Senate File 510

AN ACT

RELATING TO STATE AND LOCAL FINANCES BY MAKING APPROPRIATIONS, PROVIDING FOR FEES, PROVIDING FOR LEGAL RESPONSIBILITIES, PROVIDING FOR CERTAIN EMPLOYEE BENEFITS, AND PROVIDING FOR REGULATORY, TAXATION, AND PROPERLY RELATED MATTERS, AND INCLUDING PENALTIES AND EFFECTIVE DATE AND RETROACTIVE AND OTHER APPLICABILITY PROVISIONS.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

DIVISION I

STANDING APPROPRIATIONS AND RELATED MATTERS

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

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

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

Sec. 2. LIMITATIONS OF STANDING APPROPRIATIONS —— FY 2015-2016. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the amounts appropriated from the general fund of the state pursuant to these sections for the following designated purposes shall not exceed the following amounts:

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

..... $ 416,702

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

..... $ 8,560,931

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

3. For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:

..... $ 18,416

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

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

..... $ 208,351

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

..... $ 8,560,931

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

3. For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:

..... $ 9,208

Sec. 4. INSTRUCTIONAL SUPPORT STATE AID —— FY 2015-2016

—— FY 2016-2017. In lieu of the appropriation provided in section 257.20, subsection 2, the appropriation for the fiscal years beginning July 1, 2015, and July 1, 2016, for paying instructional support state aid under section 257.20 for such fiscal years is zero.

Sec. 5. GENERAL ASSEMBLY.

1. The appropriations made pursuant to section 2.12 for the expenses of the general assembly and legislative agencies for the fiscal year beginning July 1, 2015, and ending June 30, 2016, are reduced by the following amount:

..... $ 4,223,452

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

Sec. 6. Section 142C.15, subsection 4, paragraph c, unnumbered paragraph 1, Code 2015, is amended to read as follows:

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

Sec. 7. Section 257.35, Code 2015, is amended by adding the following new subsection:

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

DIVISION II

MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

Sec. 8. IOWA NEW JOBS TRAINING AGREEMENTS. An Iowa community college that entered into a new jobs training agreement pursuant to chapter 260E, which was effective in April 2012, with an Iowa employer may enter into a new agreement with such employer pursuant to chapter 260E, which will be effective September 2015, and may use the base employment determined in April 2012 as the base employment for determining the new jobs eligible under the new agreement if the base employment determined in April 2012 was 2,125 employees. The new agreement under chapter 260E shall be limited to seven years from the effective date of the agreement.

Sec. 9. NONREVERSION OF IOWA LEARNING ONLINE INITIATIVE MONEYS. Notwithstanding section 8.33, moneys appropriated in section 256.42, subsection 9, that remain unencumbered or unobligated at the close of a fiscal year shall not revert but shall remain available for expenditure for the purposes designated in section 256.42, subsection 9, until the close of the succeeding fiscal year.

Sec. 10. Section 8.22A, subsection 2, Code 2015, is amended to read as follows:

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

general fund expenditure limitation.

Sec. 11. Section 8D.4, Code 2015, is amended to read as follows:

8D.4 Executive director appointed.

The commission, in consultation with the director of the department of administrative services and the chief information officer, shall appoint an executive director of the commission, subject to confirmation by the senate. Such individual shall not serve as a member of the commission. The executive director shall serve at the pleasure of the commission. The executive director shall be selected primarily for administrative ability and knowledge in the field, without regard to political affiliation. The governor shall establish the salary of the executive director within the applicable salary range ~~nine as~~ established by the general assembly. The salary and support of the executive director shall be paid from funds deposited in the Iowa communications network fund.

Sec. 12. Section 22.7, subsection 41, paragraph b, subparagraph (2), Code 2015, as amended by 2015 Iowa Acts, Senate File 335, section 1, is amended to read as follows:

(2) Preliminary reports of investigations by the medical examiner and autopsy reports for a decedent by whom an anatomical gift was made in accordance with chapter 142C shall be released to ~~an organ~~ a procurement organization as defined in section 142C.2, upon the request of such ~~organ~~ procurement organization, unless such disclosure would jeopardize an investigation or pose a clear and present danger to the public safety or the safety of an individual.

Sec. 13. Section 43.45, subsection 3, as enacted by 2015 Iowa Acts, Senate File 415, section 1, is amended to read as follows:

3. Notwithstanding any requirement to the contrary in subsection 1 and subsection 2, paragraph *"c"*, the commissioner of a county using digital ballot counting technology may direct the precinct election officials to tally and record write-in votes at the precincts after the closing of the polls or may direct the precinct election officials to ~~sort the ballots by~~ print the write-in report containing digital images of write-in votes for delivery to the special precinct board to tally and record the write-in votes on any day following election day and prior to the canvass by the board of supervisors under section 43.49. For the purposes of this subsection *"digital ballot counting technology"* is technology in which digital images of

write-in votes are printed by the precinct election officials at the polling place after the close of voting.

Sec. 14. Section 123.132, subsection 3, as enacted by 2015 Iowa Acts, Senate File 456, section 1, is amended to read as follows:

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

Sec. 15. Section 256.9, Code 2015, is amended by adding the following new subsection:

NEW SUBSECTION. 66. Dedicate at least one-half of one of the department's authorized full-time equivalent positions to maintain a fine arts consultant to provide guidance and assistance, including but not limited to professional development, strategies, and materials, to the department, school districts, and accredited nonpublic schools relating to music, visual art, drama and theater, and other fine and applied arts programs and coursework.

Sec. 16. Section 261.110, subsection 3, Code 2015, is amended by adding the following new paragraph:

NEW PARAGRAPH. *c.* The applicant met all of the eligibility requirements of this section on or after January 1, 2013. A person who met the program eligibility requirements of this section prior to January 1, 2013, is ineligible for this program.

Sec. 17. Section 418.9, subsection 8, Code 2015, is amended to read as follows:

8. If, following approval of a project application under the program, it is determined that the amount of federal financial assistance exceeds the amount of federal financial assistance specified in the application, the board shall reduce the award of financial assistance from the flood mitigation fund or reduce the amount of sales tax revenue to be received for the project by a corresponding amount. However, in a county with a population of less than one hundred thousand but more than ninety-three thousand five hundred as determined by the 2010 federal decennial census and for projects that received bids during the 2015 calendar year, the amount of sales tax revenue to be received for the project shall not be reduced if the

additional federal financial assistance does not reduce the need for sales tax revenue due to an increase in project costs incurred following the approval of the project application under the program.

Sec. 18. Section 418.15, subsection 1, Code 2015, is amended to read as follows:

1. A governmental entity shall not receive remittances of sales tax revenue under this chapter after twenty years from the date the governmental entity's project was approved by the board unless the remittance amount is calculated under section 418.11 based on sales subject to the tax under section 432.2 occurring before the expiration of the twenty-year period.

Sec. 19. Section 441.37A, subsection 1, paragraph a, Code 2015, is amended to read as follows:

a. For the assessment year beginning January 1, 2007, and all subsequent assessment years beginning before January 1, ~~2018~~ 2021, appeals may be taken from the action of the board of review with reference to protests of assessment, valuation, or application of an equalization order to the property assessment appeal board created in section 421.1A. However, a property owner or aggrieved taxpayer or an appellant described in section 441.42 may bypass the property assessment appeal board and appeal the decision of the local board of review to the district court pursuant to section 441.38.

Sec. 20. Section 715A.9A, subsection 1, paragraph a, Code 2015, is amended to read as follows:

a. Is a victim of identity theft in this state ~~as described in section 715A.8~~ or resides in this state at the time the person is a victim of identity theft.

Sec. 21. 2015 Iowa Acts, Senate File 496, section 1, subsection 1, paragraph a, if enacted, is amended to read as follows:

a. For salaries of supreme court justices, appellate court judges, district court judges, district associate judges, associate juvenile judges, associate probate judges, judicial magistrates and staff, state court administrator, clerk of the supreme court, district court administrators, clerks of the district court, juvenile court officers, board of law examiners and board of examiners of shorthand reporters and judicial qualifications commission; receipt and disbursement of child support payments; reimbursement of the auditor of state for expenses incurred in completing audits of the offices of the clerks of the district court during the fiscal year beginning

July 1, 2015; and maintenance, equipment, and miscellaneous purposes:

..... ~~$171,486,612~~
178,686,612

0b. Of the moneys appropriated in lettered paragraph "a", $520,150 shall be used for juvenile drug courts. The amount allocated in this lettered paragraph shall be distributed to assist with the operation of juvenile drug court programs operated in the following jurisdictions:

(1) Marshall county:
..... $ 62,708

(2) Woodbury county:
..... $ 125,682

(3) Polk county:
..... $ 195,892

(4) The third judicial district:
..... $ 67,934

(5) The eighth judicial district:
..... $ 67,934

Sec. 22. 2015 Iowa Acts, Senate File 505, section 12, subsection 12, paragraph d, if enacted, is amended to read as follows:

d. Payment methodologies utilized for disproportionate share hospitals and graduate medical education, and other supplemental payments under the Medicaid program may be adjusted or converted to other methodologies or payment types to provide these payments ~~through Medicaid managed care implemented beginning~~ after January 1, 2016. The department of human services shall obtain approval from the centers for Medicare and Medicaid services of the United States department of health and human services prior to implementation of any such adjusted or converted methodologies or payment types.

Sec. 23. 2015 Iowa Acts, Senate File 505, section 132, subsection 12, paragraph d, if enacted, is amended to read as follows:

d. Payment methodologies utilized for disproportionate share hospitals and graduate medical education, and other supplemental payments under the Medicaid program may be adjusted or converted to other methodologies or payment types to provide these payments ~~through Medicaid managed care~~ after January 1, 2016. The department of human services shall obtain approval from the centers for Medicare and Medicaid services of the United States department of health and human services

prior to implementation of any such adjusted or converted methodologies or payment types.

DIVISION III

SALARIES, COMPENSATION, AND RELATED MATTERS

Sec. 24. SPECIAL FUNDS. For the fiscal year beginning July 1, 2015, and ending June 30, 2016, and for the fiscal year beginning July 1, 2016, and ending June 30, 2017, salary adjustments may be funded using departmental revolving, trust, or special funds for which the general assembly has established an operating budget, provided doing so does not exceed the operating budget established by the general assembly.

Sec. 25. SALARY MODEL ADMINISTRATOR. The salary model administrator shall work in conjunction with the legislative services agency to maintain the state's salary model used for analyzing, comparing, and projecting state employee salary and benefit information, including information relating to employees of the state board of regents. The department of revenue, the department of administrative services, the five institutions under the jurisdiction of the state board of regents, the judicial district departments of correctional services, and the state department of transportation shall provide salary data to the department of management and the legislative services agency to operate the state's salary model. The format and frequency of provision of the salary data shall be determined by the department of management and the legislative services agency. The information shall be used in collective bargaining processes under chapter 20 and in calculating the funding needs contained within the annual salary adjustment legislation. A state employee organization as defined in section 20.3, subsection 4, may request information produced by the model, but the information provided shall not contain information attributable to individual employees.

DIVISION IV

CORRECTIVE PROVISIONS

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

123.122 Permit or license required.

A person shall not manufacture for sale or sell beer at wholesale or retail unless a permit is first obtained as provided in this subchapter or, a liquor control license authorizing the retail sale of beer is first obtained as

provided in ~~division~~ subchapter I of this chapter. A liquor control license holder is not required to hold a separate class "B" beer permit.

Sec. 27. Section 227.10, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 53, is amended to read as follows:

227.10 Transfers from county or private institutions.

Patients who have been admitted at public expense to any institution to which this chapter is applicable may be involuntarily transferred to the proper state hospital for persons with mental illness in the manner prescribed by sections 229.6 to 229.13. The application required by section 229.6 may be filed by the administrator of the division or the administrator's designee, or by the administrator of the institution where the patient is then being maintained or treated. If the patient was admitted to that institution involuntarily, the administrator of the division may arrange and complete the transfer, and shall report it as required of a chief medical officer under section 229.15, subsection 5. The transfer shall be made at the mental health and ~~disabilities~~ disability services region's expense, and the expense recovered, as provided in section 227.7. However, transfer under this section of a patient whose expenses are payable in whole or in part by ~~a~~ the mental health and ~~disabilities~~ disability services region is subject to an authorization for the transfer through the regional administrator for the patient's county of residence.

Sec. 28. Section 227.14, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 56, is amended to read as follows:

227.14 Caring for persons with mental illness from other counties.

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

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

229.1B Regional administrator.

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

Sec. 30. Section 229.2, subsection 1, paragraph b, subparagraph (3), Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 60, is amended to read as follows:

(3) As soon as is practicable after the filing of a petition for juvenile court approval of the admission of the minor, the juvenile court shall determine whether the minor has an attorney to represent the minor in the hospitalization proceeding, and if not, the court shall assign to the minor an attorney. If the minor is financially unable to pay for an attorney, the attorney shall be compensated by the mental health and ~~disabilities~~ disability services region at an hourly rate to be established by the regional administrator for the county in which the proceeding is held in substantially the same manner as provided in section 815.7.

Sec. 31. Section 229.8, subsection 1, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 61, is amended to read as follows:

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

Sec. 32. Section 229.10, subsection 1, paragraph a, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 62, is amended to read as follows:

a. An examination of the respondent shall be conducted by one or more licensed physicians, as required by the court's order, within a reasonable time. If the respondent is detained pursuant to section 229.11, subsection 1, paragraph "*b*",

the examination shall be conducted within twenty-four hours. If the respondent is detained pursuant to section 229.11, subsection 1, paragraph "a" or "c", the examination shall be conducted within forty-eight hours. If the respondent so desires, the respondent shall be entitled to a separate examination by a licensed physician of the respondent's own choice. The reasonable cost of the examinations shall, if the respondent lacks sufficient funds to pay the cost, be paid by the regional administrator from mental health and ~~disabilities~~ disability services region funds upon order of the court.

Sec. 33. Section 229.11, subsection 1, unnumbered paragraph 1, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 63, is amended to read as follows:

If the applicant requests that the respondent be taken into immediate custody and the judge, upon reviewing the application and accompanying documentation, finds probable cause to believe that the respondent has a serious mental impairment and is likely to injure the respondent or other persons if allowed to remain at liberty, the judge may enter a written order directing that the respondent be taken into immediate custody by the sheriff or the sheriff's deputy and be detained until the hospitalization hearing. The hospitalization hearing shall be held no more than five days after the date of the order, except that if the fifth day after the date of the order is a Saturday, Sunday, or a holiday, the hearing may be held on the next succeeding business day. If the expenses of a respondent are payable in whole or in part by a mental health and ~~disabilities~~ disability services region, for a placement in accordance with paragraph "a", the judge shall give notice of the placement to the regional administrator for the county in which the court is located, and for a placement in accordance with paragraph "b" or "c", the judge shall order the placement in a hospital or facility designated through the regional administrator. The judge may order the respondent detained for the period of time until the hearing is held, and no longer, in accordance with paragraph "a", if possible, and if not then in accordance with paragraph "b", or, only if neither of these alternatives is available, in accordance with paragraph "c". Detention may be:

Sec. 34. Section 229.13, subsection 1, paragraph a, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 64, is amended to read as follows:

a. The court shall order a respondent whose expenses

are payable in whole or in part by a mental health and ~~disabilities~~ disability services region placed under the care of an appropriate hospital or facility designated through the county's regional administrator on an inpatient or outpatient basis.

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

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

Sec. 36. Section 229.14A, subsection 7, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 66, is amended to read as follows:

7. If a respondent's expenses are payable in whole or in part by a mental health and ~~disabilities~~ disability services region through the county's regional administrator, notice of a placement hearing shall be provided to the county attorney and the regional administrator. At the hearing, the county may present evidence regarding appropriate placement.

Sec. 37. Section 229.42, subsection 1, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 68, is amended to read as follows:

1. If a person wishing to make application for voluntary admission to a mental hospital established by chapter 226 is unable to pay the costs of hospitalization or those responsible for the person are unable to pay the costs, application for authorization of voluntary admission must be made through a regional administrator before application for admission is made to the hospital. The person's county of residence shall be determined through the regional administrator and if the admission is approved through the regional administrator, the person's admission to a mental health hospital shall be authorized as a voluntary case. The authorization shall be issued on forms provided by the department of human services' administrator. The costs of the hospitalization shall be paid by the county of residence through the regional administrator to the department of human services and credited to the general fund of the state, provided that the mental health hospital

rendering the services has certified to the county auditor of the county of residence and the regional administrator the amount chargeable to the mental health and ~~disabilities~~ disability services region and has sent a duplicate statement of the charges to the department of human services. A mental health and ~~disabilities~~ disability services region shall not be billed for the cost of a patient unless the patient's admission is authorized through the regional administrator. The mental health institute and the regional administrator shall work together to locate appropriate alternative placements and services, and to educate patients and family members of patients regarding such alternatives.

Sec. 38. Section 230.1, subsection 3, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 69, is amended to read as follows:

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

Sec. 39. Section 230.20, subsection 2, paragraph b, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 71, is amended to read as follows:

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

Sec. 40. Section 279.10, subsection 1, Code 2015, as amended by 2015 Iowa Acts, Senate File 227, section 2, is amended to read as follows:

1. The school year for each school district and accredited nonpublic school shall begin on July 1 and the school calendar shall begin no sooner than August 23 and no later than the first Monday in December. The school calendar shall include not less than one hundred eighty days~~, except as provided in~~

~~subsection 3,~~ or one thousand eighty hours of instruction during the calendar year. The board of directors of a school district and the authorities in charge of an accredited nonpublic school shall determine the school start date for the school calendar in accordance with this subsection and shall set the number of days or hours of required attendance for the school year as provided in section 299.1, subsection 2, but the board of directors of a school district shall hold a public hearing on any proposed school calendar prior to adopting the school calendar. If the board of directors of a district or the authorities in charge of an accredited nonpublic school extends the school calendar because inclement weather caused the school district or accredited nonpublic school to temporarily close during the regular school calendar, the school district or accredited nonpublic school may excuse a graduating senior who has met district or school requirements for graduation from attendance during the extended school calendar. A school corporation may begin employment of personnel for in-service training and development purposes before the date to begin elementary and secondary school.

Sec. 41. Section 426B.5, subsection 2, paragraph c, Code 2015, as amended by 2015 Iowa Acts, Senate File 463, section 78, is amended to read as follows:

c. A risk pool board is created. The board shall consist of two county supervisors, two county auditors, a member of the mental health and disability services commission who is not a member of a county board of supervisors, a member of the county finance committee created in chapter 333A who is not an elected official, a representative of a provider of mental health or developmental disabilities services selected from nominees submitted by the Iowa association of community providers, and two staff members of regional administrators of county mental health and disability services regions, all appointed by the governor, and one member appointed by the director of human services. All members appointed by the governor shall be subject to confirmation by the senate. Members shall serve for three-year terms. A vacancy shall be filled in the same manner as the original appointment. Expenses and other costs of the risk pool board members representing counties shall be paid by the county of origin. Expenses and other costs of risk pool board members who do not represent counties shall be paid from a source determined by the governor. Staff assistance to the board shall be provided by the department of human services and

counties. Actuarial expenses and other direct administrative costs shall be charged to the pool.

Sec. 42. Section 459A.302, subsection 1, paragraph a, unnumbered paragraph 1, Code 2015, as amended by 2015 Iowa Acts, House File 583, section 33, is amended to read as follows:

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

Sec. 43. Section 459A.302, subsection 2, paragraph a, Code 2015, as amended by 2015 Iowa Acts, House File 583, section 34, is amended to read as follows:

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

Sec. 44. Section 459A.404, subsection 3, paragraphs b and c, if enacted by 2015 Iowa Acts, House File 583, section 41, are amended to read as follows:

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

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

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

459A.411 Discontinuance of operations.

The owner of an open feedlot operation or animal truck wash facility who discontinues its operation shall remove all effluent from related open feedlot operation structures or animal truck wash effluent structures used to store effluent, as soon as practical but not later than six months following the date the operations of the open feedlot operation or animal truck wash facility ~~is~~ are discontinued.

Sec. 46. Section 476.53, subsection 3, paragraph a, subparagraph (1), Code 2015, as amended by 2015 Iowa Acts, House File 535, section 61, is amended to read as follows:

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

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

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

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

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

(b) With respect to a significant alteration of an existing generating facility, an original facility shall not be required to be either a baseload or a combined-cycle facility. Only the incremental investment undertaken by a utility under subparagraph division (a), subparagraph subdivision (i), (ii), (iii), or (iv) shall be eligible to apply the ratemaking principles established by the order issued pursuant to paragraph "e". Facilities for which advanced ratemaking principles are obtained pursuant to this section shall not be subject to a subsequent board review pursuant to section 476.6, subsection 20, to the extent that the investment has been considered by the board under this section. To the

extent an eligible utility has been authorized to make capital investments subject to section 476.6, subsection 20, such investments shall not be eligible for ratemaking principles pursuant to this section.

Sec. 47. Section 602.3205, subsection 3, paragraph b, if enacted by 2015 Iowa Acts, Senate File 404, section 5, is amended to read as follows:

b. The audio recordings provided ~~in~~ to the board pursuant to this subsection shall be kept confidential by the board in a manner as provided in section 272C.6, subsection 4.

Sec. 48. Section 602.11113, Code 2015, as amended by 2015 Iowa Acts, House File 536, section 177, is amended to read as follows:

602.11113 Bailiffs employed as court attendants.

Persons who were employed as bailiffs and who were performing services for the court, other than law enforcement services, immediately prior to July 1, 1983, shall be employed by the district court administrators as court attendants under section 602.6601 on July 1, 1983.

Sec. 49. Section 714.23, subsection 4A, paragraph a, if enacted by 2015 Iowa Acts, Senate File 501, section 2, or 2015 Iowa Acts, House File 663, section 2, is amended to read as follows:

a. A student who does not receive a tuition refund up to the full refund of tuition charges due to the effect of an interstate reciprocity agreement under section 261G.4, subsection 1, may apply to the attorney general for a refund in a sum that represents the difference between any tuition refund received from the school and the full refund of tuition charges. For purposes of this subsection, "full refund of tuition charges" means the monetary sum of the refund for which the student would be eligible pursuant to the application of this section.

Sec. 50. Section 902.1, subsection 2, paragraph a, unnumbered paragraph 1, as enacted by 2015 Iowa Acts, Senate File 448, section 1, is amended to read as follows:

Notwithstanding subsection 1, a defendant convicted of murder in the first degree in violation of section 707.2, and who was under the age of eighteen at the time the offense was committed shall receive one of the following sentences:

Sec. 51. Section 916.1, subsection 1, as enacted by 2015 Iowa Acts, House File 496, section 1, is amended to read as follows:

1. *"Confidential communication"* means confidential information shared between a victim and a military victim advocate within the advocacy relationship, and includes all information received by the advocate and any advice, report, or working paper given to or prepared by the advocate in the course of the advocacy relationship with the victim. *"Confidential information"* is ~~confidential~~ information which, so far as the victim is aware, is not disclosed to a third party with the exception of a person present in the consultation for the purpose of furthering the interest of the victim, a person to whom disclosure is reasonably necessary for the transmission of the information, or a person with whom disclosure is necessary for accomplishment of the purpose for which the advocate is consulted by the victim.

Sec. 52. RETROACTIVE APPLICABILITY. The section of this division of this Act amending section 279.10, subsection 1, applies retroactively to April 10, 2015.

Sec. 53. RETROACTIVE APPLICABILITY. The section of this division of this Act amending section 902.1, subsection 2, paragraph "a", unnumbered paragraph 1, applies retroactively to April 24, 2015.

DIVISION V

DEPARTMENT OF MANAGEMENT — DUTIES

Sec. 54. Section 8.6, subsections 12 and 13, Code 2015, are amended by striking the subsections.

Sec. 55. Section 8A.111, Code 2015, is amended by adding the following new subsection:

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

Sec. 56. Section 19B.6, Code 2015, is amended to read as follows:

19B.6 Responsibilities of department of administrative services ~~and department of management~~ — affirmative action.

The department of administrative services shall oversee the implementation of sections 19B.1 through 19B.5 and shall work with the governor to ensure compliance with those sections, including the attainment of affirmative action goals and timetables, by all state agencies, excluding the state board of regents and its institutions. ~~The department of management shall oversee the implementation of sections 19B.1 through 19B.5 and shall work with the governor to ensure compliance with those sections, including the attainment of affirmative~~

~~action goals and timetables, by the state board of regents and its institutions.~~

Sec. 57. Section 19B.7, subsection 1, unnumbered paragraph 1, Code 2015, is amended to read as follows:

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

Sec. 58. Section 19B.8, Code 2015, is amended to read as follows:

19B.8 Sanctions.

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

DIVISION VI

ANIMAL TRUCK WASH FACILITIES

Sec. 59. Section 459A.105, subsection 2, paragraph b, as enacted by 2015 Iowa Acts, House File 583, section 10, is amended to read as follows:

b. (1) The requirements of section 459A.205, including rules adopted by the commission pursuant to that section shall apply to a small animal truck wash facility only to the extent required by section 459A.205, subsection 4A.

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

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

Sec. 60. Section 459A.206, subsection 1, Code 2015, as amended by 2015 Iowa Acts, House File 583, section 25, is amended to read as follows:

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

Sec. 61. Section 459A.206, subsection 2, paragraph c, Code 2015, is amended to read as follows:

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

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

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

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

Sec. 62. Section 459A.207, subsection 1, paragraph a, Code 2015, is amended to read as follows:

a. The basin or structure was constructed in accordance with the design plans submitted to the department as part of an application for a construction permit pursuant to section 459A.205. If the actual construction deviates from the approved design plans, the construction certification shall identify all changes and certify that the changes were consistent with all applicable standards of this section.

Sec. 63. Section 459A.302, unnumbered paragraph 1, Code 2015, as amended by 2015 Iowa Acts, House File 583, section 32, is amended to read as follows:

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

Sec. 64. Section 459A.302, subsection 1, paragraph a, unnumbered paragraph 1, Code 2015, as amended by 2015 Iowa

Acts, House File 583, section 33, is amended to read as follows:

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

Sec. 65. Section 459A.302, subsection 1, paragraph a, subparagraphs (1) and (2), Code 2015, are amended to read as follows:

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

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

Sec. 66. Section 459A.302, subsections 2, 3, 4, and 5, Code 2015, as amended by 2015 Iowa Acts, House File 583, section 34, are amended to read as follows:

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

b. If a drainage tile line around the perimeter of the settled open feedlot effluent basin or unformed animal truck wash effluent structure is installed a minimum of two feet below the top of the basin's or unformed structure's liner to artificially lower the seasonal high-water table, the top of the liner may be a maximum of four feet below the

seasonal high-water table. The seasonal high-water table may be artificially lowered by gravity flow tile lines or other similar system. However, the following shall apply:

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

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

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

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

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

4. A settled open feedlot effluent basin or an unformed animal truck wash effluent structure shall be constructed with at least four feet between the bottom of the basin or unformed structure and a bedrock formation.

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

Sec. 67. Section 459A.302, subsection 6, unnumbered paragraph 1, Code 2015, as amended by 2015 Iowa Acts, House File 583, section 35, is amended to read as follows:

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

Sec. 68. Section 459A.302, subsection 7, Code 2015, as

amended by 2015 Iowa Acts, House File 583, section 36, is amended to read as follows:

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

Sec. 69. Section 459A.404, subsection 1, as enacted by 2015 Iowa Acts, House File 583, section 41, is amended by adding the following new paragraph:

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

DIVISION VII

COUNTY COURTHOUSES

Sec. 70. Section 602.6105, subsection 2, Code 2015, is amended to read as follows:

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

Sec. 71. REPEAL. 1884 Iowa Acts, chapter 198, is repealed.

DIVISION VIII

IOWA EDUCATION SAVINGS PLAN TRUST

Sec. 72. Section 422.7, subsection 32, paragraph a, Code 2015, is amended to read as follows:

a. Subtract the maximum contribution that may be deducted for Iowa income tax purposes as a participant in the Iowa educational savings plan trust pursuant to section 12D.3, subsection 1, paragraph *"a"*. For purposes of this paragraph, a participant who makes a contribution on or before the date prescribed in section 422.21 for making and filing an individual income tax return, excluding extensions, may elect to be deemed to have made the contribution on the last day of the preceding calendar year. The director, after consultation with the treasurer of state, shall prescribe by rule the manner and method by which a participant may make an election authorized by the preceding sentence.

Sec. 73. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to January 1, 2015, for tax years beginning on or after that date.

DIVISION IX

RENEWABLE FUELS INFRASTRUCTURE PROGRAM

Sec. 74. Section 159A.14, subsection 1, paragraph a, subparagraph (1), Code 2015, is amended to read as follows:

(1) Ethanol infrastructure shall be designed and used exclusively to do any of the following:

(a) Store and dispense E-15 gasoline. At least for the period beginning on September 16 and ending on May 31 of each year, the ethanol infrastructure must be used to store and dispense E-15 gasoline as a registered fuel recognized by the United States environmental protection agency.

~~(a)~~ (b) Store and dispense E-85 gasoline.

~~(b)~~ (c) Store, blend, and dispense motor fuel from a motor fuel blender pump~~, as required in this subparagraph division~~. The ethanol infrastructure must ~~provide~~ be used for the storage of ethanol or ethanol blended gasoline, or for blending ethanol with gasoline. The ethanol infrastructure must at least include a motor fuel blender pump which dispenses different classifications of ethanol blended gasoline and allows E-85 gasoline to be dispensed at all times that the blender pump is operating.

DIVISION X

CLAIMS AGAINST THE STATE AND BY THE STATE

Sec. 75. Section 8.55, subsection 3, paragraph a, Code 2015, is amended to read as follows:

a. Except as provided in paragraphs *"b"*, *"c"*, ~~and~~ *"d"*, and *"0e"*, the moneys in the Iowa economic emergency fund shall only be used pursuant to an appropriation made by the general assembly. An appropriation shall only be made for the fiscal year in which the appropriation is made. The moneys shall only be appropriated by the general assembly for emergency expenditures.

Sec. 76. Section 8.55, subsection 3, Code 2015, is amended by adding the following new paragraph:

NEW PARAGRAPH. *0e.* There is appropriated from the Iowa economic emergency fund to the state appeal board an amount sufficient to pay claims authorized by the state appeal board as provided in section 25.2.

Sec. 77. Section 25.2, subsection 4, Code 2015, is amended to read as follows:

4. Payments authorized by the state appeal board shall be paid from the appropriation or fund of original certification of the claim. However, if that appropriation or fund has since

reverted under section 8.33, then such payment authorized by the state appeal board shall be ~~out of any money in the state treasury not otherwise appropriated~~ as follows:

a. From the appropriation made from the Iowa economic emergency fund in section 8.55 for purposes of paying such expenses.

b. To the extent the appropriation from the Iowa economic emergency fund described in paragraph "*a*" is insufficient to pay such expenses, there is appropriated from moneys in the general fund of the state not otherwise appropriated the amount necessary to fund the deficiency.

DIVISION XI

SCIENCE, TECHNOLOGY, ENGINEERING, AND MATHEMATICS INTERNSHIP

Sec. 78. Section 15.411, subsection 3, Code 2015, is amended to read as follows:

3. *a.* The authority shall establish and administer an internship program with two components for Iowa students. To the extent permitted by this subsection, the authority shall administer the two components in as similar a manner as possible. For purposes of this subsection, "*Iowa student*" means a student of an Iowa community college, private college, or institution of higher learning under the control of the state board of regents, or a student who graduated from high school in Iowa but now attends an institution of higher learning outside the state of Iowa.

b. The purpose of the first component of the program is to link Iowa students to small and medium sized Iowa firms through internship opportunities. An Iowa employer may receive financial assistance ~~in an amount of one dollar for every two dollars paid by the employer to an intern~~ on a matching basis for a portion of the wages paid to an intern. If providing financial assistance, the authority shall provide the assistance on a reimbursement basis such that for every two dollars of wages earned by the student, one dollar paid by the employer is matched by one dollar from the authority. The amount of financial assistance shall not exceed three thousand one hundred dollars for any single internship, or nine thousand three hundred dollars for any single employer. In order to be eligible to receive financial assistance under this paragraph, the employer must have five hundred or fewer employees and must be an innovative business. The authority shall encourage youth who reside in economically distressed areas, youth adjudicated to have committed a delinquent act, and youth transitioning out

of foster care to participate in the first component of the internship program.

c. (1) The purpose of the second component of the program is to assist in placing Iowa students studying in the fields of science, technology, engineering, and mathematics into internships that lead to permanent positions with Iowa employers. The authority shall collaborate with eligible employers, including but not limited to innovative businesses, to ensure that the interns hired are studying in such fields. An Iowa employer may receive financial assistance ~~in an amount of one dollar for every dollar paid by the employer to an intern~~ on a matching basis for a portion of the wages paid to an intern. If providing financial assistance, the authority shall provide the assistance on a reimbursement basis such that for every two dollars of wages earned by the student, one dollar paid by the employer is matched by one dollar from the authority. The amount of financial assistance shall not exceed five thousand dollars per internship. The authority may adopt rules to administer this component. In adopting rules to administer this component, the authority shall adopt rules as similar as possible to those adopted pursuant to paragraph "*b*".

(2) The requirement to administer this component of the internship program is contingent upon the provision of funding for such purposes by the general assembly.

Sec. 79. EMERGENCY RULES. The economic development authority may adopt emergency rules under section 17A.4, subsection 3, and section 17A.5, subsection 2, paragraph "b", to implement the provisions of this division of this Act and the rules shall be effective immediately upon filing unless a later date is specified in the rules. Any rules adopted in accordance with this section shall also be published as a notice of intended action as provided in section 17A.4.

Sec. 80. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 81. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2014.

DIVISION XII

INTERSTATE MEDICAL LICENSURE COMPACT

Sec. 82. NEW SECTION. **148G.1 Interstate medical licensure compact.**

1. *Purpose.*

a. In order to strengthen access to health care, and in

recognition of the advances in the delivery of health care, the member states of the interstate medical licensure compact have allied in common purpose to develop a comprehensive process that complements the existing licensing and regulatory authority of state medical boards and provides a streamlined process that allows physicians to become licensed in multiple states, thereby enhancing the portability of a medical license and ensuring the safety of patients. The compact creates another pathway for licensure and does not otherwise change a state's existing medical practice act. The compact also adopts the prevailing standard for licensure and affirms that the practice of medicine occurs where the patient is located at the time of the physician-patient encounter, and therefore, requires the physician to be under the jurisdiction of the state medical board where the patient is located.

b. State medical boards that participate in the compact retain the jurisdiction to impose an adverse action against a license to practice medicine in that state issued to a physician through the procedures in the compact.

2. *Definitions.* In this compact:

a. "*Bylaws*" means those bylaws established by the interstate commission pursuant to subsection 11 for its governance, or for directing and controlling its actions and conduct.

b. "*Commissioner*" means the voting representative appointed by each member board pursuant to subsection 11.

c. "*Conviction*" means a finding by a court that an individual is guilty of a criminal offense through adjudication, or entry of a plea of guilt or no contest to the charge by the offender. Evidence of an entry of a conviction of a criminal offense by the court shall be considered final for purposes of disciplinary action by a member board.

d. "*Expedited license*" means a full and unrestricted medical license granted by a member state to an eligible physician through the process set forth in the compact.

e. "*Interstate commission*" means the interstate commission created pursuant to this section.

f. "*License*" means authorization by a state for a physician to engage in the practice of medicine, which would be unlawful without the authorization.

g. "*Medical practice act*" means laws and regulations governing the practice of allopathic and osteopathic medicine within a member state.

h. "*Member board*" means a state agency in a member state

that acts in the sovereign interests of the state by protecting the public through licensure, regulation, and education of physicians as directed by the state government.

i. "Member state" means a state that has enacted the compact.

j. "Offense" means a felony, gross misdemeanor, or crime of moral turpitude.

k. "Physician" means any person who satisfies all of the following:

(1) Is a graduate of a medical school accredited by the liaison committee on medical education, the commission on osteopathic college accreditation, or a medical school listed in the international medical education directory or its equivalent.

(2) Passed each component of the United States medical licensing examination or the comprehensive osteopathic medical licensing examination within three attempts, or any of its predecessor examinations accepted by a state medical board as an equivalent examination for licensure purposes.

(3) Successfully completed graduate medical education approved by the accreditation council for graduate medical education or the American osteopathic association.

(4) Holds specialty certification or a time-unlimited specialty certificate recognized by the American board of medical specialties or the American osteopathic association's bureau of osteopathic specialists.

(5) Possesses a full and unrestricted license to engage in the practice of medicine issued by a member board.

(6) Has never been convicted, received adjudication, deferred adjudication, community supervision, or deferred disposition for any offense by a court of appropriate jurisdiction.

(7) Has never held a license authorizing the practice of medicine subjected to discipline by a licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to nonpayment of fees related to a license.

(8) Has never had a controlled substance license or permit suspended or revoked by a state or the United States drug enforcement administration.

(9) Is not under active investigation by a licensing agency or law enforcement authority in any state, federal, or foreign jurisdiction.

l. "Practice of medicine" means the clinical prevention,

diagnosis, or treatment of human disease, injury, or condition requiring a physician to obtain and maintain a license in compliance with the medical practice act of a member state.

m. *"Rule"* means a written statement by the interstate commission promulgated pursuant to subsection 12 that is of general applicability, implements, interprets, or prescribes a policy or provision of the compact, or an organizational, procedural, or practice requirement of the interstate commission, and has the force and effect of statutory law in a member state, and includes the amendment, repeal, or suspension of an existing rule.

n. *"State"* means any state, commonwealth, district, or territory of the United States.

o. *"State of principal license"* means a member state where a physician holds a license to practice medicine and which has been designated as such by the physician for purposes of registration and participation in the compact.

3. *Eligibility.*

a. A physician must meet the eligibility requirements as defined in subsection 2, paragraph *"k"*, to receive an expedited license under the terms and provisions of the compact.

b. A physician who does not meet the requirements of subsection 2, paragraph *"k"*, may obtain a license to practice medicine in a member state if the individual complies with all laws and requirements, other than the compact, relating to the issuance of a license to practice medicine in that state.

4. *Designation of state of principal license.*

a. A physician shall designate a member state as the state of principal license for purposes of registration for expedited licensure through the compact if the physician possesses a full and unrestricted license to practice medicine in that state, and the state is:

(1) The state of primary residence for the physician, or

(2) The state where at least twenty-five percent of the practice of medicine occurs, or

(3) The location of the physician's employer, or

(4) If no state qualifies under subparagraph (1), subparagraph (2), or subparagraph (3), the state designated as state of residence for purposes of federal income tax.

b. A physician may redesignate a member state as the state of principal license at any time, as long as the state meets the requirements in paragraph *"a"*.

c. The interstate commission is authorized to develop rules

to facilitate redesignation of another member state as the state of principal license.

5. *Application and issuance of expedited licensure.*

a. A physician seeking licensure through the compact shall file an application for an expedited license with the member board of the state selected by the physician as the state of principal license.

b. Upon receipt of an application for an expedited license, the member board within the state selected as the state of principal license shall evaluate whether the physician is eligible for expedited licensure and issue a letter of qualification, verifying or denying the physician's eligibility, to the interstate commission.

(1) Static qualifications, which include verification of medical education, graduate medical education, results of any medical or licensing examination, and other qualifications as determined by the interstate commission through rule, shall not be subject to additional primary source verification where already primary source-verified by the state of principal license.

(2) The member board within the state selected as the state of principal license shall, in the course of verifying eligibility, perform a criminal background check of an applicant, including the use of the results of fingerprint or other biometric data checks compliant with the requirements of the federal bureau of investigation, with the exception of federal employees who have suitability determination in accordance with 5 C.F.R. §731.202.

(3) Appeal on the determination of eligibility shall be made to the member state where the application was filed and shall be subject to the law of that state.

c. Upon verification in paragraph "*b*", physicians eligible for an expedited license shall complete the registration process established by the interstate commission to receive a license in a member state selected pursuant to paragraph "*a*", including the payment of any applicable fees.

d. After receiving verification of eligibility under paragraph "*b*" and any fees under paragraph "*c*", a member board shall issue an expedited license to the physician. This license shall authorize the physician to practice medicine in the issuing state consistent with the medical practice act and all applicable laws and regulations of the issuing member board and member state.

e. An expedited license shall be valid for a period consistent with the licensure period in the member state and in the same manner as required for other physicians holding a full and unrestricted license within the member state.

f. An expedited license obtained through the compact shall be terminated if a physician fails to maintain a license in the state of principal license for a nondisciplinary reason, without redesignation of a new state of principal license.

g. The interstate commission is authorized to develop rules regarding the application process, including payment of any applicable fees, and the issuance of an expedited license.

6. *Fees for expedited licensure.*

a. A member state issuing an expedited license authorizing the practice of medicine in that state may impose a fee for a license issued or renewed through the compact.

b. The interstate commission is authorized to develop rules regarding fees for expedited licenses.

7. *Renewal and continued participation.*

a. A physician seeking to renew an expedited license granted in a member state shall complete a renewal process with the interstate commission if the physician satisfies the following:

(1) Maintains a full and unrestricted license in a state of principal license.

(2) Has not been convicted, received adjudication, deferred adjudication, community supervision, or deferred disposition for any offense by a court of appropriate jurisdiction.

(3) Has not had a license authorizing the practice of medicine subject to discipline by a licensing agency in any state, federal, or foreign jurisdiction, excluding any action related to nonpayment of fees related to a license.

(4) Has not had a controlled substance license or permit suspended or revoked by a state or the United States drug enforcement administration.

b. Physicians shall comply with all continuing professional development or continuing medical education requirements for renewal of a license issued by a member state.

c. The interstate commission shall collect any renewal fees charged for the renewal of a license and distribute the fees to the applicable member board.

d. Upon receipt of any renewal fees collected in paragraph "*c*", a member board shall renew the physician's license.

e. Physician information collected by the interstate commission during the renewal process will be distributed to

all member boards.

f. The interstate commission is authorized to develop rules to address renewal of licenses obtained through the compact.

8. *Coordinated information system.*

a. The interstate commission shall establish a database of all physicians licensed, or who have applied for licensure, under subsection 5.

b. Notwithstanding any other provision of law, member boards shall report to the interstate commission any public action or complaints against a licensed physician who has applied or received an expedited license through the compact.

c. Member boards shall report disciplinary or investigatory information determined as necessary and proper by rule of the interstate commission.

d. Member boards may report any nonpublic complaint, disciplinary, or investigatory information not required by paragraph *"c"* to the interstate commission.

e. Member boards shall share complaint or disciplinary information about a physician upon request of another member board.

f. All information provided to the interstate commission or distributed by member boards shall be confidential, filed under seal, and used only for investigatory or disciplinary matters.

g. The interstate commission is authorized to develop rules for mandated or discretionary sharing of information by member boards.

9. *Joint investigations.*

a. Licensure and disciplinary records of physicians are deemed investigative.

b. In addition to the authority granted to a member board by its respective medical practice Act or other applicable state law, a member board may participate with other member boards in joint investigations of physicians licensed by the member boards.

c. A subpoena issued by a member state shall be enforceable in other member states.

d. Member boards may share any investigative, litigation, or compliance materials in furtherance of any joint or individual investigation initiated under the compact.

e. Any member state may investigate actual or alleged violations of the statutes authorizing the practice of medicine in any other member state in which a physician holds a license to practice medicine.

10. *Disciplinary actions.*

a. Any disciplinary action taken by any member board against a physician licensed through the compact shall be deemed unprofessional conduct which may be subject to discipline by other member boards, in addition to any violation of the medical practice Act or regulations in that state.

b. If a license granted to a physician by the member board in the state of principal license is revoked, surrendered, or relinquished in lieu of discipline, or suspended, then all licenses issued to the physician by member boards shall automatically be placed, without further action necessary by any member board, on the same status. If the member board in the state of principal license subsequently reinstates the physician's license, a license issued to the physician by any other member board shall remain encumbered until that respective member board takes action to reinstate the license in a manner consistent with the medical practice Act of that state.

c. If disciplinary action is taken against a physician by a member board not in the state of principal license, any other member board may deem the action conclusive as to matter of law and fact decided and either:

(1) Impose the same or lesser sanctions against the physician so long as such sanctions are consistent with the medical practice Act of that state, or

(2) Pursue separate disciplinary action against the physician under its respective medical practice Act, regardless of the action taken in other member states.

d. If a license granted to a physician by a member board is revoked, surrendered, or relinquished in lieu of discipline, or suspended, then any licenses issued to the physician by any other member boards shall be suspended, automatically and immediately without further action necessary by the other member boards, for ninety days upon entry of the order by the disciplining board, to permit the member boards to investigate the basis for the action under the medical practice Act of that state. A member board may terminate the automatic suspension of the license it issued prior to the completion of the ninety-day suspension period in a manner consistent with the medical practice Act of that state.

11. *Interstate medical licensure compact commission.*

a. The member states hereby create the interstate medical licensure compact commission.

b. The purpose of the interstate commission is the administration of the interstate medical licensure compact, which is a discretionary state function.

c. The interstate commission shall be a body corporate and joint agency of the member states and shall have all the responsibilities, powers, and duties set forth in the compact, and such additional powers as may be conferred upon it by a subsequent concurrent action of the respective legislatures of the member states in accordance with the terms of the compact.

d. The interstate commission shall consist of two voting representatives appointed by each member state who shall serve as commissioners. In states where allopathic and osteopathic physicians are regulated by separate member boards, or if the licensing and disciplinary authority is split between multiple member boards within a member state, the member state shall appoint one representative from each member board. A commissioner shall be one of the following:

(1) An allopathic or osteopathic physician appointed to a member board.

(2) An executive director, executive secretary, or similar executive of a member board.

(3) A member of the public appointed to a member board.

e. The interstate commission shall meet at least once each calendar year. A portion of this meeting shall be a business meeting to address such matters as may properly come before the commission, including the election of officers. The chairperson may call additional meetings and shall call for a meeting upon the request of a majority of the member states.

f. The bylaws may provide for meetings of the interstate commission to be conducted by telecommunication or electronic communication.

g. Each commissioner participating at a meeting of the interstate commission is entitled to one vote. A majority of commissioners shall constitute a quorum for the transaction of business, unless a larger quorum is required by the bylaws of the interstate commission. A commissioner shall not delegate a vote to another commissioner. In the absence of its commissioner, a member state may delegate voting authority for a specified meeting to another person from that state who shall meet the requirements of paragraph "*d*".

h. The interstate commission shall provide public notice of all meetings and all meetings shall be open to the public. The interstate commission may close a meeting, in full or

in portion, where it determines by a two-thirds vote of the commissioners present that an open meeting would be likely to result in one or more of the following:

(1) Relate solely to the internal personnel practices and procedures of the interstate commission.

(2) Discuss matters specifically exempted from disclosure by federal statute.

(3) Discuss trade secrets, commercial, or financial information that is privileged or confidential.

(4) Involve accusing a person of a crime, or formally censuring a person.

(5) Discuss information of a personal nature where disclosure would constitute a clearly unwarranted invasion of personal privacy.

(6) Discuss investigative records compiled for law enforcement purposes.

(7) Specifically relate to the participation in a civil action or other legal proceeding.

i. The interstate commission shall keep minutes which shall fully describe all matters discussed in a meeting and shall provide a full and accurate summary of actions taken, including record of any roll call votes.

j. The interstate commission shall make its information and official records, to the extent not otherwise designated in the compact or by its rules, available to the public for inspection.

k. The interstate commission shall establish an executive committee, which shall include officers, members, and others as determined by the bylaws. The executive committee shall have the power to act on behalf of the interstate commission, with the exception of rulemaking, during periods when the interstate commission is not in session. When acting on behalf of the interstate commission, the executive committee shall oversee the administration of the compact including enforcement and compliance with the provisions of the compact, its bylaws and rules, and other such duties as necessary.

l. The interstate commission may establish other committees for governance and administration of the compact.

12. *Powers and duties of the interstate commission.* The interstate commission shall have power to perform the following functions:

a. Oversee and maintain the administration of the compact.

b. Promulgate rules which shall be binding to the extent and

in the manner provided for in the compact.

c. Issue, upon the request of a member state or member board, advisory opinions concerning the meaning or interpretation of the compact, its bylaws, rules, and actions.

d. Enforce compliance with compact provisions, the rules promulgated by the interstate commission, and the bylaws, using all necessary and proper means, including but not limited to the use of judicial process.

e. Establish and appoint committees including but not limited to an executive committee as required by subsection 11, which shall have the power to act on behalf of the interstate commission in carrying out its powers and duties.

f. Pay, or provide for the payment of, the expenses related to the establishment, organization, and ongoing activities of the interstate commission.

g. Establish and maintain one or more offices.

h. Borrow, accept, hire, or contract for services of personnel.

i. Purchase and maintain insurance and bonds.

j. Employ an executive director who shall have such powers to employ, select, or appoint employees, agents, or consultants, and to determine their qualifications, define their duties, and fix their compensation.

k. Establish personnel policies and programs relating to conflicts of interest, rates of compensation, and qualifications of personnel.

l. Accept donations and grants of money, equipment, supplies, materials, and services, and to receive, utilize, and dispose of the same in a manner consistent with the conflict of interest policies established by the interstate commission.

m. Lease, purchase, accept contributions or donations of, or otherwise to own, hold, improve, or use, any property, real, personal, or mixed.

n. Sell, convey, mortgage, pledge, lease, exchange, abandon, or otherwise dispose of any property, real, personal, or mixed.

o. Establish a budget and make expenditures.

p. Adopt a seal and bylaws governing the management and operation of the interstate commission.

q. Report annually to the legislatures and governors of the member states concerning the activities of the interstate commission during the preceding year. Such reports shall also include reports of financial audits and any recommendations that may have been adopted by the interstate commission.

r. Coordinate education, training, and public awareness regarding the compact, its implementation, and its operation.

s. Maintain records in accordance with the bylaws.

t. Seek and obtain trademarks, copyrights, and patents.

u. Perform such functions as may be necessary or appropriate to achieve the purposes of the compact.

13. *Finance powers.*

a. The interstate commission may levy on and collect an annual assessment from each member state to cover the cost of the operations and activities of the interstate commission and its staff. The total assessment must be sufficient to cover the annual budget approved each year for which revenue is not provided by other sources. The aggregate annual assessment amount shall be allocated upon a formula to be determined by the interstate commission, which shall promulgate a rule binding upon all member states.

b. The interstate commission shall not incur obligations of any kind prior to securing the funds adequate to meet the same.

c. The interstate commission shall not pledge the credit of any of the member states, except by, and with the authority of, the member state.

d. The interstate commission shall be subject to a yearly financial audit conducted by a certified or licensed public accountant and the report of the audit shall be included in the annual report of the interstate commission.

14. *Organization and operation of the interstate commission.*

a. The interstate commission shall, by a majority of commissioners present and voting, adopt bylaws to govern its conduct as may be necessary or appropriate to carry out the purposes of the compact within twelve months of the first interstate commission meeting.

b. The interstate commission shall elect or appoint annually from among its commissioners a chairperson, a vice chairperson, and a treasurer, each of whom shall have such authority and duties as may be specified in the bylaws. The chairperson, or in the chairperson's absence or disability, the vice chairperson, shall preside at all meetings of the interstate commission.

c. Officers selected in paragraph "*b*" shall serve without remuneration from the interstate commission.

d. The officers and employees of the interstate commission shall be immune from suit and liability, either personally or in their official capacity, for a claim for damage to or loss

of property or personal injury or other civil liability caused or arising out of, or relating to, an actual or alleged act, error, or omission that occurred, or that such person had a reasonable basis for believing occurred, within the scope of interstate commission employment, duties, or responsibilities, provided that such person shall not be protected from suit or liability for damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of such person.

(1) The liability of the executive director and employees of the interstate commission or representatives of the interstate commission, acting within the scope of such person's employment or duties for acts, errors, or omissions occurring within such person's state, may not exceed the limits of liability set forth under the constitution and laws of that state for state officials, employees, and agents. The interstate commission is considered to be an instrumentality of the states for the purposes of any such action. Nothing in this paragraph "d" shall be construed to protect such person from suit or liability for damage, loss, injury, or liability caused by the intentional or willful and wanton misconduct of such person.

(2) The interstate commission shall defend the executive director, its employees, and subject to the approval of the attorney general or other appropriate legal counsel of the member state represented by an interstate commission representative, shall defend such interstate commission representative in any civil action seeking to impose liability arising out of an actual or alleged act, error, or omission that occurred within the scope of interstate commission employment, duties, or responsibilities, or that the defendant had a reasonable basis for believing occurred within the scope of interstate commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such person.

(3) To the extent not covered by the state involved, member state, or the interstate commission, the representatives or employees of the interstate commission shall be held harmless in the amount of a settlement or judgment, including attorney fees and costs, obtained against such persons arising out of an actual or alleged act, error, or omission that occurred within the scope of interstate commission employment, duties, or responsibilities, or that such persons had a reasonable basis for believing occurred within the scope of interstate

commission employment, duties, or responsibilities, provided that the actual or alleged act, error, or omission did not result from intentional or willful and wanton misconduct on the part of such persons.

15. *Rulemaking functions of the interstate commission.*

a. The interstate commission shall promulgate reasonable rules in order to effectively and efficiently achieve the purposes of the compact. Notwithstanding the foregoing, in the event the interstate commission exercises its rulemaking authority in a manner that is beyond the scope of the purposes of the compact, or the powers granted hereunder, then such an action by the interstate commission shall be invalid and have no force or effect.

b. Rules deemed appropriate for the operations of the interstate commission shall be made pursuant to a rulemaking process that substantially conforms to the model state administrative procedure Act of 2010, and subsequent amendments thereto.

c. Not later than thirty days after a rule is promulgated, any person may file a petition for judicial review of the rule in the United States district court for the District of Columbia or the federal district where the interstate commission has its principal offices, provided that the filing of such a petition shall not stay or otherwise prevent the rule from becoming effective unless the court finds that the petitioner has a substantial likelihood of success. The court shall give deference to the actions of the interstate commission consistent with applicable law and shall not find the rule to be unlawful if the rule represents a reasonable exercise of the authority granted to the interstate commission.

16. *Oversight of interstate compact.*

a. The executive, legislative, and judicial branches of state government in each member state shall enforce the compact and shall take all actions necessary and appropriate to effectuate the compact's purposes and intent. The provisions of the compact and the rules promulgated hereunder shall have standing as statutory law but shall not override existing state authority to regulate the practice of medicine.

b. All courts shall take judicial notice of the compact and the rules in any judicial or administrative proceeding in a member state pertaining to the subject matter of the compact which may affect the powers, responsibilities, or actions of the interstate commission.

c. The interstate commission shall be entitled to receive all service of process in any such proceeding, and shall have standing to intervene in the proceeding for all purposes. Failure to provide service of process to the interstate commission shall render a judgment or order void as to the interstate commission, the compact, or promulgated rules.

17. *Enforcement of interstate compact.*

a. The interstate commission, in the reasonable exercise of its discretion, shall enforce the provisions and rules of the compact.

b. The interstate commission may, by majority vote of the commissioners, initiate legal action in the United States district court for the District of Columbia, or, at the discretion of the interstate commission, in the federal district where the interstate commission has its principal offices, to enforce compliance with the provisions of the compact, and its promulgated rules and bylaws, against a member state in default. The relief sought may include both injunctive relief and damages. In the event judicial enforcement is necessary, the prevailing party shall be awarded all costs of such litigation including reasonable attorney fees.

c. The remedies herein shall not be the exclusive remedies of the interstate commission. The interstate commission may avail itself of any other remedies available under state law or the regulation of a profession.

18. *Default procedures.*

a. The grounds for default include but are not limited to failure of a member state to perform such obligations or responsibilities imposed upon it by the compact, or the rules and bylaws of the interstate commission promulgated under the compact.

b. If the interstate commission determines that a member state has defaulted in the performance of its obligations or responsibilities under the compact, or the bylaws or promulgated rules, the interstate commission shall do the following:

(1) Provide written notice to the defaulting state and other member states of the nature of the default, the means of curing the default, and any action taken by the interstate commission. The interstate commission shall specify the conditions by which the defaulting state must cure its default.

(2) Provide remedial training and specific technical

assistance regarding the default.

c. If the defaulting state fails to cure the default, the defaulting state shall be terminated from the compact upon an affirmative vote of a majority of the commissioners and all rights, privileges, and benefits conferred by the compact shall terminate on the effective date of termination. A cure of the default does not relieve the offending state of obligations or liabilities incurred during the period of the default.

d. Termination of membership in the compact shall be imposed only after all other means of securing compliance have been exhausted. Notice of intent to terminate shall be given by the interstate commission to the governor, the majority and minority leaders of the defaulting state's legislature, and each of the member states.

e. The interstate commission shall establish rules and procedures to address licenses and physicians that are materially impacted by the termination of a member state, or the withdrawal of a member state.

f. The member state which has been terminated is responsible for all dues, obligations, and liabilities incurred through the effective date of termination including obligations, the performance of which extends beyond the effective date of termination.

g. The interstate commission shall not bear any costs relating to any state that has been found to be in default or which has been terminated from the compact, unless otherwise mutually agreed upon in writing between the interstate commission and the defaulting state.

h. The defaulting state may appeal the action of the interstate commission by petitioning the United States district court for the District of Columbia or the federal district where the interstate commission has its principal offices. The prevailing party shall be awarded all costs of such litigation including reasonable attorney fees.

19. *Dispute resolution.*

a. The interstate commission shall attempt, upon the request of a member state, to resolve disputes which are subject to the compact and which may arise among member states or member boards.

b. The interstate commission shall promulgate rules providing for both mediation and binding dispute resolution as appropriate.

20. *Member states, effective date, and amendment.*

a. Any state is eligible to become a member state of the compact.

b. The compact shall become effective and binding upon legislative enactment of the compact into law by no less than seven states. Thereafter, it shall become effective and binding on a state upon enactment of the compact into law by that state.

c. The governors of nonmember states, or their designees, shall be invited to participate in the activities of the interstate commission on a nonvoting basis prior to adoption of the compact by all states.

d. The interstate commission may propose amendments to the compact for enactment by the member states. No amendment shall become effective and binding upon the interstate commission and the member states unless and until it is enacted into law by unanimous consent of the member states.

21. *Withdrawal.*

a. Once effective, the compact shall continue in force and remain binding upon each and every member state, provided that a member state may withdraw from the compact by specifically repealing the statute which enacted the compact into law.

b. Withdrawal from the compact shall be by the enactment of a statute repealing the same, but shall not take effect until one year after the effective date of such statute and until written notice of the withdrawal has been given by the withdrawing state to the governor of each other member state.

c. The withdrawing state shall immediately notify the chairperson of the interstate commission in writing upon the introduction of legislation repealing the compact in the withdrawing state.

d. The interstate commission shall notify the other member states of the withdrawing state's intent to withdraw within sixty days of its receipt of notice provided under paragraph "*c*".

e. The withdrawing state is responsible for all dues, obligations, and liabilities incurred through the effective date of withdrawal, including obligations, the performance of which extend beyond the effective date of withdrawal.

f. Reinstatement following withdrawal of a member state shall occur upon the withdrawing state reenacting the compact or upon such later date as determined by the interstate commission.

g. The interstate commission is authorized to develop

rules to address the impact of the withdrawal of a member state on licenses granted in other member states to physicians who designated the withdrawing member state as the state of principal license.

22. *Dissolution.*

a. The compact shall dissolve effective upon the date of the withdrawal or default of the member state which reduces the membership in the compact to one member state.

b. Upon the dissolution of the compact, the compact becomes null and void and shall be of no further force or effect, and the business and affairs of the interstate commission shall be concluded and surplus funds shall be distributed in accordance with the bylaws.

23. *Severability and construction.*

a. The provisions of the compact shall be severable, and if any phrase, clause, sentence, or provision is deemed unenforceable, the remaining provisions of the compact shall be enforceable.

b. The provisions of the compact shall be liberally construed to effectuate its purposes.

c. Nothing in the compact shall be construed to prohibit the applicability of other interstate compacts to which the states are members.

24. *Binding effect of compact and other laws.*

a. Nothing herein prevents the enforcement of any other law of a member state that is not inconsistent with the compact.

b. All laws in a member state in conflict with the compact are superseded to the extent of the conflict.

c. All lawful actions of the interstate commission, including all rules and bylaws promulgated by the commission, are binding upon the member states.

d. All agreements between the interstate commission and the member states are binding in accordance with their terms.

e. In the event any provision of the compact exceeds the constitutional limits imposed on the legislature of any member state, such provision shall be ineffective to the extent of the conflict with the constitutional provision in question in that member state.

DIVISION XIII

ENTREPRENEUR INVESTMENT AWARDS PROGRAM

Sec. 83. Section 15E.362, Code 2015, is amended by striking the section and inserting in lieu thereof the following:

15E.362 Entrepreneur investment awards program.

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

a. "Business development services" includes but is not limited to corporate development services, business model development services, business planning services, marketing services, financial strategies and management services, mentoring and management coaching, and networking services.

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

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

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

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

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

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

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

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

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

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

5. The economic development authority board in its discretion may approve, deny, or defer each application for financial assistance under the program from persons

it determines to be an eligible entrepreneurial assistance provider.

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

7. *a.* The maximum amount of financial assistance awarded to an eligible entrepreneurial assistance provider shall not exceed two hundred thousand dollars.

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

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

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

b. The business plan review capacity of the professional staff of the eligible entrepreneurial assistance provider.

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

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

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

f. The financial need of the eligible entrepreneurial assistance provider.

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

business development services to the company.

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

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

Sec. 84. Section 15E.363, subsection 3, Code 2015, is amended to read as follows:

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

DIVISION XIV

HOUSING ENTERPRISE TAX CREDIT

Sec. 85. 2014 Iowa Acts, chapter 1130, is amended by adding the following new section:

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

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

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

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

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

Sec. 86. 2014 Iowa Acts, chapter 1130, section 43, subsection 1, is amended to read as follows:

1. On or after the effective date of this division of this

Act, a city or county shall not create an enterprise zone under chapter 15E, division XVIII, or enter into a new agreement or amend an existing agreement under chapter 15E, division XVIII, unless otherwise authorized in this Act.

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

Sec. 88. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to July 1, 2014.

DIVISION XV

COURT DEBT

Sec. 89. Section 321.40, subsection 9, Code 2015, is amended to read as follows:

9. *a.* The clerk of the district court shall notify the county treasurer of any delinquent court debt, as defined in section 602.8107, which is being collected by the ~~centralized collection unit of the department of revenue~~ private collection designee pursuant to section 602.8107, subsection 3, or the county attorney pursuant to section 602.8107, subsection 4. The county treasurer shall refuse to renew the vehicle registration of the applicant upon such notification from the clerk of the district court in regard to such applicant.

b. If the applicant enters into or renews ~~a payment plan~~ an installment agreement as defined in section 602.8107, that is satisfactory to the ~~centralized collection unit of the department of revenue~~ private collection designee, the county attorney, or the county attorney's designee, the ~~centralized collection unit or the county attorney~~ private collection designee, county attorney, or a county attorney's designee shall provide the county treasurer with written or electronic notice of the ~~payment plan~~ installment agreement within five days of entering into ~~such a plan~~ the installment agreement. The county treasurer shall temporarily lift the registration hold on an applicant for a period of ten days if the treasurer receives such notice in order to allow the applicant to register a vehicle for the year. If the applicant remains ~~current~~ in compliance with the ~~payment plan~~ installment agreement entered into with the ~~centralized collection unit~~ private collection designee or the county attorney or the county attorney's designee, subsequent lifts of registration holds shall be granted without additional restrictions.

Sec. 90. Section 321.210A, subsection 2, Code 2015, is amended to read as follows:

2. If after suspension, the person enters into an installment agreement with the county attorney, the county attorney's designee, or the ~~centralized collection unit of the department of revenue~~ private collection designee in accordance with section 321.210B to pay the fine, penalty, court cost, or surcharge, the person's license shall be reinstated by the department upon receipt of a report of an executed installment agreement.

Sec. 91. Section 321.210B, subsections 1, 3, 8, 9, 11, and 14, Code 2015, are amended to read as follows:

1. If a person's fine, penalty, surcharge, or court cost is deemed delinquent as provided in section 602.8107, subsection 2, and the person's driver's license has been suspended pursuant to section 321.210A, the person may execute an installment agreement as defined in section 602.8107 with the county attorney, the county attorney's designee, or the ~~centralized collection unit of the department of revenue~~ private collection designee under contract with the judicial branch pursuant to section 602.8107, subsection 5, to pay the delinquent amount and the ~~fee~~ civil penalty assessed in subsection 7 in installments. Prior to execution of the installment agreement, the person shall provide the county attorney, the county attorney's designee, or the ~~centralized collection unit of the department of revenue~~ private collection designee with a financial statement in order for the parties to the agreement to determine the amount of the installment payments.

3. The county attorney, the county attorney's designee, or the ~~centralized collection unit of the department of revenue~~ private collection designee shall file or give notice of the installment agreement with the clerk of the district court in the county where the fine, penalty, surcharge, or court cost was imposed, within five days of execution of the agreement.

8. Upon determination by the county attorney, the county attorney's designee, or the ~~centralized collection unit of the department of revenue~~ private collection designee that the person is in default, the county attorney, the county attorney's designee, or the ~~centralized collection unit~~ private collection designee shall notify the clerk of the district court.

9. The clerk of the district court, upon receipt of a notification of a default from the county attorney, the county attorney's designee, or the ~~centralized collection unit of the~~

~~department of revenue~~ private collection designee, shall report the default to the department of transportation.

11. If a new fine, penalty, surcharge, or court cost is imposed on a person after the person has executed an installment agreement with the county attorney, the county attorney's designee, or the ~~centralized collection unit of the department of revenue~~ private collection designee, and the new fine, penalty, surcharge, or court cost is deemed delinquent as provided in section 602.8107, subsection 2, and the person's driver's license has been suspended pursuant to section 321.210A, the person may enter into a second installment agreement with the county attorney, county attorney's designee, or the ~~centralized collection unit of the department of revenue~~ private collection designee to pay the delinquent amount and the ~~fee~~ civil penalty, if assessed, in subsection 7 in installments.

14. Except for a civil penalty assessed and collected pursuant to subsection 7, any amount collected under the installment agreement by the county attorney or the county attorney's designee shall be distributed as provided in section 602.8107, subsection 4, and any amount collected by the ~~centralized collection unit of the department of revenue~~ private collection designee shall be deposited with the clerk of the district court for distribution under section 602.8108.

Sec. 92. Section 602.8107, subsection 1, Code 2015, is amended to read as follows:

1. *Definition.* As used in this section~~, "court debt"~~ unless the context otherwise requires:

a. "Court debt" means all fines, penalties, court costs, fees, forfeited bail, surcharges under chapter 911, victim restitution, court-appointed attorney fees or expenses of a public defender ordered pursuant to section 815.9, or fees charged pursuant to section 356.7 or 904.108.

b. "Installment agreement" means an agreement made for the payment of court debt in installments.

c. "Installment payment" means the partial payment of court debt which is divided into portions that are made payable at different times.

Sec. 93. Section 602.8107, subsection 3, Code 2015, is amended to read as follows:

3. *Collection by ~~centralized collection unit of department of revenue~~ private collection designee under contract with the judicial branch.*

a. Thirty days after court debt has been assessed, or if an installment payment is not received within thirty days after the date it is due, the judicial branch shall assign a case to the ~~centralized collection unit of the department of revenue or its designee~~ private collection designee under contract with the judicial branch pursuant to subsection 5 to collect debts owed to the clerk of the district court ~~for a period of one year~~.

b. In addition, court debt which is being collected under an installment agreement pursuant to section 321.210B which is in default that remains delinquent shall ~~also be assigned to the centralized collection unit of the department of revenue or its designee for a period of one year~~ remain assigned to the private collection designee if the installment agreement was executed with the private collection designee; or to the county attorney or county attorney's designee if the installment agreement was executed with the county attorney or county attorney's designee.

c. If a county attorney has filed with the clerk of the district court a full commitment to collect delinquent court debt pursuant to subsection 4, the court debt in a case shall be assigned after sixty days to the county attorney as provided in subsection 4, if the court debt in a case ~~has not been placed in an established payment plan by the centralized collection unit~~ is not part of an installment agreement with the private collection designee under contract with the judicial branch pursuant to subsection 5. ~~For all other delinquent court debt not assigned to a county attorney pursuant to subsection 4, the delinquent court debt shall be assigned to a private collection designee as provided in subsection 5, after one year, if the delinquent court debt in a case has not been placed in an established payment plan by the centralized collection unit.~~

~~*a.* The department of revenue may impose a fee established by rule to reflect the cost of processing which shall be added to the debt owed to the clerk of the district court. Any amounts collected by the unit shall first be applied to the processing fee. The remaining amounts shall be remitted to the clerk of the district court for the county in which the debt is owed. The judicial branch may prescribe rules to implement this subsection. These rules may provide for remittance of processing fees to the department of revenue or its designee.~~

~~*b.* Satisfaction of the outstanding court debt occurs only when all fees or charges and the outstanding court debt is paid~~

~~in full. Payment of the outstanding court debt only shall not be considered payment in full for satisfaction purposes.~~

Sec. 94. Section 602.8107, subsection 4, paragraph g, Code 2015, is amended by striking the paragraph.

Sec. 95. Section 602.8107, subsection 5, paragraph a, Code 2015, is amended to read as follows:

a. The judicial branch shall contract with a private collection designee for the collection of court debt ~~one year~~ after the court debt in a case is deemed delinquent pursuant to subsection 2 if the county attorney is not collecting the court debt in a case pursuant to subsection 4. The judicial branch shall solicit requests for proposals prior to entering into any contract pursuant to this subsection.

Sec. 96. Section 602.8107, subsection 5, paragraph e, Code 2015, is amended by striking the paragraph and inserting in lieu thereof the following:

e. The private collection designee may utilize any debt collection methods including but not limited to attachment, execution, or garnishment.

DIVISION XVI

RESIDENTIAL SWIMMING POOLS

Sec. 97. RESIDENTIAL SWIMMING POOLS —— PRIVATE SWIMMING LESSONS. Notwithstanding any provision of law to the contrary, the department of public health shall require that a residential swimming pool used for private swimming lessons for up to two hundred seven hours in a calendar month, or the number of hours prescribed by local ordinance applicable to such use of a residential swimming pool, whichever is greater, be regulated as a residential swimming pool used for commercial purposes pursuant to chapter 135I. The department of public health may adopt rules to implement this section.

Sec. 98. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XVII

ONLINE LEARNING

Sec. 99. Section 256.7, subsection 32, paragraph c, Code 2015, is amended to read as follows:

c. Adopt rules that limit the statewide enrollment of pupils in educational instruction and course content that are delivered primarily over the internet to not more than eighteen one-hundredths of one percent of the statewide enrollment of all pupils, and that limit the number of pupils participating

in open enrollment for purposes of receiving educational instruction and course content that are delivered primarily over the internet to no more than one percent of a sending district's enrollment. Until June 30, ~~2015~~ 2018, ~~students~~ such limitations shall not apply if the limitations would prevent siblings from enrolling in the same school district or if a sending district determines that the educational needs of a physically or emotionally fragile student would be best served by educational instruction and course content that are delivered primarily over the internet. Students who meet the requirements of section 282.18 may participate in open enrollment under this paragraph "c" for purposes of enrolling only in the CAM community school district or the Clayton Ridge community school district.

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

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

(a) Student achievement and demographic characteristics~~, retention~~.

(b) Retention rates~~, and the~~.

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

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

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

(i) Entry and exit assessments in, at a minimum, math and English for elementary and middle school students, and additional subjects, including science, for high school students.

(ii) State-required assessments that track year-over-year improvements in academic proficiency.

(f) Academic mobility. To facilitate the tracking of academic mobility, school districts shall request the following information from the parent or guardian of a student enrolled in educational instruction and course content that are delivered primarily over the internet pursuant to this paragraph "c":

(i) For a student newly enrolling, the reasons for choosing such enrollment.

(ii) For a student terminating enrollment, the reasons for terminating such enrollment.

(g) Student progress toward graduation. Measurement of such progress shall account for specific characteristics of each enrolled student, including but not limited to age and course credit accrued prior to enrollment in educational instruction and course content that are delivered primarily over the internet pursuant to this paragraph "c", and shall be consistent with evidence-based best practices.

(2) The department shall conduct annually a survey of not less than ten percent of the total number of students enrolled as authorized under this paragraph "c" and section 282.18, ~~and not less than one hundred percent of the students in those districts who are enrolled as authorized under this paragraph "c" and section 282.18 and who are eligible for free or reduced price meals under the federal National School Lunch Act and the federal Child Nutrition Act of 1966, 42 U.S.C. §§1751-1785,~~ to determine whether students are enrolled under this paragraph "c" and section 282.18 to receive educational instruction and course content primarily over the internet or are students who are receiving competent private instruction from a licensed practitioner provided through a school district pursuant to chapter 299A.

(3) The department shall compile and review the data collected pursuant to this paragraph "c" and shall submit its findings and recommendations for the continued delivery of instruction and course content by school districts pursuant to this paragraph "c", in a report to the general assembly by January 15 annually.

(4) ~~This paragraph "c" is repealed July 1, 2015.~~ School districts providing educational instruction and course content that are delivered primarily over the internet pursuant to this paragraph "c" shall comply with the following requirements relating to such instruction and content:

(a) Monitoring and verifying full-time student enrollment,

timely completion of graduation requirements, course credit accrual, and course completion.

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

(c) Conducting parent-teacher conferences.

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

Sec. 100. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 101. RETROACTIVE APPLICABILITY. Unless otherwise provided, this Act, if approved by the governor on or after July 1, 2015, applies retroactively to June 30, 2015.

DIVISION XVIII

HEALTH CARRIER DISCLOSURES

Sec. 102. NEW SECTION. **514K.2 Health carrier disclosures — public internet sites.**

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

a. Any exclusions from coverage and any restrictions on the use or quantity of covered items and services in each category of benefits, including prescription drugs and drugs administered by a physician or clinic.

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

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

of the drugs.

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

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

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

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

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

Sec. 103. NEW SECTION. **514K.3 Health care plan internal appeals process — disclosure requirements.**

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

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

b. Full and fair internal review of claims and appeals.

c. Avoidance of conflicts of interest.

d. Sufficient notice to enrollees, including a description of available internal claims and appeals procedures, as well as information about how to initiate an appeal of a denial of coverage.

2. *a.* A carrier that provides health coverage as described in subsection 1 shall maintain written records of all requests for internal claims and appeals that are received and for which internal review was performed during each calendar year. Such records shall be maintained for at least three years.

b. A carrier that provides health coverage as described in subsection 1 shall submit to the commissioner, upon request, a

report that includes all of the following:

(1) The total number of requests for internal review of claims and appeals that are received by the carrier each year.

(2) The average length of time for resolution of each request for internal review of a claim or appeal.

(3) A summary of the types of coverage or cases for which internal review of a claim or appeal was requested.

(4) Any other information required by the commissioner in a format specified by rule.

3. A carrier that provides health coverage as described in subsection 1 shall make available to consumers written notice of the carrier's internal claims and appeals and internal review procedures and shall maintain a toll-free consumer-assistance telephone helpline that offers consumers assistance with the carrier's internal claims and appeals and internal review procedures, including how to initiate, complete, or submit a claim or appeal.

4. The commissioner may adopt rules pursuant to chapter 17A to administer this section.

Sec. 104. APPLICABILITY. This division of this Act is applicable to health insurance policies, contracts, or plans that are delivered, issued for delivery, continued, or renewed on or after January 1, 2016.

DIVISION XIX

REFUND FRAUD —— INCOME TAXES

Sec. 105. Section 421.17, subsection 23, Code 2015, is amended to read as follows:

23. To develop, modify, or contract with vendors to create or administer systems or programs which identify nonfilers of returns or nonpayers of taxes administered by the department and to identify and prevent the issuance of fraudulent or erroneous refunds. Fees for services, reimbursements, costs incurred by the department, or other remuneration may be funded from the amount of tax, penalty, or interest actually collected and shall be paid only after the amount is collected. An amount is appropriated from the amount of tax, penalty, and interest actually collected, not to exceed the amount collected, which is sufficient to pay for services, reimbursement, costs incurred by the department, or other remuneration pursuant to this subsection. Vendors entering into a contract with the department pursuant to this subsection are subject to the requirements and penalties of the confidentiality laws of this state regarding tax information.

The director shall report annually to the legislative services agency and the chairpersons and ranking members of the ways and means committees on the amount of costs incurred and paid during the previous fiscal year pursuant to this subsection and the incidence of refund fraud and the costs incurred and amounts prevented from issuance during the previous fiscal year pursuant to this subsection.

Sec. 106. IMPLEMENTATION — REPORT. The director of revenue shall implement the procedures required by this division of this Act no later than January 1, 2016. The director shall submit a report on the director's progress in implementing the procedures required by this division of this Act to the general assembly by October 3, 2016. The report shall include any statutory changes necessary to facilitate the implementation of this division of this Act.

DIVISION XX

ANGEL INVESTOR TAX CREDITS

Sec. 107. Section 2.48, subsection 3, paragraph d, subparagraph (1), Code 2015, is amended to read as follows:

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

Sec. 108. Section 15.119, subsection 2, paragraph d, Code 2015, is amended to read as follows:

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

Sec. 109. Section 15E.41, Code 2015, is amended by striking the section and inserting in lieu thereof the following:

15E.41 Purpose.

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

Sec. 110. Section 15E.42, Code 2015, is amended by adding the following new subsection:

NEW SUBSECTION. 2A. *"Entrepreneurial assistance program"* includes the entrepreneur investment awards program administered under section 15E.362, the receipt of services

from a service provider engaged pursuant to section 15.411, subsection 1, or the program administered under section 15.411, subsection 2.

Sec. 111. Section 15E.42, subsection 3, Code 2015, is amended to read as follows:

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

Sec. 112. Section 15E.42, subsection 4, Code 2015, is amended by striking the subsection.

Sec. 113. Section 15E.43, subsections 1 and 2, Code 2015, are amended to read as follows:

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

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

~~*b.*~~ *c.* A tax credit shall be allowed only for an investment made in the form of cash to purchase equity in a qualifying business ~~or in a community-based seed capital fund. A taxpayer that has received a tax credit for an investment in a community-based seed capital fund shall not claim the tax credit prior to the third tax year following the tax year in which the investment is made. Any tax credit in excess of the taxpayer's liability for the tax year may be credited to the tax liability for the following five years or until depleted, whichever is earlier. A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer redeems the tax credit~~.

~~*c. In the case of a tax credit allowed against the taxes imposed in chapter 422, division II, where the taxpayer died prior to redeeming the entire tax credit, the remaining credit*~~

~~can be redeemed on the decedent's final income tax return.~~

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

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

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

c. The maximum amount of tax credits that may be issued per calendar year for equity investments in any one qualifying business shall not exceed five hundred thousand dollars.

Sec. 114. Section 15E.43, subsections 5 and 7, Code 2015, are amended to read as follows:

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

7. The authority shall develop a system for registration and ~~authorization~~ issuance of tax credits authorized pursuant to this division and shall control distribution of all tax ~~credits distributed~~ credit certificates to investors pursuant

to this division. The authority shall develop rules for the qualification and administration of qualifying businesses ~~and community-based seed capital funds~~. The department of revenue shall adopt ~~these criteria as administrative rules and any other~~ rules pursuant to chapter 17A as necessary for the administration of this division.

Sec. 115. Section 15E.43, subsections 6 and 8, Code 2015, are amended by striking the subsections.

Sec. 116. Section 15E.44, subsection 2, paragraph c, Code 2015, is amended by striking the paragraph and inserting in lieu thereof the following:

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

Sec. 117. Section 15E.44, subsection 2, paragraphs e and f, Code 2015, are amended to read as follows:

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

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

(1) At least two investors.

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

Sec. 118. Section 15E.46, Code 2015, is amended to read as follows:

15E.46 ~~Reports~~ Confidentiality — reports.

1. Except as provided in subsection 2, all information or records in the possession of the authority with respect to this division shall be presumed by the authority to be a trade secret protected under chapter 550 or common law and shall be kept confidential by the authority unless otherwise ordered by a court.

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

a. The identity of a qualifying business.

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

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

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

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

Sec. 119. Section 15E.52, subsection 4, Code 2015, is amended to read as follows:

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

Sec. 120. Section 422.11F, subsection 1, Code 2015, is amended to read as follows:

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

Sec. 121. Section 422.33, subsection 12, paragraph a, Code 2015, is amended to read as follows:

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

Sec. 122. Section 422.60, subsection 5, paragraph a, Code 2015, is amended to read as follows:

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

Sec. 123. Section 432.12C, subsection 1, Code 2015, is amended to read as follows:

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

Sec. 124. REPEAL. Section 15E.45, Code 2015, is repealed.

Sec. 125. TAX CREDIT CLAIMS. Tax credits for equity investments in qualifying businesses made on or after the effective date of this division of this Act shall not be issued by the economic development authority prior to July 1, 2016, and shall not be claimed by a taxpayer prior to September 1, 2016.

Sec. 126. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 127. APPLICABILITY. Unless otherwise provided in this division of this Act, this division of this Act applies to equity investments in a qualifying business made on or after the effective date of this division of this Act, and equity investments made in a qualifying business or community-based seed capital fund prior to the effective date of this division of this Act shall be governed by sections 15E.41 through 15E.46, 422.11F, 422.33, 422.60, 432.12C, and 533.329, Code 2015.

Sec. 128. APPLICABILITY. The sections of this division of this Act amending section 15E.44, subsection 2, apply to businesses that submit an application to the economic development authority to be registered as a qualifying business on or after the effective date of this division of this Act, and businesses that submit an application to the economic development authority to be registered as a qualifying business before the effective date of this division of this Act shall be governed by section 15E.44, subsection 2, Code 2015.

DIVISION XXI

WORKFORCE HOUSING TAX INCENTIVES PROGRAM

Sec. 129. Section 15.354, subsection 3, paragraph e, Code 2015, is amended to read as follows:

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

(2) If upon review of the examination in subparagraph (1) the authority determines that a housing project has

incurred project costs in excess of the amount submitted in the application made pursuant to subsection 1, the authority shall do one of the following:

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

(b) If the project costs cause the housing project's average dwelling unit cost to exceed the applicable maximum amount authorized in section 15.353, subsection 3, but does not cause the average dwelling unit cost to exceed one hundred ten percent of such applicable maximum amount, the authority may consider the agreement fulfilled and may issue a tax credit certificate. In such case, the authority shall reduce the amount of tax incentives the eligible housing project may claim under section 15.355, subsections 2 and 3, by the same percentage that the housing project's average dwelling unit cost exceeds the applicable maximum amount under section 15.353, subsection 3, and such tax incentive reduction shall be reflected on the tax credit certificate. If the authority issues a certificate pursuant to this subparagraph division, the department of revenue shall accept the certificate notwithstanding that the housing project's average dwelling unit costs exceeds the maximum amount specified in section 15.353, subsection 3.

(c) If the project costs cause the housing project's average dwelling unit cost to exceed one hundred ten percent of the applicable maximum amount authorized in 15.353, subsection 3, the authority shall determine the eligible housing business to be in default under the agreement and shall not issue a tax credit certificate.

Sec. 130. Section 15.355, subsection 2, Code 2015, is amended to read as follows:

2. A housing business may claim a refund of the sales and use taxes paid under chapter 423 that are directly related to a housing project. The refund available pursuant to this subsection shall be as provided in section 15.331A ~~to the extent applicable for purposes of this program~~, excluding subsection 2, paragraph "*c*", of that section. For purposes of the program, the term "*project completion*", as used in section 15.331A, shall mean the date on which the authority notifies the department of revenue that all applicable requirements

of an agreement entered into pursuant to section 15.354 are satisfied.

Sec. 131. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 132. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to May 30, 2014, for all agreements entered into pursuant to Code section 15.354 on or after that date.

DIVISION XXII

MISCELLANEOUS CHANGES TO ECONOMIC DEVELOPMENT AUTHORITY PROGRAMS

Sec. 133. Section 15.293B, subsection 4, Code 2015, is amended to read as follows:

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

Sec. 134. SPECIAL PROJECT EXTENSION. Notwithstanding any other provision of law to the contrary, the economic development authority may extend the project completion date for a project awarded tax incentives under both the redevelopment tax credit program in sections 15.293A and 15.293B and the housing enterprise zone tax incentives program in section 15E.193B, Code 2014, if the property that is the subject of the project suffered a catastrophic fire during the 2014 calendar year.

Sec. 135. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 136. RETROACTIVE APPLICABILITY. The section of this division of this Act amending Code section 15.293B applies retroactively to qualifying redevelopment project agreements entered into on or after July 1, 2010, for which a request for a project extension is submitted to the economic development authority on or after January 1, 2015.

DIVISION XXIII

HUMAN TRAFFICKING

Sec. 137. Section 702.11, subsection 1, Code 2015, is

amended to read as follows:

1. A *"forcible felony"* is any felonious child endangerment, assault, murder, sexual abuse, kidnapping, robbery, human trafficking, arson in the first degree, or burglary in the first degree.

Sec. 138. NEW SECTION. **710A.6 Outreach, public awareness, and training programs.**

The crime victim assistance division of the department of justice, in cooperation with other governmental agencies and nongovernmental or community organizations, shall develop and conduct outreach, public awareness, and training programs for the general public, law enforcement agencies, first responders, potential victims, and persons conducting or regularly dealing with businesses or other ventures that have a high statistical incidence of debt bondage or forced labor or services. The programs shall train participants to recognize and report incidents of human trafficking and to suppress the demand that fosters exploitation of persons and leads to human trafficking.

Sec. 139. Section 915.94, Code 2015, is amended to read as follows:

915.94 Victim compensation fund.

A victim compensation fund is established as a separate fund in the state treasury. Moneys deposited in the fund shall be administered by the department and dedicated to and used for the purposes of section 915.41 and this subchapter. In addition, the department may use moneys from the fund for the purpose of the department's prosecutor-based victim service coordination, including the duties defined in sections 910.3 and 910.6 and this chapter, and for the award of funds to programs that provide services and support to victims of domestic abuse or sexual assault as provided in chapter 236, to victims under section 710A.2, and for the support of an automated victim notification system established in section 915.10A. ~~The~~ For each fiscal year, the department may also use up to ~~one~~ three hundred thousand dollars from the fund to provide training for victim service providers, to provide training for related professionals concerning victim service programming, and to provide training concerning homicide, domestic assault, sexual assault, stalking, harassment, and human trafficking as required by section 710A.6. Notwithstanding section 8.33, any balance in the fund on June 30 of any fiscal year shall not revert to the general fund of the state.

Sec. 140. 2012 Iowa Acts, chapter 1138, section 7, subsection 1, is amended to read as follows:

1. A mortgage servicing settlement fund is established, separate and apart from all other public moneys or funds of the state, under the control of the department of justice. The department of justice shall deposit moneys received by the department from the joint state-federal mortgage servicing settlement into the fund. The department of justice is authorized to make expenditures of moneys in the fund consistent with the terms of the consent decree signed in federal court on April 5, 2012. Any unencumbered or unobligated moneys remaining in the fund on June 30, 2015, shall be transferred to the ~~general fund of the state~~ human trafficking enforcement fund as established by this 2015 Act.

Sec. 141. HUMAN TRAFFICKING ENFORCEMENT FUND. A human trafficking enforcement fund is established, separate and apart from all other public moneys or funds of the state, under the control of the department of justice. The department of justice shall deposit unencumbered or unobligated moneys transferred from the mortgage servicing settlement fund into the fund. Moneys in the fund are appropriated to the department of justice for purposes of training local law enforcement, members of the state patrol, county attorneys, judicial officers, juvenile court officers, and public safety answering point personnel about recognizing and reporting incidents of human trafficking. Any moneys remaining in the fund on June 30, 2020, shall be transferred to the general fund of the state.

Sec. 142. EFFECTIVE UPON ENACTMENT. The following provision of this division, being deemed of immediate importance, takes effect upon enactment:

1. The section of this division of this Act amending 2012 Iowa Acts, chapter 1138, section 7, subsection 1.

Sec. 143. RETROACTIVE APPLICABILITY. The following provision of this division, if approved by the governor on or after July 1, 2015, applies retroactively to June 30, 2015:

1. The section of this division of this Act amending 2012 Iowa Acts, chapter 1138, section 7, subsection 1.

DIVISION XXIV

PUBLIC IMPROVEMENT LOCATION AND UNUSED PORTION OF CONDEMNED PROPERTY

Sec. 144. Section 6B.2C, Code 2015, is amended to read as follows:

6B.2C Approval of the public improvement.

The authority to condemn is not conferred, and the condemnation proceedings shall not commence, unless the governing body for the acquiring agency approves a preliminary or final route or site location of the proposed public improvement, approves the use of condemnation, and finds that there is a reasonable expectation the applicant will be able to achieve its public purpose, comply with all applicable standards, and obtain the necessary permits.

Sec. 145. Section 6B.56, subsection 1, Code 2015, is amended to read as follows:

1. If all or a portion of real property condemned pursuant to this chapter is not used for the purpose stated in the application filed pursuant to section 6B.3 and the acquiring agency seeks to dispose of the unused real property, the acquiring agency shall first offer the unused real property for sale to the prior owner of the condemned property as provided in this section. If real property condemned pursuant to this chapter is used for the purpose stated in the application filed pursuant to section 6B.3 and the acquiring agency seeks to dispose of the real property by sale to a private person or entity within five years after acquisition of the property, the acquiring agency shall first offer the property for sale to the prior owner of the condemned property as provided in this section. For purposes of this section, the prior owner of the real property includes the successor in interest of the real property.

Sec. 146. Section 6B.56, subsection 2, paragraph a, Code 2015, is amended to read as follows:

a. Before the real property described in subsection 1 may be offered for sale to the general public, the acquiring agency shall notify the prior owner of ~~the~~ such real property ~~condemned~~ in writing of the acquiring agency's intent to dispose of the real property, of the current appraised value of the real property to be offered for sale, and of the prior owner's right to purchase the real property to be offered for sale within sixty days from the date the notice is served at a price equal to the current appraised value of the real property to be offered for sale or the fair market value of the property to be offered for sale at the time it was acquired by the acquiring agency from the prior owner plus cleanup costs incurred by the acquiring agency for the property to be offered for sale, whichever is less. However, the current appraised

value of the real property to be offered for sale shall be the purchase price to be paid by the previous owner if any other amount would result in a loss of federal funding for projects funded in whole or in part with federal funds. The notice sent by the acquiring agency as provided in this subsection shall be filed with the office of the recorder in the county in which the real property is located.

Sec. 147. Section 6B.56A, subsection 1, Code 2015, is amended to read as follows:

1. When five years have elapsed since property was condemned and all or a portion of the property has not been used for the purpose stated in the application filed pursuant to section 6B.3, and the acquiring agency has not taken action to dispose of the unused property pursuant to section 6B.56, the acquiring agency shall, within sixty days, adopt a resolution reaffirming the purpose for which the unused property will be used or offering the unused property for sale to the prior owner at a price as provided in section 6B.56. However, if all or a portion of such property was condemned for the creation of a lake subject to the requirements of section 6A.22, subsection 2, paragraph "c", subparagraph (1), subparagraph division (0b), the acquiring agency shall not adopt a resolution reaffirming the purpose for which the property was to be used and shall instead adopt a resolution offering the property for sale to the prior owner at a price as provided in section 6B.56. If the resolution adopted approves an offer of sale to the prior owner, the offer shall be made in writing and mailed by certified mail to the prior owner. The prior owner has one hundred eighty days after the offer is mailed to purchase the property from the acquiring agency.

Sec. 148. EFFECTIVE DATE. This division of this Act takes effect upon enactment.

Sec. 149. APPLICABILITY. The section of this division of this Act amending section 6B.2C applies to public improvement projects for which an application under section 6B.3 is filed on or after the effective date of this division of this Act.

Sec. 150. APPLICABILITY. The sections of this division of this Act amending sections 6B.56 and 6B.56A apply to the disposition of condemned property occurring on or after the effective date of this division of this Act.

DIVISION XXV

CONDEMNATION FOR CREATION OF A LAKE —— NUMBER OF ACRES

Sec. 151. Section 6A.22, subsection 2, paragraph c,

subparagraph (1), subparagraph division (b), Code 2015, is amended to read as follows:

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

(ii) For condemnation proceedings for which the application pursuant to section 6B.3 was filed after January 1, 2013, for condemnation of property located in a county with a population of greater than nine thousand two hundred fifty but less than nine thousand three hundred, according to the 2010 federal decennial census, which property sought to be condemned was in whole or in part described in a petition filed under section 6A.24, subsection 2, after January 1, 2013, but before January 1, 2014, regardless of whether the petitioner was determined by a court to not be a proper acquiring agency, *"number of acres justified as necessary for a surface drinking water source"*, as determined under subparagraph subdivision (i) shall not exceed the number of acres that would be necessary to provide the amount of drinking water to meet the needs of a population equal to the population of the county where the lake is to be developed or created, according to the most recent federal decennial census.

Sec. 152. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XXVI

CONDEMNATION FOR CREATION OF A LAKE — EXISTING SOURCES

Sec. 153. Section 6A.22, subsection 2, paragraph c, subparagraph (1), Code 2015, is amended by adding the following new subparagraph division:

NEW SUBPARAGRAPH DIVISION. (0b) For condemnation of property located in a county with a population of greater than nine thousand two hundred fifty but less than nine thousand three hundred, according to the 2010 federal decennial census, prior to making a determination that development or creation of a lake as a surface drinking water source is reasonable and necessary, the acquiring agency shall conduct a review of feasible alternatives to development or creation of a lake as a surface drinking water source. An acquiring agency shall not have the authority to condemn private property for the

development or creation of a lake as a surface drinking water source if one or more feasible alternatives to provision of a drinking water source exist. An alternative that results in the physical expansion of an existing drinking water source is presumed to be a feasible alternative to development or creation of a lake as a surface drinking water source. An alternative that supplies drinking water by pipeline or other method of transportation or transmission from an existing source located within or outside this state at a reasonable cost is a feasible alternative to development or creation of a lake as a surface drinking water source. If private property is to be condemned for development or creation of a lake, only that number of acres justified as necessary for a surface drinking water source, and not otherwise acquired, may be condemned. Development or creation of a lake as a surface drinking water source includes all of the following:

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

(ii) The water supply pool.

(iii) The sediment pool.

(iv) The flood control pool.

(v) The floodwater retarding pool.

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

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

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

Sec. 155. APPLICABILITY. This division of this Act applies to projects or condemnation proceedings pending or commenced on or after the effective date of this division of this Act.

DIVISION XXVII

JUDICIAL OFFICER COMPENSATION FUND

Sec. 156. Section 602.1302, subsection 1, Code 2015, is amended to read as follows:

1. Except as otherwise provided by sections 602.1303, 602.1304, 602.1515, and 602.8108 or other applicable law, the expenses of operating and maintaining the judicial branch shall be paid out of the general fund of the state from funds appropriated by the general assembly for the judicial branch. State funding shall be phased in as provided in section 602.11101.

Sec. 157. NEW SECTION. **602.1515 Judicial officer compensation fund — established — future repeal.**

1. A judicial officer compensation fund is created in the state treasury under the control of the judicial branch for the purpose of enhancing judicial officer compensation. Notwithstanding section 602.8108, the state court administrator shall allocate to the treasurer of state for deposit in the judicial officer compensation fund the first two million dollars of the moneys received under section 602.8108, subsection 1, during the fiscal year beginning July 1, 2015, and each fiscal year thereafter. Moneys in the fund shall not be subject to appropriation for any other purpose by the general assembly. The annual salary rate for a judicial officer shall remain at the rate established by 2013 Iowa Acts, chapter 140, section 40, until otherwise provided by the general assembly.

2. Moneys in the fund are not subject to section 8.33. Notwithstanding section 12C.7, subsection 2, interest or earnings on moneys in the fund shall be credited to the fund.

3. This section is repealed on June 30, 2020.

DIVISION XXVIII

DISABLED VETERAN HOMESTEAD CREDIT — TRANSFER

Sec. 158. DISABLED VETERAN HOMESTEAD CREDIT — TRANSFER. Notwithstanding section 8B.33, subsection 1, and in lieu of the general fund appropriation provided in section 425.1 to the extent such appropriation would otherwise fund the payment of homestead credit claims under section 425.15 filed after July 1, 2014, but before July 1, 2015, and considered properly filed for taxes due and payable in the fiscal year beginning July 1, 2015, pursuant to the section of House File 616, if enacted, amending 2015 Iowa Acts, House File 166, there is transferred for the fiscal year beginning July 1, 2015, from the IowAccess revolving fund created in section 8B.33 to the homestead credit fund created in section 425.1 an amount necessary to pay homestead credit claims filed after July 1, 2014, but before July 1, 2015, and considered properly filed for taxes due and payable in the fiscal year beginning July 1, 2015, pursuant to the section of House File 616, if enacted, amending 2015 Iowa Acts, House File 166.

Sec. 159. CONTINGENT EFFECTIVENESS. This division of this Act takes effect only if the section of House File 616 amending 2015 Iowa Acts, House File 166, is enacted.

Sec. 160. RETROACTIVE APPLICABILITY. This division of this

Act applies retroactively to March 5, 2015.

DIVISION XXIX

CONDITIONAL EFFECTIVE DATE AND RETROACTIVE APPLICABILITY PROVISIONS

Sec. 161. EFFECTIVE UPON ENACTMENT. Unless otherwise provided, this Act, if approved by the governor on or after July 1, 2015, takes effect upon enactment.

Sec. 162. RETROACTIVE APPLICABILITY. Unless otherwise provided, this Act, if approved by the governor on or after July 1, 2015, applies retroactively to July 1, 2015.

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PAM JOCHUM
President of the Senate

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KRAIG PAULSEN
Speaker of the House

I hereby certify that this bill originated in the Senate and is known as Senate File 510, Eighty-sixth General Assembly.

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MICHAEL E. MARSHALL
Secretary of the Senate

Approved _____, 2015

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TERRY E. BRANSTAD
Governor