

**Senate File 638 - Introduced**

SENATE FILE 638

BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO SSB 1262)

**A BILL FOR**

1 An Act relating to state and local finances by making  
2 appropriations, providing for legal and regulatory  
3 responsibilities, providing for other properly related  
4 matters, and including effective date provisions.  
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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DIVISION I

STANDING APPROPRIATIONS AND RELATED MATTERS

Section 1. LIMITATIONS OF STANDING APPROPRIATIONS — FY

2019-2020. Notwithstanding the standing appropriation in the following designated section for the fiscal year beginning July 1, 2019, and ending June 30, 2020, the amount appropriated from the general fund of the state pursuant to that section for the following designated purpose shall not exceed the following amount:

For payment of claims for nonpublic school transportation under section 285.2:  
..... \$ 8,197,091

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

Sec. 2. INSTRUCTIONAL SUPPORT STATE AID — FY 2019-2020. In lieu of the appropriation provided in section 257.20, subsection 2, the appropriation for the fiscal year beginning July 1, 2019, and ending June 30, 2020, for paying instructional support state aid under section 257.20 for such fiscal year is zero.

Sec. 3. Section 257.35, Code 2019, is amended by adding the following new subsection:

NEW SUBSECTION. 13A. 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, 2019, and ending June 30, 2020, 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 APPROPRIATIONS

1     Sec. 4. FLOOD MITIGATION.

2     1. There is appropriated from the general fund of the state  
3 to the flood mitigation fund created in section 418.10 for the  
4 fiscal year beginning July 1, 2018, and ending June 30, 2019,  
5 the following amount, or so much thereof as is necessary, to be  
6 used for the purposes designated:

7     For projects located in any county that has been declared  
8 a major disaster by the president of the United States on  
9 or after March 12, 2019, and that is also a county in which  
10 individuals are eligible for federal individual assistance:  
11 ..... \$ 15,000,000

12     2. Notwithstanding section 8.33, moneys appropriated in  
13 this section that remain unencumbered or unobligated at the  
14 close of the fiscal year shall not revert but shall remain  
15 available for expenditure for the purposes designated.

16     Sec. 5. EFFECTIVE DATE. This division of this Act, being  
17 deemed of immediate importance, takes effect upon enactment.

18                                     DIVISION III

19                                     MISCELLANEOUS PROVISIONS

20     Sec. 6. Section 2C.18, Code 2019, is amended to read as  
21 follows:

22     **2C.18 Report to general assembly.**

23     The ombudsman shall by ~~April 1~~ December 15 of each year  
24 submit an economically designed and reproduced report to the  
25 general assembly and to the governor concerning the exercise  
26 of the ombudsman's functions during the preceding calendar  
27 year. In discussing matters with which the ombudsman has been  
28 concerned, the ombudsman shall not identify specific persons  
29 if to do so would cause needless hardship. If the annual  
30 report criticizes a named agency or official, it shall also  
31 include unedited replies made by the agency or official to the  
32 criticism, unless excused by the agency or official affected.

33                                     DIVISION IV

34                                     CORRECTIVE PROVISIONS

35     Sec. 7. Section 225C.51, subsection 1, paragraph a, if

1 enacted by 2019 Iowa Acts, House File 690, section 8, is  
2 amended to read as follows:

3     a. The director of the department of human services or the  
4 director's designee.

5     Sec. 8. Section 225C.51, subsection 3, if enacted by 2019  
6 Iowa Acts, House File 690, section 8, is amended to read as  
7 follows:

8     3. The director of the department of human services and the  
9 director of the department of education, or their designees,  
10 shall serve as co-chairpersons of the state board. Board  
11 members shall not be entitled to a per diem as specified in  
12 section 7E.6 and shall not be entitled to actual and necessary  
13 expenses incurred while engaged in their official duties.

14     Sec. 9. Section 261H.3, subsections 1 and 2, as enacted by  
15 2019 Iowa Acts, Senate File 274, section 3, are amended to read  
16 as follows:

17     1. Noncommercial expressive activities protected under the  
18 provisions of this chapter include but are not limited to any  
19 lawful oral or written means by which members of the campus  
20 community may communicate ideas to one another, including  
21 but not limited to all forms of peaceful assembly, protests,  
22 speeches including by invited speakers, distribution of  
23 literature, circulating petitions, and publishing, including  
24 publishing or streaming on an internet site, or audio or video  
25 recorded in outdoor areas of campus.

26     2. A member of the campus community who wishes to engage in  
27 noncommercial expressive activity in outdoor areas of campus  
28 shall be permitted to do so freely, subject to reasonable  
29 time, place, and manner restrictions, and as long as the  
30 member's conduct is not unlawful, does not impede others'  
31 access to a facility or use of walkways, and does not disrupt  
32 the functioning of the public institution of higher education,  
33 subject to the protections of subsection 1. The public  
34 institution of higher education may designate other areas of  
35 campus available for use by the campus community according to

1 institutional policy, but in all cases access to designated  
2 areas of campus must be granted on a viewpoint-neutral basis  
3 within the bounds of established principles of the first  
4 amendment principles to the Constitution of the United States.

5 Sec. 10. Section 513D.2, subsection 2, Code 2019, as amended  
6 by 2019 Iowa Acts, House File 679, section 184, if enacted, is  
7 amended to read as follows:

8 2. The commissioner ~~or~~ of insurance may take any enforcement  
9 action under the commissioner's authority to enforce compliance  
10 with [this chapter](#).

11 Sec. 11. Section 515I.4A, subsection 1, paragraph c, as  
12 enacted by 2019 Iowa Acts, Senate File 558, section 4, is  
13 amended to read as follows:

14 c. The board of directors of the insurer has passed a  
15 resolution seeking approval as a domestic surplus lines insurer  
16 in this state and stating that the insurer shall only write  
17 surplus ~~line~~ lines business. The resolution shall not be  
18 amended without approval of the commissioner.

19 Sec. 12. Section 522E.13, subsection 6, Code 2019, as  
20 amended by 2019 Iowa Acts, Senate File 559, section 6, is  
21 amended to read as follows:

22 6. Whenever notice or correspondence with respect to a  
23 policy of portable electronics insurance is required pursuant  
24 to [this section](#), it shall be in writing and sent within the  
25 notice period required pursuant to [this section](#). Notices  
26 and correspondence shall be sent to the licensed portable  
27 electronics vendor that is the policyholder at the portable  
28 electronics vendor's mailing or electronic mail address  
29 specified for that purpose and to its affected enrolled  
30 consumers' last known mailing or electronic mail addresses on  
31 file with the insurer or the portable electronics vendor. All  
32 notices and documents that are delivered by electronic means  
33 shall comply with section 505B.1, except for the provisions  
34 in section 505B.1, subsection 4. The insurer or portable  
35 electronics vendor shall maintain proof that the notice or

1 correspondence was sent for not less than three years after  
2 that notice or correspondence was sent.

3 Sec. 13. Section 633.648, Code 2019, as amended by 2019  
4 Iowa Acts, House File 610, section 34, if enacted, is amended  
5 to read as follows:

6 **633.648 Appointment of attorney in compromise of personal  
7 injury settlements.**

8 Notwithstanding the provisions of [section](#) 633.642 prior to  
9 authorizing a compromise of a claim for damages on account  
10 of personal injuries to the ~~ward~~ protected person, the court  
11 may order an independent investigation by an attorney other  
12 than by the attorney for the conservator. The cost of such  
13 investigation, including a reasonable attorney fee, shall be  
14 taxed as part of the cost of the conservatorship.

15 Sec. 14. 2019 Iowa Acts, Senate File 333, section 104,  
16 subsection 6, is amended to read as follows:

17 6. Sections 15E.206, subsection 3, paragraph "a";  
18 15E.207, subsection 2, paragraph "b", subparagraph (2),  
19 subparagraph division (c); 15E.208, subsection 5, paragraph  
20 "g", subparagraphs (1) and (2); 15E.208, subsection 6,  
21 paragraph "d", subparagraph (1), subparagraph division  
22 (a); 135.61, unnumbered paragraph 1; 135.61, subsection  
23 1, paragraph "d"; 135.61, subsection 4; 135.62, subsection  
24 1; 135.62, subsection 2, paragraph "f", subparagraphs (2),  
25 (4), and (5); 135.63, subsection 1; 135.63, subsection 2,  
26 unnumbered paragraph 1; 135.63, subsection 2, paragraph "f";  
27 135.63, subsection 2, paragraph "g", subparagraph (1); 135.63,  
28 subsection 2, paragraph "h", subparagraph (1), unnumbered  
29 paragraph 1; 135.63, subsection 2, paragraph "j"; 135.63,  
30 subsection 2, paragraph "k", subparagraph (1), unnumbered  
31 paragraph 1; 135.63, subsection 2, paragraph "l", unnumbered  
32 paragraph 1; 135.63, subsection 2, paragraphs "m" and "n";  
33 135.63, subsection 2, paragraph "p", unnumbered paragraph 1;  
34 135.63, subsection 3; 135.64, subsection 3; 135.72, unnumbered  
35 paragraph 1; 135.73, subsection 1; 135.73, subsection

1 2, unnumbered paragraph 1; 135.73, subsection 3; 135.74,  
2 subsections 1 and 3; 135.75, subsection 2; 135.76, subsection  
3 1; 135.100, unnumbered paragraph 1; 135.105A, subsection 5;  
4 135.108, unnumbered paragraph 1; 135.140, unnumbered paragraph  
5 1; 249K.2, subsection 6; 490.120, subsection 12, paragraph "c",  
6 subparagraph (1); 490.140, subsection 29; 490.640, subsection  
7 8; 490.809, subsection 2; 490.858, subsection 2; 490.1101,  
8 unnumbered paragraph 1; 490.1105, subsection 3; 490.1107,  
9 subsection 1, paragraph "h"; 490.1107, subsection 2; 490.1107,  
10 subsection 4, paragraph "b"; 490.1108, subsection 1; 490.1114,  
11 subsection 1; 490.1114, subsection 2, paragraph "g"; 490.1202,  
12 subsection 7; 490.1301, unnumbered paragraph 1; 490.1320,  
13 subsection 1; 490.1320, subsection 3, paragraphs "a" and "b";  
14 490.1322, subsection 2, paragraph "c"; 490.1323, subsection  
15 3; 490.1331, subsection 1; 490.1340, subsection 2, paragraph  
16 "a", subparagraph (1); 490.1403, subsection 3; 490.1405,  
17 subsection 2, paragraph "c"; 499.69A, subsection 6; 524.1309,  
18 subsection 8; 524.1406, subsection 1; 524.1417, subsection 1;  
19 and 524.1805, subsection 6, Code 2019, are amended by striking  
20 the word "division" and inserting in lieu thereof the word  
21 "subchapter".

22 DIVISION V

23 STATE BUDGET PROCESS

24 Sec. 15. Section 8.6, Code 2019, is amended by adding the  
25 following new subsection:

26 NEW SUBSECTION. 16. *Salary model administrator.* To  
27 designate a position within the department to serve as the  
28 salary model administrator.

29 a. The salary model administrator shall work in conjunction  
30 with the legislative services agency to maintain the state's  
31 salary model used for analyzing, comparing, and projecting  
32 state employee salary and benefit information, including  
33 information relating to employees of the state board of  
34 regents.

35 b. The department of revenue, the department of

1 administrative services, the institutions governed by the state  
2 board of regents pursuant to section 262.7, each judicial  
3 district's department of correctional services, and the state  
4 department of transportation shall provide salary data to the  
5 department of management and the legislative services agency  
6 to operate the state's salary model. The format and frequency  
7 of provision of the salary data shall be determined by the  
8 department of management and the legislative services agency.

9 c. The information shall be used in collective bargaining  
10 processes under chapter 20 and in calculating the funding needs  
11 contained within any annual salary adjustment legislation.  
12 A state employee organization as defined in section 20.3,  
13 subsection 4, may request information produced by the model,  
14 but the information provided shall not contain information  
15 attributable to individual employees.

16 Sec. 16. Section 8.23, subsection 1, unnumbered paragraph  
17 1, Code 2019, is amended to read as follows:

18 On or before October 1, prior to each legislative session,  
19 all departments and establishments of the government shall  
20 transmit to the director, on blanks to be furnished by the  
21 director, estimates of their expenditure requirements,  
22 including every proposed expenditure, for the ensuing fiscal  
23 year, ~~classified so as to distinguish between expenditures~~  
24 ~~estimated for administration, operation, and maintenance, and~~  
25 ~~the cost of each project involving the purchase of land or the~~  
26 ~~making of a public improvement or capital outlay of a permanent~~  
27 ~~character,~~ together with supporting data and explanations  
28 as called for by the director after consultation with the  
29 legislative services agency.

30 Sec. 17. Section 8.23, subsection 1, paragraph a, Code 2019,  
31 is amended to read as follows:

32 a. The estimates of expenditure requirements shall be  
33 ~~based upon seventy-five percent of the funding provided for~~  
34 ~~the current fiscal year accounted for by program reduced by~~  
35 ~~the historical employee vacancy factor in a form specified by~~

1 the director, and the remainder of the estimate of expenditure  
2 requirements shall include all proposed expenditures and shall  
3 be prioritized by program or the results to be achieved. The  
4 estimates shall be accompanied with by performance measures  
5 for evaluating the effectiveness of the ~~program~~ programs or  
6 results.

7 Sec. 18. Section 602.1301, subsection 2, paragraph a,  
8 unnumbered paragraph 1, Code 2019, is amended to read as  
9 follows:

10 As early as possible, but not later than December 1, the  
11 supreme court shall submit to the legislative services agency  
12 the annual budget request and detailed supporting information  
13 for the judicial branch. The submission shall be designed  
14 to assist the legislative services agency in its preparation  
15 for legislative consideration of the budget request. The  
16 information submitted shall contain and be arranged in a format  
17 substantially similar to the format specified by the director  
18 of the department of management and used by all departments  
19 and establishments in transmitting to the director estimates  
20 of their expenditure requirements pursuant to ~~section 8.23,~~  
21 ~~except the estimates of expenditure requirements shall be based~~  
22 ~~upon one hundred percent of funding for the current fiscal~~  
23 ~~year accounted for by program, and using the same line item~~  
24 ~~definitions of expenditures as used for the current fiscal~~  
25 ~~year's budget request, and the remainder of the estimate of~~  
26 ~~expenditure requirements prioritized by program.~~ The supreme  
27 court shall also make use of the department of management's  
28 automated budget system when submitting information to the  
29 director of the department of management to assist the director  
30 in the transmittal of information as required under section  
31 8.35A. The supreme court shall budget and track expenditures by  
32 the following separate organization codes:

33 DIVISION VI

34 BLACKOUT SPECIAL REGISTRATION PLATES

35 Sec. 19. Section 321.34, Code 2019, is amended by adding the

1 following new subsection:

2 NEW SUBSECTION. 11C. *Blackout plates.*

3 a. Upon application and payment of the proper fees,  
4 the director may issue blackout plates to the owner of a  
5 motor vehicle subject to registration under section 321.109,  
6 subsection 1, autocycle, motor truck, motor home, multipurpose  
7 vehicle, motorcycle, trailer, or travel trailer.

8 b. Blackout plates shall be designed by the department. A  
9 blackout plate's background shall be black, and the plate's  
10 letters and numbers shall be white.

11 c. The special blackout fee for letter-number designated  
12 blackout plates is thirty-five dollars. An applicant may  
13 obtain personalized blackout plates upon payment of the fee for  
14 personalized plates as provided in subsection 5, which is in  
15 addition to the special blackout fee. The fees collected by  
16 the director under this subsection shall be paid monthly to  
17 the treasurer of state and deposited in the road use tax fund.  
18 The treasurer of state shall credit monthly from the statutory  
19 allocations fund created under section 321.145, subsection 2,  
20 to each county's county mental health and disabilities services  
21 fund created pursuant to section 331.424A, the amount of the  
22 special blackout fees collected in the previous month for the  
23 blackout plates issued to vehicles registered in that county.

24 d. Upon receipt of the special registration plates, the  
25 applicant shall surrender the current registration plates to  
26 the county treasurer. The county treasurer shall validate  
27 the special registration plates in the same manner as regular  
28 registration plates are validated under this section. The  
29 annual special blackout fee for letter-number designated plates  
30 is ten dollars which shall be paid in addition to the regular  
31 annual registration fee. The annual fee for personalized  
32 blackout plates is five dollars which shall be paid in addition  
33 to the annual special blackout fee and the regular annual  
34 registration fee. The annual special blackout fee shall be  
35 credited as provided under paragraph "c".

1 e. The department shall not condition the issuance of  
2 blackout plates on the receipt of any number of orders for  
3 blackout plates.

4 Sec. 20. Section 321.166, subsection 9, Code 2019, is  
5 amended to read as follows:

6 9. Special registration plates issued pursuant to section  
7 321.34, other than gold star, medal of honor, collegiate, fire  
8 fighter, ~~and~~ natural resources, and blackout registration  
9 plates, shall be consistent with the design and color of  
10 regular registration plates but shall provide a space on a  
11 portion of the plate for the purpose of allowing the placement  
12 of a distinguishing processed emblem or an organization  
13 decal. Special registration plates shall also comply with  
14 the requirements for regular registration plates as provided  
15 in [this section](#) to the extent the requirements are consistent  
16 with the section authorizing a particular special vehicle  
17 registration plate.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with  
20 the explanation's substance by the members of the general assembly.

21 This bill relates to state and local finances by  
22 making appropriations, providing for legal and regulatory  
23 responsibilities, and providing for other properly related  
24 matters.

25 STANDING APPROPRIATIONS AND RELATED MATTERS. The bill  
26 limits standing appropriations for payment of claims for  
27 nonpublic school transportation, instructional support state  
28 aid, and state aid for area education agencies.

29 MISCELLANEOUS APPROPRIATIONS. The bill makes an  
30 appropriation from the general fund to the flood mitigation  
31 fund for FY 2018-2019 for projects located in any county that  
32 has been declared a major disaster by the president of the  
33 United States on or after March 12, 2019, and that is also a  
34 county in which individuals are eligible for federal individual  
35 assistance. This provision of the bill is effective upon

1 enactment.

2 MISCELLANEOUS PROVISIONS. The bill requires the ombudsman  
3 to submit a report to the general assembly and to the governor  
4 concerning the exercise of the ombudsman's functions during the  
5 preceding calendar year by December 15 instead of April 1.

6 CORRECTIVE PROVISIONS. Code section 225C.51(1)(a), if  
7 enacted by 2019 Iowa Acts, House File 690, section 8, is  
8 amended to use the complete terminology of a defined term in  
9 Code chapter 225C.

10 Code section 225C.51(3), if enacted by 2019 Iowa Acts, House  
11 File 690, section 8, is amended to use the complete terminology  
12 of a defined term in Code chapter 225C.

13 Code section 261H.3(1) and (2), as enacted by 2019 Iowa  
14 Acts, Senate File 274, section 3, are amended to include an  
15 erroneously omitted conjunction "or" and to correct a reference  
16 to the Constitution of the United States to be consistent with  
17 the reference throughout the Act.

18 Code section 513D.2(2), as amended by 2019 Iowa Acts, House  
19 File 679, section 184, if enacted, is amended to correct a  
20 reference to the "commissioner of insurance".

21 Code section 515I.4A(1)(c), as enacted by 2019 Iowa Acts,  
22 Senate File 558, section 4, is amended to correct a reference  
23 to the term "surplus lines business" to be consistent with the  
24 usage of the term throughout the Act.

25 Code section 522E.13(6), as amended by 2019 Iowa Acts,  
26 Senate File 559, section 6, is amended to include the complete  
27 cross reference citation related to notices and documents that  
28 are delivered by electronic means.

29 Code section 633.648, as amended by 2019 Iowa Acts, House  
30 File 610, section 34, if enacted, is amended to correct a  
31 reference to the term "protected person" to be consistent with  
32 the usage of the term throughout the Act.

33 2019 Iowa Acts, Senate File 333, section 104, subsection 6,  
34 the nonsubstantive Code editor's bill, is amended to correctly  
35 identify a codified subunit included in the Code editor

1 directives of the Act.

2 STATE BUDGET PROCESS. The bill codifies provisions relating  
3 to the salary model administrator that appeared annually in  
4 previous standings appropriations bills, with one exception.  
5 The provisions, in part, required the five institutions under  
6 the jurisdiction of the state board of regents to provide  
7 salary data to the department of management and the legislative  
8 services agency to operate the state's salary model. The bill  
9 instead requires such action by the institutions governed by  
10 the state board of regents pursuant to Code section 262.7.  
11 These institutions include the state university of Iowa  
12 including the university of Iowa hospitals and clinics, the  
13 Iowa state university of science and technology including the  
14 agricultural experiment station, the university of northern  
15 Iowa, the Iowa braille and sight saving school, the state  
16 school for the deaf, the Oakdale campus, and the university  
17 of Iowa hospitals and clinics' center for disabilities and  
18 development.

19 The bill also codifies provisions relating to the state  
20 budget process that appeared biennially and applied annually  
21 in previous standings appropriations bills. The provisions  
22 specify the contents of the estimates of expenditure  
23 requirements required to be submitted by all departments and  
24 establishments of the government, including the judicial  
25 branch, each year to the director of the department of  
26 management.

27 BLACKOUT SPECIAL REGISTRATION PLATES. The bill authorizes  
28 the department of transportation (DOT) to issue blackout  
29 special registration plates. The bill requires the plates'  
30 background to be black and the plates' letters and numbers to  
31 be white.

32 The bill provides that the special blackout fee for  
33 letter-number designated blackout plates is \$35. An applicant  
34 may obtain personalized blackout plates upon payment of the \$25  
35 fee for personalized plates set forth under current law, which

1 is in addition to the special blackout fee. The bill requires  
2 the fees collected by the DOT for the plates to be paid monthly  
3 to the treasurer of state and deposited in the road use tax  
4 fund. The treasurer of state must then credit monthly from  
5 the statutory allocations fund to each county's county mental  
6 health and disabilities services fund the amount of the special  
7 blackout fees collected in the previous month for the blackout  
8 plates issued to vehicles registered in that county.

9     Upon receipt of the special registration plates, the  
10 applicant must surrender the current registration plates to  
11 the county treasurer. The county treasurer must validate the  
12 special registration plates in the same manner as regular  
13 registration plates are validated. The annual special blackout  
14 fee for letter-number designated plates is \$10, which is in  
15 addition to the regular annual registration fee. The annual  
16 fee for personalized blackout plates is \$5, which is in  
17 addition to the annual special blackout fee and the regular  
18 annual registration fee. The bill requires the annual special  
19 blackout fee to be credited in the same way as the special  
20 blackout fee.

21     The bill prohibits the DOT from conditioning the issuance  
22 of blackout plates on the receipt of any number of orders for  
23 blackout plates.