <by the public safety answering points for
- 4 the receipt and disposition of 911 calls.>
 - 2. Page 5, by striking lines 9 through 11 and
- 6 inserting <local E911 systems, and the expenses of
- 7 members of the E911 communications council for travel,
- 8 monthly meetings, and training, provided, however, that
- 9 the members have not received reimbursement funds for
- 10 such expenses from another source.>
- 3. Page 5, line 25, by striking <Costs> and
- 12 inserting <Local costs>

By WORTHAN of Buena Vista

H-8139 FILED MARCH 22, 2016

SENATE FILE 2205

H-8137

- 1 Amend <u>Senate File 2205</u>, as passed by the Senate, as 2 follows:
 - 3 1. Page 1, before line 1 by inserting:
- 4 <Section 1. Section 282.1, Code 2016, is amended by 5 adding the following new subsection:
- 6 NEW SUBSECTION. 3. For purposes of this section,
- 7 "resident" shall include a child who is physically
- 8 present in a district and is in the district for the
- 9 purpose of participating in a regionally, state, or
- 10 nationally recognized athletic league if the child
- 11 provides the district with a written certification from
- 12 the athletic league that the child is participating in
- 13 the athletic league or will participate in the current
- 14 or following school year.>
- 2. Page 2, by striking lines 5 through 9 and
- 16 inserting:
- 17 <Sec. ____. EFFECTIVE UPON ENACTMENT. The section
- 18 of this Act amending section 282.18, subsection 11,
- 19 takes effect upon enactment.
- 20 Sec. ___. RETROACTIVE APPLICABILITY. The section
- 21 of this Act amending section 282.18, subsection 11,
- 22 applies retroactively to July 1, 2015, for school
- 23 calendars beginning on or after that date.>
- 24 3. Title page, line 1, before <varsity> by
- 25 inserting <school district residency for children
- 26 participating in athletic leagues and>
- 4. By renumbering as necessary.

By BYRNES of Mitchell

H-8137 FILED MARCH 22, 2016

SENATE FILE 2277

H-8132

- 1 Amend <u>Senate File 2277</u>, as passed by the Senate, as 2 follows:
- 3 1. Page 1, after line 16 by inserting:
- 4 <Sec. ____. APPLICABILITY. This Act applies to
- 5 franchise agreements entered into on or after July 1,
- 6 2016.>
- 7 2. Title page, line 2, after <agreement> by
- 8 inserting <and including applicability date provisions>
 By ROGERS of Black Hawk

H-8132 FILED MARCH 22, 2016

REPORT OF THE CONFERENCE COMMITTEE ON SENATE FILE 174

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to resolve the differences between the Senate and House of Representatives on Senate File 174, a bill for an Act establishing the state percent of growth, respectfully make the following report:

- 1. That the House recedes from its amendment, S-5001.
- 2. That Senate File 174, as passed by the Senate, is amended to read as follows:
- 1. By striking everything after the enacting clause and inserting:

<Section 1. Section 257.8, subsection 1, Code 2016, is
amended to read as follows:</pre>

- 1. State percent of growth. The state percent of growth for the budget year beginning July 1, 2013, is two percent. The state percent of growth for the budget year beginning July 1, 2014, is four percent. The state percent of growth for the budget year beginning July 1, 2015, is one and twenty-five hundredths percent. The state percent of growth for the budget year beginning July 1, 2016, is two and twenty-five hundredths percent. The state percent of growth for each subsequent budget year shall be established by statute which shall be enacted within thirty days of the submission in the year preceding the base year of the governor's budget under section 8.21. The establishment of the state percent of growth for a budget year shall be the only subject matter of the bill which enacts the state percent of growth for a budget year.
- Sec. 2. CODE SECTION 257.8 IMPLEMENTATION. The requirement of section 257.8, subsection 1, regarding the enactment of bills establishing the regular program state percent of growth within thirty days of the submission in the

year preceding the base year of the governor's budget does not apply to this Act.

- Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.>
- 3. Title page, line 1, after <growth> by inserting <and including effective date provisions>

ON THE PART OF THE SENATE:	ON THE PART OF THE HOUSE:
TOD R. BOWMAN, CHAIRPERSON	RON JORGENSEN, CHAIRPERSON
ROBERT E. DVORSKY	CECIL DOLECHECK
TIM KRAAYENBRINK	QUENTIN STANERSON
HERMAN C. QUIRMBACH	
AMY SINCLAIR	

REPORT OF THE CONFERENCE COMMITTEE ON SENATE FILE 175

To the President of the Senate and the Speaker of the House of Representatives:

We, the undersigned members of the conference committee appointed to resolve the differences between the Senate and House of Representatives on Senate File 175, a bill for an Act establishing the categorical state percent of growth, respectfully make the following report:

- 1. That the House recedes from its amendment, S-5002.
- 2. That Senate File 175, as passed by the Senate, is amended to read as follows:
- 1. By striking everything after the enacting clause and inserting:

<Section 1. Section 257.8, subsection 2, Code 2016, is
amended to read as follows:</pre>

2. Categorical state percent of growth. The categorical state percent of growth for the budget year beginning July 1, 2013, is two percent. The categorical state percent of growth for the budget year beginning July 1, 2014, is four percent. The categorical state percent of growth for the budget year beginning July 1, 2015, is one and twenty-five hundredths percent. The categorical state percent of growth for the budget year beginning July 1, 2016, is two and twenty-five hundredths percent. The categorical state percent of growth for each budget year shall be established by statute which shall be enacted within thirty days of the submission in the year preceding the base year of the governor's budget under section 8.21. The establishment of the categorical state percent of growth for a budget year shall be the only subject matter of the bill which enacts the categorical state percent of growth for a budget year. The categorical state percent of growth may include state percents of growth for the teacher salary supplement, the professional development supplement,

the early intervention supplement, and the teacher leadership supplement.

- Sec. 2. CODE SECTION 257.8 IMPLEMENTATION. The requirement of section 257.8, subsection 2, regarding the enactment of bills establishing the categorical state percent of growth within thirty days of the submission in the year preceding the base year of the governor's budget does not apply to this Act.
- Sec. 3. EFFECTIVE UPON ENACTMENT. This Act, being deemed of immediate importance, takes effect upon enactment.>
- 2. Title page, line 1, after <growth> by inserting <and including effective date provisions>

ON THE PART OF THE SENATE:	ON THE PART OF THE HOUSE:
TOD R. BOWMAN, CHAIRPERSON	RON JORGENSEN, CHAIRPERSON
ROBERT E. DVORSKY	CECIL DOLECHECK
TIM KRAAYENBRINK	QUENTIN STANERSON
HERMAN C. QUIRMBACH	_
AMY SINCLAIR	_



Fiscal Note



Fiscal Services Division

SF 166 - Fantasy Sports (LSB1188SV.2)

Analyst: Christin Mechler (Phone: 515-281-6561) (christin.mechler@legis.iowa.gov)

Fiscal Note Version – As amended by House State Government Committee amendment H-8102

Description

Senate File 166, as amended by House State Government Committee amendment H-8102, allows for the addition of "fantasy sports contests" and "Internet fantasy sports contests" as legally recognized forms of wagering under lowa Code section 99F.3. "Fantasy sports contests" are defined as any fantasy or simulated sports contest in which participants are aware of the prizes and awards in advance of the contest. "Internet fantasy sports contests" are defined as a contest in which a person may establish and deposit money into an online account and use the balance for entering a fantasy sports contest by utilizing electronic means of communication. The proposed amendment imposes a 7.5% tax on the total entry fees and charges claimed by the third-party Internet fantasy sports service provider after the payout of all prizes and winnings from the total adjusted gross revenues. Amendment H-8102 creates a Class D felony for willfully failing to comply with requirements, resulting in the individual being barred for life from Internet fantasy sports contests. SF 166, as amended by H-8102, takes effect on July 1, 2016, with the exception of the section establishing the setoff procedure as performed by the Department of Administrative Services (DAS). This section becomes effective on July 1, 2018.

Background

The state of lowa permits individuals age 21 or older to take part in gambling games and related activities. Each gambling licensee must collect debts owed to the state from persons participating in gambling activity. Under current law, a single occurrence win equal to or greater than \$1,200 is considered a taxable event and subject to outstanding debt collection. The amount of the debt constitutes a valid lien against the winnings of the person and is collected from the winnings. Each licensee is provided electronic access to the names of persons indebted to the state for purposes of this setoff procedure. The setoff procedure is conducted by the DAS pursuant to lowa Code section 8A 504. The DAS is also allowed to charge a \$7 administrative fee for the setoff procedure. Delinquent debt and past due taxes are deposited in the General Fund in the fiscal year collected.

The Internet fantasy sports contest service provider is required to disclose the single number of entries a participant may submit to each contest, and must contract with a third party for an annual, independent audit. Furthermore, employees of an Internet fantasy sports contest service provider, or relatives living in the same household, are prohibited from engaging in any Internet fantasy sports contest with a cash prize exceeding \$5.

Assumptions

General Assumptions:

- The Fantasy Sports Trade Association (FSTA) estimates 300,000 lowans per year will play daily fantasy sports through an Internet fantasy sports contest service provider. This is approximately 10.0% of the total lowa population (3.1 million).
- Using national data provided by the FSTA, an individual participant 18 years or older spends an average of approximately \$257 on Internet fantasy sports contests annually.¹

http://fsta.org/research/industry-demographics/

- Total annual gross receipts as defined by the Internet fantasy sports contest service provider are comprised of all entry fees and charges collected annually. On average, 88.0% to 90.0% of this revenue is paid out as prizes and winnings. The remaining 10.0% to 12.0% of revenue is retained by the Internet fantasy sports contest provider.
- The moneys received after taxing the remainder of revenues held by the contest service
 provider will be adjusted by a residential percentage (multiplier) based on the total number
 of lowa residents participating in the wagering contest.
- The proposed amendment requires all tax revenue received from the participation in Internet fantasy sports contests and adjusted for resident percentage to be deposited in the Rebuild lowa Infrastructure Fund (RIIF).
- The Racing and Gaming Commission (IRGC) will charge a \$500 fee per license to conduct Internet fantasy sports contests. The IRGC will retain the full fee as paid by the licensee.
- The Department of Public Safety (DPS) charges a deposit fee to any company pursuing a gambling license in the state of lowa. This deposit fee covers travel and accommodations for an investigator, and may range up to \$5,000, depending on the location of the applicant. An Internet fantasy sports contest provider will be subject to the same investigation.

Correctional Impact Assumptions:

- The amendment establishes a Class D felony for the failure to willfully comply with the requirements set forth in the bill. The average state cost for one Class D felony conviction ranges from \$6,300 to \$12,000.
- This change will become effective July 1, 2016. A lag effect of six months is assumed from the law's effective date to the date of first entry of affected offenders into the correctional system.
- Charge, conviction, and sentencing patterns and trends are not expected to change over the projection period.
- Prisoner length of stay, revocation rates, and other corrections policies and practices are not expected to change over the projection period.

Setoff Procedure Assumptions:

- The amendment specifies that setoff procedures begin July 1, 2018.
- According to the Department of Revenue (DOR), from FY 2011 through FY 2015, the average number of taxpayers that are billed for unpaid individual income tax in each fiscal year is 102,000. Of these, after the year of billing, approximately 57.5% of the billed amount remains delinquent.
- From FY 2011 through FY 2015, the median delinquent amount owed by all billed individual income taxpayers is \$310. Multiplying the estimated number of delinquent taxpayers, or 58,694 individuals, by the estimated median amount owed yields \$18.2 million that will be subject to setoff collections in FY 2016. This amount is adjusted for future years using Moody's Analytics projections for the Consumer Price Index and is assumed to be \$19.6 million in FY 2019.
- A total of 10.0% of lowans that participate in Internet fantasy sports will experience winnings of at least \$1,200 in a single occurrence annually. For FY 2019, the amount estimated to be collected through the proposed procedures is \$254,000.
- The DAS may incur some programming costs to collect these winnings. Those costs have not been estimated.

Summary of Impacts

Correctional Impact: Under provisions of the amendment, offenders will be subject to a Class D felony. The correctional impact cannot be estimated at this time, as it is uncertain how many offenders will be convicted under the amendment. The LSA <u>Correctional Impact Statements</u> <u>Memo</u> dated February 18, 2016, contains additional information.

Minority Impact: The minority impact is anticipated to be minimal. The LSA <u>Minority Impact</u> <u>Statements Memo</u> dated January 26, 2016, contains additional information.

Fiscal Impact

Inspections and Appeals Operating Fund: According to the Department of Inspections and Appeals (DIA), the Racing and Gaming Commission (IRGC) will need to hire an additional FTE position to assist in regulating Internet fantasy sports gaming activity. The Department estimates the hiring and training of this individual will cost approximately \$108,000. Furthermore, the IRGC will also collect \$500 from each approved licensee. Receipts from licensing fees cannot be estimated at this time, as it is uncertain how many Internet fantasy sports contest service providers will show interest in being licensed in the state.

Department of Public Safety Operating Fund: According to the Department of Public Safety (DPS), currently existing resources will be used to complete any background investigations performed on potential Internet fantasy sports contest service providers applying for a license in the state of lowa. However, should the number of background investigations increase significantly, additional staff may be needed to assist with the growing workload.

Rebuild lowa Infrastructure Fund (RIIF): It is difficult to estimate the total impact that the legalization of Internet fantasy sports will have on the budget of the RIIF. The following fiscal impact reflects the minimum and maximum impact based on the data available at this time.

- Minimum Impact: In calendar year 2014, participants in a similarly populated state paid \$4.4 million in entry fees and charges to Internet fantasy sports contest service providers. Of this amount, approximately \$4.0 million will be used for cash prizes and winnings payouts. After the payout of all cash prizes and winnings, adjusted gross receipts for the service provider will equal \$440,000, or approximately 10.0% of all entry fees. SF 166, as amended, will impose a 7.5% tax on the remainder of the adjusted gross receipts, \$440,000, and result in an estimated total tax revenue of \$33,000 to be deposited in the RIIF.
- Maximum Impact: According to the FSTA, in calendar year 2015, the average individual participant of an Internet fantasy sports contest spent a total of \$257 on daily fantasy sports games. Based on the FSTA assumption that 300,000 lowans will participate in daily fantasy sports games annually, if each of these participants were to spend the average amount of \$257 annually, the Internet fantasy sports contest service provider would receive an estimated total of \$77.1 million in total entry fees and charges. Of this amount, approximately \$69.4 million will be paid out in cash prizes, resulting in approximately \$7.7 million in adjusted gross receipts for the Internet fantasy sports contest service provider. The 7.5% tax will generate an estimated \$578,000 in tax revenue annually for deposit in the RIIF.

General Fund Impact from Setoff Procedures

The fiscal impact of this provision will result in additional revenue to the General Fund of an estimated \$250,000 per year beginning in FY 2019. This impact will increase slightly in subsequent years as a result of estimated inflation.

² Data for the full 2015 calendar year was not available for the referenced similar-sized state at the date of this memorandum.

³ Due to the proprietary nature of the information provided by the industry, the name of the similar-sized state is unavailable.

⁴ http://fsta.org/research/industry-demographics/: This data range includes participants age 18 and older. Specific data for participants age 21 or older was not available.

Sources

Fantasy Sports Trade Association (FSTA)
Department of Administrative Services (DAS)
Department of Inspections and Appeals (DIA)
Racing and Gaming Commission (IRGC)
Department of Human Rights (DHR)
Department of Public Safety (DPS)
Department of Revenue (DOR)
Legislative Service Agency (LSA)

/s/ Holly M. Lyons	
March 22, 2016	

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the lowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.



Fiscal Note



Fiscal Services Division

SF 2185 – Trespassing in Violation of Privacy (LSB5988SV)

Analyst: Alice Wisner (Phone: 515-281-6764) (alice.wisner@legis.iowa.gov)

Fiscal Note Version – New

Description

Senate File 2185 amends the crime of criminal trespassing.

Background

This bill defines criminal trespass as intentionally viewing, photographing, or filming another person through a window without a legitimate purpose or without the person's consent. The bill also makes this violation a serious misdemeanor, punishable by confinement of no more than one year and a fine of between \$315 and \$1,875. During FY 2015, there were 2,310 offenders convicted of trespassing. It is not possible to determine how many of these offenses involved viewing, photographing, or filming another person.

Assumptions

- Charge, conviction, and sentencing patterns and trends will not change over the projection period.
- Prisoner length of stay, revocation rates, and other corrections policies and practices will not change over the projection period.
- The law will become effective July 1, 2016. A lag effect of six months is assumed from this effective date.

Correctional Impact

The average state cost for a serious misdemeanor is \$220 to \$5,800. The LSA <u>Correctional Impact Statements Memo</u> dated February 18, 2016, contains additional information. The correctional impact cannot be estimated because this bill creates a new crime.

Minority Impact

There is no historical information for this activity because these are new crimes. Refer to the Legislative Services Agency (LSA) Minority Impact Statements Memo dated January 26, 2016, for information related to minorities in the criminal justice system.

Fiscal Impact

The fiscal impact to the state cannot be estimated because this bill creates a new crime and the number of convictions cannot be estimated.

Sources

Iowa Department of Corrections

Iowa Department of Human Rights, Criminal and Juvenile Justice Planning Division

/s/ Holly M. Lyons
March 22, 2016

The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the Iowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the LSA upon request.



Fiscal Note



Fiscal Services Division

HF 2439 – E911 Surcharge Fund (LSB6014HZ)

Analyst: Alice Wisner (Phone: 515-281-6764) (alice.wisner@legis.iowa.gov)

Fiscal Note Version – New

Description

House File 2439 relates to the distribution and expenditures of the E911 Emergency Communications Service surcharge. The bill establishes a priority of funding, increases the amount of moneys allocated for funding to the public safety answering points (PSAPs), and limits the carryover amount to \$3.5 million annually. The bill also requires the Department of Homeland Security and Emergency Management to conduct a study by January 15, 2017, to determine the most efficient method to consolidate the PSAPs.

Background

Currently, 46.0% of the total amount of E911 surcharge generated per calendar quarter is distributed to the PSAPs. There are 114 PSAPs in the state, including the Department of Public Safety. This bill changes the initial distribution to PSAPs to 60.0% of the total amount of E911 surcharge generated per calendar quarter. The allocation of revenue will continue in proportion to the PSAP square mileage and the number of wireless E911 calls received by each PSAP. The bill also eliminates the accumulation of a carryover operating surplus in the fund by directing the program manager to expend and distribute all of the funds except for \$3.5 million. This is the amount needed in reserve in case of a catastrophic occurrence within the system.

The priority order for distributing funds from the E911 Emergency Communications Fund upon enactment of this bill will be:

- An amount appropriated by the General Assembly to implement, support, and maintain the functions of the director and program manager and employ the State Auditor to perform an annual audit of the E911 fund. This amount has previously been set at \$250,000 per fiscal year.
- 2. Sixty percent allocated to the individual PSAPs based on a formula. This formula allocates 65.0% in proportion to the square miles of the PSAP service area to the total square miles in the state, and 35.0% allocated in proportion to the wireless E911 calls received at the PSAP to the total calls received statewide. This amount is estimated to be \$16.8 million beginning in FY 2017. No PSAP will receive less than \$1,000 per quarter.
- 3. Ten percent of the total amount of surcharge revenue is available to the wireless carriers to recover their costs to deliver E911 Phase I services.
- 4. Reimbursement of communications service providers on a quarterly basis for their eligible transport costs.
- 5. Wire-line carriers and third-party E911 automatic location information costs.
- 6. Grants to any PSAP agreeing to consolidate. Grants will not exceed one-half of the projected cost of consolidation, or \$200,000, whichever is less.
- 7. An amount not to exceed \$100,000 for development of public awareness and educational programs for personnel responsible for the maintenance, operation, and upgrading of local E911 systems.
- 8. Any remaining funds will be distributed equally to the PSAPs to fund future network improvements and the receipt and disposition of 911 calls, for costs related to accessing the state's interoperable communications system; and costs related to the receipt and

disposition of E911 calls, and wireless carriers' transport costs related to wireless E911 services, if those costs are not otherwise recovered.

Assumptions

- Revenues will continue to be generated as they have been in past years, and are estimated to be \$28.1 million annually.
- Beginning in FY 2017, annual projected expenses (other than direct payments to the PSAPs) are estimated to be \$6.7 million.

Fiscal Impact

There is no impact to the General Fund as all revenues are from the E911 wireless surcharge. The following table summarizes the revenues and expenses projected under this bill.

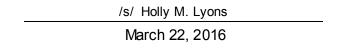
Projected Revenue and Expenditures - E911 Emergency Communications Fund

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020
Projected Revenue	\$28,075,000	\$28,075,000	\$28,075,000	\$28,075,000	\$28,075,000
Carryover Fund Brought Forward _	\$19,798,811	\$8,734,811	\$3,500,000	\$3,500,000	\$3,500,000
Total Revenue	\$47,873,811	\$36,809,811	\$31,575,000	\$31,575,000	\$31,575,000
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Projected Expenses	\$13,149,000	\$6,664,000	\$6,664,000	\$6,664,000	\$6,664,000
PSAP 60% Pass Through	\$12,880,000	\$16,800,000	\$16,800,000	\$16,800,000	\$16,800,000
Total Expenses	\$26,029,000	\$23,464,000	\$23,464,000	\$23,464,000	\$23,464,000
Total Projected Operating Surplus	\$21,844,811	\$13,345,811	\$8,111,000	\$8,111,000	\$8,111,000
Catastrophic Reserve	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000	\$3,500,000
Incentive/Grant Available Amount	\$18,344,811	\$9,845,811	\$4,611,000	\$4,611,000	\$4,611,000

The funding increase or decrease by individual PSAP will vary.

Source

Homeland Security and Emergency Management Department



The fiscal note for this bill was prepared pursuant to <u>Joint Rule 17</u> and the lowa Code. Data used in developing this fiscal note is available from the Fiscal Services Division of the Legislative Services Agency upon request.