

**EIGHTY-EIGHTH GENERAL ASSEMBLY  
2020 REGULAR SESSION  
DAILY  
SENATE CLIP SHEET**

**March 4, 2020**

**Clip Sheet Summary**

Displays all amendments, fiscal notes, and conference committee reports for previous day.

<b>Bill</b>	<b>Amendment</b>	<b>Action</b>	<b>Sponsor</b>
<a href="#">SF 583</a> .....	<a href="#">S-5052</a> .....	Filed	RECEIVED FROM THE HOUSE
<a href="#">SF 2142</a> .....	<a href="#">S-5049</a> .....	Filed	AMY SINCLAIR
<a href="#">SF 2328</a> .....	<a href="#">S-5044</a> .....	Filed	ZACH WHITING
<a href="#">SF 2348</a> .....	<a href="#">S-5042</a> .....	Adopted	DAN DAWSON
<a href="#">SF 2348</a> .....	<a href="#">S-5043</a> .....	Lost	ROBERT M. HOGG
<a href="#">SF 2366</a> .....	<a href="#">S-5041</a> .....	Adopted	JASON SCHULTZ
<a href="#">SF 2366</a> .....	<a href="#">S-5045</a> .....	Lost	PAM JOCHUM, et al
<a href="#">SF 2366</a> .....	<a href="#">S-5046</a> .....	Lost	NATE BOULTON
<a href="#">SF 2366</a> .....	<a href="#">S-5047</a> .....	Lost	JOE BOLKCOM
<a href="#">SF 2366</a> .....	<a href="#">S-5048</a> .....	Lost	NATE BOULTON
<a href="#">SF 2366</a> .....	<a href="#">S-5050</a> .....	Lost	JANET PETERSEN
<a href="#">SF 2368</a> .....	<a href="#">S-5051</a> .....	Withdrawn	JOE BOLKCOM
<a href="#">SF 2392</a> .....	<a href="#">S-5053</a> .....	Filed	ROBY SMITH

**Fiscal Notes**

[SF 2309](#) — [Disabled Veteran Homestead Tax Credit, Charges for Veterans' Records](#) (LSB6322SV)

[SF 2364](#) — [Public Improvements, Guaranteed Maximum Price Contracts](#) (LSB5829SV)

[SF 2374](#) — [Court Debt](#) (LSB6195SV)

S-5052

1 Amend Senate File 583, as amended, passed, and reprinted by  
2 the Senate, as follows:

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

5 <Section 1. NEW SECTION. 476.49 Billing methods for  
6 distributed generation customers.

7 1. *Definitions.* For purposes of this section, unless the  
8 context otherwise requires:

9 a. *"Alternate energy production facility"* means the same as  
10 defined in section 476.42.

11 b. *"Distributed generation customer"* means a person  
12 other than a public utility that interconnects an eligible  
13 distributed generation facility to an electric distribution  
14 system.

15 c. *"Distributed generation facility"* means the same as  
16 defined in section 476.58, subsection 1, paragraph "b",  
17 subparagraph (2) or (3).

18 d. *"Electric utility"* means a public utility that furnishes  
19 electricity to the public for compensation that is required to  
20 be rate-regulated under this chapter.

21 e. *"Eligible distributed generation facility"* means a  
22 distributed generation facility that elects a billing method  
23 pursuant to subsection 3, and to which all of the following  
24 apply:

25 (1) The facility is located behind a customer's electricity  
26 meter.

27 (2) The facility is interconnected to the electric utility  
28 distribution system.

29 (3) The facility has an aggregate nameplate capacity less  
30 than or equal to one megawatt alternating current.

31 (4) The facility has a capability to produce no more than  
32 one hundred ten percent of the customer's annual electricity  
33 usage.

34 (5) The facility's generating capacity and associated  
35 energy is intended to serve only the on-site electric

1 requirements of the customer.

2 *f. "Inflow-outflow billing"* means a billing method for  
3 an eligible distributed generation facility whereby the net  
4 metering interval is measured hourly or subhourly, and a  
5 distributed generation customer makes payment and is credited  
6 as provided in subsection 3, paragraph "b".

7 *g. "Net billing"* means a billing method for an eligible  
8 distributed generation facility whereby the net metering  
9 interval is equal to a monthly billing period, and a  
10 distributed generation customer makes payment and is credited  
11 as provided in subsection 3, paragraph "a".

12 *h. "Net metering"* means a single meter monitoring only  
13 the net amount of electricity delivered to and exported by an  
14 eligible distributed generation facility, which electricity  
15 offsets electricity that would otherwise be purchased by a  
16 distributed generation customer from the electric utility.

17 *i. "Statewide distributed generation penetration"* means  
18 the aggregate nameplate capacity of all eligible distributed  
19 generation facilities of electric utilities as a percentage of  
20 the aggregate peak demand of all electric utilities.

21 2. *Publication of data.* The board shall collect data on  
22 the nameplate capacity of eligible distributed generation  
23 facilities, calculate the statewide distributed generation  
24 penetration percentage, and publish the data and penetration  
25 rate on an annual basis on the board's internet site.

26 3. *Billing methods.* An electric utility shall file either a  
27 net billing or an inflow-outflow billing tariff with the board  
28 to govern the billing and crediting of eligible distributed  
29 generation facilities interconnected with the electric  
30 distribution system of an electric utility as follows:

31 *a. (1)* An electric utility choosing to utilize the net  
32 billing method shall file a tariff with the board whereby a  
33 distributed generation customer pays all applicable charges,  
34 including applicable rider charges approved by the board and  
35 applied to non-net metering customers, for the electricity

1 delivered to the customer over the net metering interval.  
2 A distributed generation customer shall be credited in  
3 kilowatt-hours for energy exported to the electric utility over  
4 the net metering interval. A distributed generation customer  
5 may use the kilowatt-hour credits to offset kilowatt-hours  
6 in future billing periods. The offset shall include any  
7 applicable volumetric rider charges approved by the board and  
8 applied to non-net metering customers.

9 (2) Any excess kilowatt-hours remaining at the end of  
10 a twelve-month period shall be cashed out at the electric  
11 utility's avoided cost rate with the funds from the cash out  
12 divided evenly between the customer and the electric utility's  
13 low-income home energy assistance program. The distributed  
14 generation customer shall choose either a January or April cash  
15 out date at the time of interconnection.

16 (3) Net billing shall not be limited in any way based on a  
17 customer's peak demand.

18 (4) Net billing shall not include any fees or charges that  
19 are not charged to customers in the same rate class that are  
20 not net billing customers.

21 *b.* (1) An electric utility choosing to utilize the  
22 inflow-outflow billing method shall file a tariff with the  
23 board whereby a distributed generation customer pays all  
24 applicable charges, including applicable rider charges approved  
25 by the board and applied to non-net metering customers, for  
26 the electricity delivered by the electric utility over the net  
27 metering interval. The distributed generation customer is  
28 credited in dollars at the outflow purchase rate for energy  
29 exported to the utility over the net metering interval. The  
30 distributed generation customer may use the dollar credits to  
31 offset any applicable volumetric charges, including applicable  
32 rider charges, billed on a kilowatt-hour basis.

33 (2) The electric utility shall select an hourly or subhourly  
34 metering interval that balances the benefits of accurately  
35 measuring power flows in each direction with the cost of

1 collecting, storing, and processing meter data.

2 (3) Inflow-outflow billing shall not be limited in any way  
3 based on a customer's peak demand.

4 (4) Inflow-outflow billing shall not include any fees or  
5 charges that are not charged to customers in the same rate  
6 class that are not inflow-outflow customers.

7 (5) Prior to the board's approval of a value of solar  
8 methodology and rate, the outflow purchase rate for an eligible  
9 distributed generation facility shall be the applicable retail  
10 volumetric rate, including applicable rider charges approved  
11 by the board and applied to non-net metered customers. The  
12 outflow purchase rate for any distributed generation facility  
13 will continue to be the applicable retail volumetric rate  
14 for a term of twenty years. Any change in ownership of such  
15 eligible facility, or adoption and use by the electric utility  
16 of a value-of-solar rate pursuant to subsection 4, shall not  
17 impact the outflow purchase rate for the distributed generation  
18 facility during the twenty-year term.

19 4. *Value of solar methodology.* If the board is petitioned  
20 by an electric utility after July 1, 2027, or when the  
21 statewide distributed generation penetration rate is equal to  
22 five percent, whichever is earlier, the board shall initiate  
23 a proceeding to develop a value of solar methodology and  
24 rate for eligible distributed generation facilities. The  
25 value of solar rate shall be determined through the use of a  
26 methodology that calculates the benefits and costs an eligible  
27 distributed generation facility provides to, or imposes on,  
28 the electric system. The value of solar methodology shall  
29 be applied independently to each electric utility. When the  
30 board determines the value of solar methodology, it shall  
31 determine if there is a need for separate methodologies for  
32 other distributed generation technologies or if it can account  
33 for the values of other technologies with modifications to the  
34 value of solar methodology.

35 a. In establishing the methodology, the board shall initiate

1 a formal proceeding. The value of solar methodology shall be  
2 determined through a study conducted by an independent third  
3 party and overseen by the board. Interested parties shall have  
4 the opportunity to comment and offer testimony on any proposed  
5 value of solar methodology before it is adopted by the board.

6 *b.* The benefits and costs in a value of solar methodology  
7 shall include all of the following factors as appropriate and  
8 supported by known and measurable evidence:

- 9 (1) The cost of energy and fuel.
- 10 (2) Generation capacity and reserves.
- 11 (3) Transmission capacity and charges.
- 12 (4) Distribution capacity.
- 13 (5) Transmission and distribution line losses.
- 14 (6) Fixed and variable costs associated with plant  
15 operations and maintenance.
- 16 (7) Environmental compliance costs.
- 17 (8) Integration costs.
- 18 (9) Grid support services.
- 19 (10) Other factors, based on known and measurable evidence  
20 of the cost or benefit of solar operations to the electric  
21 utility's electric system.

22 *c.* Upon approval of the value of solar methodology, the  
23 outflow purchase rate shall be limited to either a five  
24 percent increase or decrease from the previous outflow purchase  
25 rate. The value of solar rate shall be recomputed annually  
26 and reflected in the outflow purchase rate, limited to a  
27 five percent increase or decrease from the previous outflow  
28 purchase rate. If the utility switches from a net billing  
29 method to an inflow-outflow billing method after the value of  
30 solar methodology is approved, then the previous purchase rate  
31 shall be the applicable retail volumetric rate including all  
32 applicable rider charges approved by the board.

33 *d.* The board shall consider, review, and update as  
34 appropriate the value of solar methodology at least every three  
35 years after completion of the initial methodology.

1 e. After the board has approved a value of solar methodology  
2 and rate, the outflow purchase rate shall be set using the  
3 value of solar methodology. The outflow purchase rate for such  
4 a facility will be fixed for a term of twenty years regardless  
5 of any subsequent changes in the electric utility's outflow  
6 purchase rate or changes in ownership of such facility.

7 5. *Forfeiture of outflow purchase credits.* Any outflow  
8 purchase credits remaining at the end of an annual period  
9 shall be forfeited to the rider used by the electric utility  
10 pursuant to subsection 7. The distributed generation customer  
11 shall choose either a January or April date at the time of  
12 interconnection for the purposes of determining the annual  
13 period.

14 6. *Proposal of separate rate classes.* An electric utility  
15 shall not propose treating distributed generation customers  
16 as a separate rate class in a general rate case prior to the  
17 board's approval of a value of solar methodology or prior to  
18 July 1, 2027, whichever is earlier. If an electric utility  
19 chooses to propose a separate rate class for distributed  
20 generation customers in a future proceeding, such a proposal  
21 shall be approved or disapproved in accordance with section  
22 476.6 and accompanying rules.

23 7. *Riders.* An electric utility shall be allowed to recover  
24 the amounts credited to an eligible distributed generation  
25 customer for outflow purchases pursuant to a rider. To the  
26 extent an electric utility does not have such a rider, the  
27 board shall allow an electric utility to establish a rider to  
28 recover such amounts. For purposes of this subsection, "rider"  
29 includes a fuel or energy adjustment clause.

30 8. *Preexisting tariff.* Any customer utilizing a net billing  
31 tariff approved by the board on or before the availability  
32 of inflow-outflow billing may continue to receive electric  
33 service pursuant to the preexisting tariff for the remaining  
34 duration of the contract regardless of any subsequent changes  
35 in ownership of such facility.

1     9. *Use of funds collected through alternate energy purchase*  
2 *programs.* An electric utility may use funds collected pursuant  
3 to section 476.47 to offset any amounts that would otherwise be  
4 recovered through a rider resulting from outflow purchases of  
5 excess energy produced by an eligible distributed generation  
6 facility.

7     10. *Reasonableness of net billing and inflow-outflow*  
8 *billing.* When the statewide net metering penetration level  
9 reaches ten percent, the board shall determine whether the  
10 net billing and inflow-outflow billing methods are still  
11 reasonable and shall make recommendations to the general  
12 assembly. Regardless of the board's recommendations, existing  
13 facilities shall continue to be eligible for the net billing  
14 or inflow-outflow billing tariff in place at the time of  
15 installation and for twenty years of operation thereafter.>

16     2. Title page, by striking lines 1 and 2 and inserting  
17 <An Act relating to billing methods that may be utilized in  
18 connection with distributed generation facilities.>

SENATE FILE 2142

S-5049

1 Amend the House amendment, S-5005, to Senate File 2142, as  
2 passed by the Senate, as follows:

3 1. Page 1, line 3, by striking <one-half> and inserting  
4 <three-tenths>

5 2. Page 1, line 5, by striking <one-half> and inserting  
6 <three-tenths>

7 3. Page 1, after line 5 by inserting:

8 <\_\_\_. Page 4, after line 26 by inserting:

9 <Sec. \_\_\_. CODE SECTION 257.8 — IMPLEMENTATION. The  
10 requirements of section 257.8, subsections 1 and 2, regarding  
11 the enactment of bills establishing the state percent of growth  
12 and the categorical state percent of growth within thirty  
13 days of the transmission of the governor's budget required by  
14 February 1 under section 8.21 during the regular legislative  
15 session beginning in the base year, do not apply to this Act.>  
16 \_\_\_\_\_. By renumbering as necessary.>

By AMY SINCLAIR

S-5049 FILED MARCH 3, 2020

SENATE FILE 2328

S-5044

1 Amend Senate File 2328 as follows:

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

4 <Section 1. Section 8A.323, subsection 5, Code 2020, is  
5 amended to read as follows:

6 5. Any fine that remains unpaid upon becoming delinquent  
7 may be collected by the department of revenue pursuant to the  
8 setoff procedures provided for in section ~~8A.504~~ 421.65. For  
9 purposes of this subsection, a fine becomes delinquent if  
10 it has not been paid within thirty days of the date of the  
11 issuance of the parking citation, unless a written request for  
12 a hearing is filed as provided pursuant to the rules of the  
13 department of revenue. If an appeal is filed and the citation  
14 is upheld, the fine becomes delinquent ten days after the  
15 issuance of the final decision on the appeal or thirty-one  
16 days after the date of the issuance of the parking citation,  
17 whichever is later.

18 Sec. 2. Section 8A.502, subsection 2, Code 2020, is amended  
19 by striking the subsection.

20 Sec. 3. Section 96.11, subsection 16, Code 2020, is amended  
21 to read as follows:

22 16. *Reimbursement of setoff costs.* The department shall  
23 include in the amount set off in accordance with section ~~8A.504~~  
24 421.65, for the collection of an overpayment created pursuant  
25 to section 96.3, subsection 7, or section 96.16, subsection  
26 4, an additional amount for the reimbursement of setoff costs  
27 incurred by the department of ~~administrative services~~ revenue.

28 Sec. 4. Section 99D.2, subsection 3, Code 2020, is amended  
29 to read as follows:

30 3. "*Claimant agency*" means a public agency as defined  
31 in section ~~8A.504~~ 421.65, subsection 1, or the state court  
32 administrator as defined in section 602.1101.

33 Sec. 5. Section 99D.28, subsection 2, Code 2020, is amended  
34 to read as follows:

35 2. The licensee is authorized and directed to withhold

1 any winnings of a debtor which are paid out directly by the  
2 licensee subject to the lien created by this section and  
3 provide notice of such withholding to the winner when the  
4 winner appears and claims winnings in person. The licensee  
5 shall pay the funds over to the collection entity which  
6 administers the setoff program pursuant to section ~~8A.504~~  
7 421.65.

8 Sec. 6. Section 99F.1, subsection 5, Code 2020, is amended  
9 to read as follows:

10 5. "*Claimant agency*" means a public agency as defined  
11 in section ~~8A.504~~ 421.65, subsection 1, or the state court  
12 administrator as defined in section 602.1101.

13 Sec. 7. Section 99F.19, subsection 2, Code 2020, is amended  
14 to read as follows:

15 2. The licensee is authorized and directed to withhold  
16 any winnings of a debtor which are paid out directly by the  
17 licensee subject to the lien created by this section and  
18 provide notice of such withholding to the winner when the  
19 winner appears and claims winnings in person. The licensee  
20 shall pay the funds over to the collection entity which  
21 administers the setoff program pursuant to section ~~8A.504~~  
22 421.65.

23 Sec. 8. Section 99G.38, subsection 3, Code 2020, is amended  
24 to read as follows:

25 3. The state of Iowa offset program, as provided in  
26 section ~~8A.504~~ 421.65, shall be available to the authority to  
27 facilitate receipt of funds owed to the authority.

28 Sec. 9. Section 217.34, Code 2020, is amended to read as  
29 follows:

30 **217.34 Debt setoff.**

31 The investigations division of the department of inspections  
32 and appeals and the department of human services shall provide  
33 assistance to set off against a person's or provider's income  
34 tax refund or rebate any debt which has accrued through written  
35 contract, nonpayment of premiums pursuant to section 249A.3,

1 subsection 2, paragraph "a", subparagraph (1), subrogation,  
2 departmental recoupment procedures, or court judgment and which  
3 is in the form of a liquidated sum due and owing the department  
4 of human services. The department of inspections and appeals,  
5 with approval of the department of human services, shall adopt  
6 rules under chapter 17A necessary to assist the department of  
7 ~~administrative services~~ revenue in the implementation of the  
8 setoff under section ~~8A.504~~ 421.65 in regard to money owed to  
9 the state for public assistance overpayments or nonpayment  
10 of premiums as specified in this section. The department of  
11 human services shall adopt rules under chapter 17A necessary to  
12 assist the department of ~~administrative services~~ revenue in the  
13 implementation of the setoff under section ~~8A.504~~ 421.65, in  
14 regard to collections by the child support recovery unit and  
15 the foster care recovery unit.

16 Sec. 10. Section 234.8, Code 2020, is amended to read as  
17 follows:

18 **234.8 Fees for child welfare services.**

19 The department of human services may charge a fee for  
20 child welfare services to a person liable for the cost of the  
21 services. The fee shall not exceed the reasonable cost of the  
22 services. The fee shall be based upon the person's ability  
23 to pay and consideration of the fee's impact upon the liable  
24 person's family and the goals identified in the case permanency  
25 plan. The department may assess the liable person for the fee  
26 and the means of recovery shall include a setoff against an  
27 amount owed by a state agency to the person assessed pursuant  
28 to section ~~8A.504~~ 421.65. In addition the department may  
29 establish an administrative process to recover the assessment  
30 through automatic income withholding. The department shall  
31 adopt rules pursuant to chapter 17A to implement the provisions  
32 of this section. This section does not apply to court-ordered  
33 services provided to juveniles which are a charge upon the  
34 state pursuant to section 232.141 and services for which the  
35 department has established a support obligation pursuant to

1 section 234.39.

2 Sec. 11. Section 252B.5, subsection 4, Code 2020, is amended  
3 to read as follows:

4 4. Assistance to set off against a debtor's income tax  
5 refund or rebate any support debt, which is assigned to  
6 the department of human services or which the child support  
7 recovery unit is attempting to collect on behalf of any  
8 individual not eligible as a public assistance recipient, which  
9 has accrued through written contract, subrogation, or court  
10 judgment, and which is in the form of a liquidated sum due  
11 and owing for the care, support, or maintenance of a child.  
12 Unless the periodic payment plan provisions for a retroactive  
13 modification pursuant to section 598.21C apply, the entire  
14 amount of a judgment for accrued support, notwithstanding  
15 compliance with a periodic payment plan or regardless of the  
16 date of entry of the judgment, is due and owing as of the date  
17 of entry of the judgment and is delinquent for the purposes of  
18 setoff, including for setoff against a debtor's federal income  
19 tax refund or other federal nontax payment. The department  
20 of human services shall adopt rules pursuant to chapter 17A  
21 necessary to assist the department of ~~administrative services~~  
22 revenue in the implementation of the child support setoff as  
23 established under section ~~8A.504~~ 421.65.

24 Sec. 12. Section 261.37, subsection 7, Code 2020, is amended  
25 to read as follows:

26 7. To establish an effective system for the collection of  
27 delinquent loans, including the adoption of an agreement with  
28 the department of ~~administrative services~~ revenue to set off  
29 against a defaulter's income tax refund or rebate the amount  
30 that is due because of a default on a loan made under this  
31 subchapter. The commission shall adopt rules under chapter  
32 17A necessary to assist the department of ~~administrative~~  
33 ~~services~~ revenue in the implementation of the student loan  
34 setoff program as established under section ~~8A.504~~ 421.65.  
35 The commission shall apply administrative wage garnishment

1 procedures authorized under the federal Higher Education Act of  
2 1965, as amended and codified in 20 U.S.C. §1071 et seq., for  
3 all delinquent loans, including loans authorized under section  
4 261.38, when a defaulter who is financially capable of paying  
5 fails to voluntarily enter into a reasonable payment agreement.  
6 In no case shall the commission garnish more than the amount  
7 authorized by federal law for all loans being collected by the  
8 commission, including those authorized under section 261.38.

9 Sec. 13. Section 321.11A, subsection 1, Code 2020, is  
10 amended to read as follows:

11 1. Notwithstanding section 321.11, the department, upon  
12 request, shall provide personal information that identifies  
13 a person by the social security number of the person to the  
14 following:

15 a. The department of revenue for the ~~purpose~~ purposes of  
16 collecting debt and administering the setoff program pursuant  
17 to section 421.65.

18 b. The judicial branch for the purpose of collecting court  
19 debt pursuant to section 602.8107.

20 ~~c. The department of administrative services for the purpose~~  
21 ~~of administering the setoff program pursuant to section 8A.504.~~

22 Sec. 14. Section 321.31, subsection 1, paragraph c, Code  
23 2020, is amended to read as follows:

24 c. The director shall maintain a records system of  
25 delinquent accounts owed to the state using information  
26 provided through the computerized data bank established in  
27 section 421.17. The department and county treasurers shall use  
28 the information maintained in the records system to determine  
29 if applicants for renewal of registration have delinquent  
30 accounts, charges, fees, loans, taxes, or other indebtedness  
31 owed to or being collected by the state as provided pursuant  
32 to section ~~8A.504~~ 421.65. The director, ~~the director of the~~  
33 ~~department of administrative services,~~ and the director of  
34 revenue shall establish procedures for updating the delinquent  
35 accounts records to add and remove accounts, as applicable.

1     Sec. 15. Section 321.40, subsection 6, paragraph a, Code  
2 2020, is amended to read as follows:

3     a. The department or the county treasurer shall refuse  
4 to renew the registration of a vehicle registered to the  
5 applicant if the department or the county treasurer knows that  
6 the applicant has a delinquent account, charge, fee, loan,  
7 taxes, or other indebtedness owed to or being collected by the  
8 state, from information provided pursuant to sections ~~8A.504~~  
9 ~~and~~ 421.17 and 421.65. An applicant may contest this action  
10 by initiating a contested case proceeding with the agency  
11 that referred the debt for collection pursuant to section  
12 ~~8A.504~~ 421.65. The department of revenue and the department  
13 of transportation shall notify the county treasurers through  
14 the distributed teleprocessing network of persons who owe  
15 such a delinquent account, charge, fee, loan, taxes, or other  
16 indebtedness.

17     Sec. 16. NEW SECTION. 421.65 Setoff procedures.

18     1. *Definitions.* As used in this section, unless the context  
19 otherwise requires:

20     a. "*Obligor*" means a person, not including a public agency,  
21 who has been determined to owe a qualifying debt.

22     b. "*Public agency*" means a board, commission, department,  
23 including the department of revenue, or other administrative  
24 office or unit of the state of Iowa or any other state entity  
25 reported in the Iowa comprehensive annual financial report,  
26 or a political subdivision of the state, or an office or unit  
27 of a political subdivision. "*Public agency*" does include the  
28 clerk of the district court as it relates to the collection of  
29 a qualifying debt. "*Public agency*" does not include the general  
30 assembly or office of the governor.

31     c. "*Public payment*" means any claim a public agency owes to  
32 an obligor.

33     d. "*Qualifying debt*" means any of the following:

34     (1) Any debt, which is assigned to the department of  
35 human services, or which is owed to the department of human

1 services for unpaid premiums under section 249A.3, subsection  
2 2, paragraph "a", subparagraph (1), or which the child support  
3 recovery unit is otherwise attempting to collect, or which the  
4 foster care recovery unit of the department of human services  
5 is attempting to collect on behalf of a child receiving foster  
6 care provided by the department of human services.

7 (2) Any debt which is in the form of a liquidated sum due,  
8 owing, and payable to the clerk of the district court.

9 (3) Any liquidated sum certain, owing, and payable to a  
10 public agency, with respect to which the public agency has  
11 provided the obligor an opportunity to protest or challenge  
12 the sum in a manner in compliance with applicable law and due  
13 process, and which has been determined as owing through the  
14 challenge or protest, or for which the time period provided by  
15 the public agency to challenge or protest has expired.

16 2. *Setoff procedure.* The department shall establish and  
17 maintain a procedure to set off against each public payment  
18 any qualifying debt the obligor owes to a public agency. The  
19 procedure shall only apply when the department determines, in  
20 its discretion, it is feasible and complies with applicable  
21 law. The procedure shall meet the following conditions:

22 a. Each participating public agency shall obtain and forward  
23 to the department the full name and social security number  
24 of each obligor, or similar identifying information for an  
25 obligor who is not a natural person, and any other information  
26 concerning the person the department shall require. The  
27 department shall cooperate with public agencies in the exchange  
28 of information relevant to identifying public payments and  
29 qualifying debt that may be subject to setoff. However, the  
30 department shall provide only relevant information required by  
31 a public agency. The information shall be held in confidence  
32 and used for the purpose of setoff only. Section 422.72,  
33 subsection 1, does not apply to this paragraph.

34 b. Each participating public agency shall, at least  
35 annually, certify to the department the information required

1 by paragraph "a", the amount of each obligor's liability to  
2 and the amount of each claim on the public agency, and that  
3 all liabilities submitted constitute qualifying debt. The  
4 department may, by rule, require more frequent certifications  
5 or certifications of additional information about the  
6 qualifying debt or the obligor. The department may, in its  
7 discretion, review the accuracy of any certification made  
8 pursuant to this paragraph.

9 c. The department may, by rule, establish a minimum amount  
10 of liabilities and claims that may be setoff.

11 d. Upon submission of an allegation of liability by a  
12 public agency, the department shall notify the public agency  
13 whether the obligor is entitled to a public payment, and, if so  
14 entitled, shall notify the public agency of the amount of the  
15 obligor's entitlement and last address known to the department.  
16 Section 422.72, subsection 1, does not apply to this paragraph.

17 e. Upon notice of entitlement to a public payment, the  
18 department shall send written notification to the obligor and  
19 any known co-payee of the public payment. The notification  
20 shall contain the public agency's assertion of its rights to  
21 all or a portion of the payment and of the public agency's  
22 entitlement to recover the liability through the setoff  
23 procedure, the basis of the assertion, the opportunity to  
24 request that a jointly or commonly owned right to payment be  
25 divided among owners, and the obligor's opportunity to give  
26 written notice of intent to contest the setoff procedure or  
27 that the debt is a qualifying debt.

28 f. Upon the request of an obligor or a co-payee of the  
29 public payment received by the department within the time  
30 period provided in the written notification, and upon receipt  
31 of the full name and social security number of the co-payee,  
32 or similar identifying information of a co-payee who is not a  
33 natural person, the department shall notify the public agency  
34 that the public agency shall divide a jointly or commonly owned  
35 right to payment in the manner determined by the department.

1 Any jointly or commonly owned right to payment is rebuttably  
2 presumed to be owned in equal portions by its joint or common  
3 owners.

4 *g.* The department shall, after the department has sent  
5 the notice to the obligor provided in paragraph "e", set  
6 off the amount last certified by the public agency as owed  
7 to the agency against the public payment. The department  
8 shall refund any balance of the payment to the obligor. The  
9 department shall periodically transfer amounts set off to the  
10 public agencies entitled to them, reduced by any fees charged  
11 for setoff. If an obligor gives written notice of intent  
12 to contest a setoff, the public agency shall hold a refund  
13 or rebate until final disposition of the challenge. Upon  
14 completion of the setoff, the department shall provide written  
15 notice of the completed setoff to the obligor and any co-payees  
16 of the payment subject to setoff.

17 *h.* The department's existing right to credit against tax  
18 due or to become due under section 422.73 is not to be impaired  
19 by a right granted to or a duty imposed upon the department by  
20 this section. This section is not intended to impose upon the  
21 department any additional requirement of notice, hearing, or  
22 appeal concerning the right to credit against tax due under  
23 section 422.73.

24 *i.* If the alleged liability is owing and payable to the  
25 clerk of the district court and setoff as provided in this  
26 section is sought, all of the following shall apply:

27 (1) The judicial branch shall prescribe procedures to  
28 permit an obligor to contest the amount of the obligor's  
29 liability to the clerk of the district court.

30 (2) The department shall, except for the procedures  
31 described in subparagraph (1), provide for any other applicable  
32 procedures concerning setoff as provided in this subsection.

33 (3) Upon completion of the setoff, the department shall  
34 file, at least monthly, with the clerk of the district court a  
35 notice of satisfaction of each obligation to the full extent of

1 all moneys collected in satisfaction of the obligation. The  
2 clerk shall record the notice and enter a satisfaction for the  
3 amounts collected. A separate written notice is not required.

4 3. *Challenges to a setoff.*

5 a. Challenges under this section may be initiated only by an  
6 obligor. The department's review of a challenge to a setoff  
7 is not subject to chapter 17A.

8 b. The obligor challenging the setoff shall submit a written  
9 challenge in the manner provided in the notice described in  
10 subsection 2, paragraph "e", within fifteen days of the date of  
11 the notice.

12 c. The department, upon receipt of a written challenge,  
13 shall provide written notice of the challenge to the public  
14 agency. The department shall review the information submitted  
15 by the public agency prior to the setoff and shall obtain  
16 additional information from the public agency if necessary to  
17 establish that the liability is a qualified debt, or to verify  
18 the identity of the obligor or the amount owed. The department  
19 shall set a time to occur within ten days of receipt of the  
20 challenge to review the relevant facts of the challenge with  
21 the obligor. An alternative time may be set at the request  
22 of the obligor. If the obligor does not participate in the  
23 review at the scheduled time and an alternative time is not  
24 requested and approved, the review shall take place without the  
25 obligor being present. Information in favor of the obligor  
26 and the public agency shall be considered in the review. Only  
27 a determination that the debt is not a qualified debt or a  
28 mistake of fact, including a mistake in the identity of the  
29 obligor, or a mistake in the amount owed, shall be considered  
30 as a reason to deny or modify the setoff.

31 d. If the department determines that a mistake of fact has  
32 occurred or that the liability submitted does not constitute  
33 a qualified debt, the public agency shall promptly return the  
34 setoff funds to the original payee or payees unless there is  
35 another qualifying debt available for setoff.

1 e. If the department finds no mistake of fact and that the  
2 liability is a qualified debt, the department shall provide a  
3 notice of that effect to the obligor and the public agency, and  
4 the public agency shall retain the funds subject to setoff.

5 f. The obligor shall have the right to file an action for  
6 wrongful setoff in district court within thirty days of the  
7 date of the notice to the obligor provided in paragraph "e",  
8 either in the county where the obligor is located or the county  
9 where the main office of the public agency is located. The  
10 defendant in such action shall be the public agency, with an  
11 additional copy of such petition to be served upon the office  
12 of the attorney general. Actions under this section are in  
13 equity and not actions at law and are an obligor's exclusive  
14 remedy to challenge any action arising from or related to this  
15 section.

16 g. Recovery under this subsection is limited to restitution  
17 from the public agency of the amount that has been wrongfully  
18 setoff or obtained by the public agency.

19 h. A challenge under this subsection shall not be used to  
20 extend, toll, or reopen the statute of limitations to challenge  
21 or contest a qualified debt. Only mistakes of fact, failure  
22 of the public agency to comply with the provisions of this  
23 section, or a liability that is not a qualified debt, shall  
24 constitute grounds for challenge under this subsection.

25 4. *Priority.* In the case of multiple claims to payments  
26 filed under this section, priority shall be given to claims  
27 filed by the child support recovery unit or the foster care  
28 recovery unit, next priority shall be given to claims filed  
29 by the clerk of the district court, next priority shall be  
30 given to claims filed by the investigations division of the  
31 department of inspections and appeals, next priority shall be  
32 given to claims that will be deposited into the state general  
33 fund, and last priority shall be given to claims filed by other  
34 public agencies. In the case of multiple claims in which the  
35 priority is not otherwise provided by this subsection, priority

1 shall be determined in accordance with rules to be established  
2 by the department.

3 5. *Reciprocal agreements.* The director shall have the  
4 authority to enter into reciprocal agreements with departments  
5 or agencies of other states that have established a setoff  
6 procedure.

7 6. *Fees.* The department shall establish fees for use of the  
8 setoff system to be paid by participating public agencies to  
9 the department.

10 Sec. 17. Section 422.12G, subsection 2, Code 2020, is  
11 amended to read as follows:

12 2. The director of revenue shall draft the income tax form  
13 to allow the designation of contributions to the veterans trust  
14 fund and to the volunteer fire fighter preparedness fund as  
15 one checkoff on the tax return. The department of revenue,  
16 on or before January 31, shall transfer one-half of the total  
17 amount designated on the tax return forms due in the preceding  
18 calendar year to the veterans trust fund and the remaining  
19 one-half to the volunteer fire fighter preparedness fund.  
20 However, before a checkoff pursuant to this section shall be  
21 permitted, all liabilities on the books of the department of  
22 ~~administrative services~~ and accounts identified as owing under  
23 section ~~8A.504~~ 421.65 shall be satisfied.

24 Sec. 18. Section 422.12I, subsection 2, Code 2020, is  
25 amended to read as follows:

26 2. The director of revenue shall draft the income tax form  
27 to allow the designation of contributions to the foundation  
28 fund on the tax return. The department, on or before January  
29 31, shall transfer the total amount designated on the tax  
30 form due in the preceding year to the foundation fund.  
31 However, before a checkoff pursuant to this section shall be  
32 permitted, all liabilities on the books of the department of  
33 ~~administrative services~~ and accounts identified as owing under  
34 section ~~8A.504~~ 421.65 shall be satisfied.

35 Sec. 19. Section 422.12K, subsection 2, Code 2020, is

1 amended to read as follows:

2 2. The director of revenue shall draft the income tax form  
3 to allow the designation of contributions to the child abuse  
4 prevention program fund on the tax return. The department of  
5 revenue, on or before January 31, shall transfer the total  
6 amount designated on the tax return forms due in the preceding  
7 calendar year to the child abuse prevention program fund.  
8 However, before a checkoff pursuant to this section shall be  
9 permitted, all liabilities on the books of the department of  
10 ~~administrative services~~ and accounts identified as owing under  
11 section ~~8A.504~~ 421.65 shall be satisfied.

12 Sec. 20. Section 422.20, subsection 3, paragraph a, Code  
13 2020, is amended to read as follows:

14 a. Unless otherwise expressly permitted by ~~section 8A.504,~~  
15 section 8G.4, section 11.41, section 96.11, subsection 6,  
16 section 421.17, subsections 22, 23, and 26, section 421.17,  
17 subsection 27, paragraph "k", section 421.17, subsection 31,  
18 section 252B.9, section 321.40, subsection 6, sections 321.120,  
19 421.19, 421.28, 421.65, 422.72, and 452A.63, this section, or  
20 another provision of law, a tax return, return information, or  
21 investigative or audit information shall not be divulged to any  
22 person or entity, other than the taxpayer, the department, or  
23 internal revenue service for use in a matter unrelated to tax  
24 administration.

25 Sec. 21. Section 422.72, subsection 3, paragraph a, Code  
26 2020, is amended to read as follows:

27 a. Unless otherwise expressly permitted by ~~section 8A.504,~~  
28 section 8G.4, section 11.41, section 96.11, subsection 6,  
29 section 421.17, subsections 22, 23, and 26, section 421.17,  
30 subsection 27, paragraph "k", section 421.17, subsection 31,  
31 section 252B.9, section 321.40, subsection 6, sections 321.120,  
32 421.19, 421.28, 421.65, 422.20, and 452A.63, this section, or  
33 another provision of law, a tax return, return information, or  
34 investigative or audit information shall not be divulged to any  
35 person or entity, other than the taxpayer, the department, or

1 internal revenue service for use in a matter unrelated to tax  
2 administration.

3 Sec. 22. Section 456A.16, subsection 7, Code 2020, is  
4 amended to read as follows:

5 7. The department shall adopt rules pursuant to chapter 17A  
6 to implement this section. However, before a checkoff pursuant  
7 to this section shall be permitted, all liabilities on the  
8 books of the department of ~~administrative services~~ revenue and  
9 accounts identified as owing under section ~~8A.504~~ 421.65 shall  
10 be satisfied.

11 Sec. 23. Section 602.8102, subsection 58A, Code 2020, is  
12 amended to read as follows:

13 58A. Assist the department of ~~administrative services~~  
14 revenue in setting off against debtors' income tax refunds  
15 or rebates under section ~~8A.504~~ 421.65, debts which are due,  
16 owing, and payable to the clerk of the district court as  
17 criminal fines, civil penalties, surcharges, or court costs.

18 Sec. 24. Section 602.8107, subsection 4, paragraph a, Code  
19 2020, is amended to read as follows:

20 a. This subsection does not apply to amounts collected for  
21 victim restitution, the victim compensation fund, the criminal  
22 penalty surcharge, sex offender civil penalty, drug abuse  
23 resistance education surcharge, the law enforcement initiative  
24 surcharge, county enforcement surcharge, amounts collected as  
25 a result of procedures initiated under subsection 5 or under  
26 section ~~8A.504~~ 421.65, or fees charged pursuant to section  
27 356.7.

28 Sec. 25. Section 642.2, subsection 4, Code 2020, is amended  
29 to read as follows:

30 4. Notwithstanding subsections 2, 3, 6, and 7, any  
31 moneys owed to the child support obligor by the state, with  
32 the exception of unclaimed property held by the treasurer  
33 of state pursuant to chapter 556, and payments owed to the  
34 child support obligor through the Iowa public employees'  
35 retirement system are subject to garnishment, attachment,

S-5044 (Continued)

1 execution, or assignment by the child support recovery unit  
2 if the child support recovery unit is providing enforcement  
3 services pursuant to chapter 252B. Any moneys that are  
4 determined payable by the treasurer pursuant to section 556.20,  
5 subsection 2, to the child support obligor shall be subject to  
6 setoff pursuant to section ~~8A.504~~ 421.65, notwithstanding any  
7 administrative rule pertaining to the child support recovery  
8 unit limiting the amount of the offset.

9 Sec. 26. REPEAL. Section 8A.504, Code 2020, is repealed.

10 Sec. 27. TRANSITION PROVISIONS. Any rule, regulation,  
11 form, order, or directive promulgated by the department of  
12 administrative services as required to administer and enforce  
13 the provisions of section 8A.504 prior to the effective date of  
14 this Act shall continue in full force and effect until amended,  
15 repealed, or supplemented by the department of revenue.

16 Sec. 28. EFFECTIVE DATE. This Act takes effect January 1,  
17 2021.>

18 2. Title page, line 2, after <agencies> by inserting <and  
19 including effective date provisions>

By ZACH WHITING

S-5044 FILED MARCH 3, 2020

SENATE FILE 2348

S-5042

1 Amend Senate File 2348 as follows:

2 1. Page 1, line 19, after <707,> by inserting <the offense  
3 of child endangerment resulting in the death of a child or  
4 minor under section 726.6, or election misconduct in the first  
5 degree under section 39A.2,>

6 2. Page 1, line 21, after <damages> by inserting <owed to  
7 a natural person>

By DAN DAWSON

S-5042 FILED MARCH 3, 2020

ADOPTED

SENATE FILE 2348

S-5043

- 1 Amend Senate File 2348 as follows:
- 2 1. Page 1, line 22, after <910> by inserting <or is current
- 3 on a plan to pay all such damages>

By ROBERT M. HOGG

S-5043 FILED MARCH 3, 2020

LOST

SENATE FILE 2366

S-5041

1 Amend Senate File 2366 as follows:

2 1. Page 1, line 13, after <7 U.S.C. §2015(d)(4)> by  
3 inserting <when and where services and funding are available>

4 2. By striking page 2, line 18, through page 3, line 19, and  
5 inserting:

6 <Sec. \_\_\_\_\_. NEW SECTION. **249N.9 Member community engagement**  
7 **requirements.**

8 1. Unless exempt pursuant to subsection 2, an individual  
9 shall not participate in the Iowa health and wellness plan  
10 unless the individual meets one or a combination of the  
11 following community engagement requirements, as determined by  
12 the department:

13 *a.* Is employed or self-employed and receiving gross weekly  
14 earnings at least equal to the state minimum wage multiplied by  
15 twenty hours.

16 *b.* Is participating in and complying with the requirements  
17 of a work program.

18 *c.* Is volunteering twenty hours or more per week.

19 *d.* Is participating in and complying with the promoting  
20 independence and self-sufficiency through employment job  
21 opportunities and basic skills (PROMISE JOBS) program under  
22 section 239B.17.

23 *e.* Is participating in a program established under the  
24 future ready Iowa Act, 2018 Iowa Acts, chapter 1067.

25 *f.* Is participating in other activities identified by the  
26 department.

27 2. Subsection 1 shall not apply to an individual who meets  
28 any of the following conditions:

29 *a.* Is confirmed by the department to be medically exempt.

30 *b.* Is pregnant.

31 *c.* Is a parent or caretaker responsible for the care of a  
32 dependent child under six years of age.

33 *d.* Is a parent or caretaker personally providing the care  
34 for a dependent child who has been determined by the federal  
35 social security administration to be disabled based on federal

1 supplemental security income criteria.

2 *e.* Is receiving unemployment compensation and complying  
3 with work requirements that are part of the federal-state  
4 unemployment compensation system.

5 *f.* Is participating in a drug addiction or alcoholic  
6 treatment and rehabilitation program.

7 *g.* Is enrolled full-time in an educational institution.

8 *h.* Is the parent of a child to whom the parent provides  
9 private instruction pursuant to chapter 299A.

10 *i.* Is an individual who is a caregiver for an elderly  
11 person or an adult who has been determined by the federal  
12 social security administration to be disabled based on federal  
13 supplemental security income criteria.

14 3. If an individual does not comply with the community  
15 engagement requirements during the initial six months of the  
16 individual's eligibility period, the department shall provide  
17 thirty days' notice to the individual prior to terminating the  
18 individual's eligibility for the remainder of the individual's  
19 eligibility period. However, following such termination of  
20 eligibility, if the individual subsequently complies with the  
21 community engagement requirements, the individual may reenroll  
22 during the remainder of the individual's prior eligibility  
23 period.>

24 3. Page 3, after line 27 by inserting:

25 <3. As determined appropriate by the department of human  
26 services, consult and cooperate with the department of  
27 workforce development in implementing and administering the  
28 provisions of this Act.>

29 4. Title page, by striking lines 1 and 2 and inserting  
30 <An Act relating to eligibility, work, and employment and  
31 training requirements for public assistance programs, including  
32 eligibility for child care assistance and community engagement  
33 activity requirements under the Iowa health and wellness plan,  
34 and including>

35 5. By renumbering as necessary.

S-5041 (Continued)

By JASON SCHULTZ

S-5041 FILED MARCH 3, 2020  
ADOPTED

S-5045

1 Amend Senate File 2366 as follows:

2 1. By striking page 1, line 14, through page 2, line 17.

3 2. Page 3, after line 19 by inserting:

4 <Sec. \_\_\_\_\_. DIRECTIVE TO DEPARTMENT OF HUMAN SERVICES  
5 — CHILD CARE ASSISTANCE — FAMILY INCOME ELIGIBILITY  
6 REQUIREMENTS.

7 1. The department of human services shall amend its  
8 administrative rules pursuant to chapter 17A to provide income  
9 eligibility for state child care assistance, according to  
10 family size for children needing basic care, to families whose  
11 nonexempt gross monthly income does not exceed the following  
12 amounts according to the following schedule:

13 a. One hundred fifty percent of the federal poverty level,  
14 effective July 1, 2020.

15 b. One hundred sixty percent of the federal poverty level,  
16 effective July 1, 2021.

17 c. One hundred seventy percent of the federal poverty level,  
18 effective July 1, 2022.

19 d. One hundred eighty percent of the federal poverty level,  
20 effective July 1, 2023.

21 e. One hundred ninety percent of the federal poverty level,  
22 effective July 1, 2024.

23 f. Two hundred percent of the federal poverty level,  
24 effective July 1, 2025.

25 2. The department of human services shall amend its  
26 administrative rules pursuant to chapter 17A to provide that  
27 child care assistance under the child care assistance plus exit  
28 eligibility program shall continue until a family's nonexempt  
29 gross monthly income exceeds two hundred fifty percent of the  
30 federal poverty level.

31 3. EMERGENCY RULES. The department of human services  
32 may adopt emergency rules under section 17A.4, subsection 3,  
33 and section 17A.5, subsection 2, paragraph "b", to implement  
34 the provisions of this Act and the rules shall be effective  
35 immediately upon filing unless a later date is specified in the

S-5045 (Continued)

1 rules. Any rules adopted in accordance with this section shall  
2 also be published as a notice of intended action as provided  
3 in section 17A.4.>  
4 3. By renumbering as necessary.

By PAM JOCHUM  
AMANDA RAGAN  
LIZ MATHIS

S-5045 FILED MARCH 3, 2020  
LOST

SENATE FILE 2366

S-5046

- 1 Amend the amendment, S-5041, to Senate File 2366 as follows:
- 2 1. Page 2, after line 23 by inserting:
- 3 <\_\_\_. Page 3, after line 19 by inserting:
- 4 <Sec. \_\_\_. INTENT OF GENERAL ASSEMBLY. It is the intent of
- 5 the general assembly that section 249N.9, as enacted in this
- 6 Act, be implemented in a manner that recognizes that while
- 7 employment should provide purpose and promote self-sufficiency,
- 8 the reality is that disparities in wealth and income,
- 9 education, housing, and health make it disproportionately more
- 10 difficult for many individuals to find and maintain employment;
- 11 and that stable, living-wage employment is not available for
- 12 every person seeking such employment. If individuals eligible
- 13 for benefits under the Iowa health and wellness plan are
- 14 required to participate in community engagement efforts, it is
- 15 incumbent upon the state to ensure that policies address, not
- 16 perpetuate, the underlying inequities that present obstacles to
- 17 self-sufficiency; and that those most socially and economically
- 18 marginalized have access to the basic supports, including
- 19 education, training, and health care, necessary to find and
- 20 maintain employment.>>
- 21 2. By renumbering as necessary.

By NATE BOULTON

S-5046 FILED MARCH 3, 2020

LOST

SENATE FILE 2366

S-5047

1 Amend Senate File 2366 as follows:

2 1. Page 3, line 25, after <2021.> by inserting <The state  
3 plan amendment or waiver request shall require that, if the  
4 community engagement activity in which an Iowa health and  
5 wellness plan member participates constitutes employment, the  
6 member shall provide the name and contact information of the  
7 member's employer to the department of human services, and  
8 the department shall compile and publish a listing of such  
9 employers on the department's internet site, on a quarterly  
10 basis. For the purposes of compiling and publishing the  
11 information under this subsection, "employer" means a person  
12 who employs fifty or more employees, excluding part-time  
13 employees.>

By JOE BOLKCOM

S-5047 FILED MARCH 3, 2020

LOST

SENATE FILE 2366

S-5048

1 Amend Senate File 2366 as follows:

2 1. Page 4, after line 1 by inserting:

3 <3. The provisions of this Act relating to community  
4 engagement requirements for Medicaid members shall not be  
5 implemented unless and until the department of human services  
6 verifies all of the following:

7 a. That there is no litigation or other proceeding pending  
8 in state or federal district or appellate court relating to  
9 the validity or enforceability of such or similar provisions  
10 that could reasonably be expected to substantially impair or  
11 restrain, enjoin, or otherwise prohibit implementation of such  
12 provisions of this Act.

13 b. That such provisions are not, in part or in the  
14 aggregate, likely to be invalidated or unenforceable.>

15 2. By renumbering, redesignating, and correcting internal  
16 references as necessary.

By NATE BOULTON

S-5048 FILED MARCH 3, 2020

LOST

SENATE FILE 2366

S-5050

- 1 Amend the amendment, S-5041, to Senate File 2366 as follows:
- 2 1. Page 2, after line 13 by inserting:
- 3 <*j*. Is participating in a school, government, or employer
- 4 sanctioned quarantine or is infected with COVID-19 or other
- 5 communicable disease.>
- 6 2. By renumbering, redesignating, and correcting internal
- 7 references as necessary.

By JANET PETERSEN

S-5050 FILED MARCH 3, 2020

LOST

SENATE FILE 2368

S-5051

1 Amend Senate File 2368 as follows:

2 1. Page 1, line 9, after <development.> by inserting  
3 <However, a county may adopt or enforce such an ordinance  
4 or regulation if the ordinance or regulation applies only  
5 to veterans who served in the United States armed forces or  
6 persons with a disability that has been verified by the United  
7 States department of housing and urban development.>

8 2. Page 1, line 10, by striking <Such an> and inserting <An>

9 3. Page 1, line 11, after <Act> by inserting <that violates  
10 this subsection>

11 4. Page 1, line 22, after <development.> by inserting  
12 <However, a city may adopt or enforce such an ordinance or  
13 regulation if the ordinance or regulation applies only to  
14 veterans who served in the United States armed forces or  
15 persons with a disability that has been verified by the United  
16 States department of housing and urban development.>

17 5. Page 1, line 23, by striking <Such an> and inserting <An>

18 6. Page 1, line 24, after <Act> by inserting <that violates  
19 this subsection>

By JOE BOLKCOM

S-5051 FILED MARCH 3, 2020

WITHDRAWN

SENATE FILE 2392

S-5053

- 1 Amend Senate File 2392 as follows:
- 2 1. Page 2, line 33, by striking <senate and> and inserting  
3 <senate or>
- 4 2. Page 2, line 35, after <assembly> by inserting <on the  
5 internet site of the general assembly>
- 6 3. Page 3, line 8, by striking <and> and inserting <or>
- 7 4. Page 3, line 9, after <representatives> by inserting  
8 <prior to full consideration of the legislation by the senate  
9 or the house of representatives>
- 10 5. Page 6, line 15, by striking <and> and inserting <or>
- 11 6. Page 6, line 16, after <representatives> by inserting  
12 <prior to full consideration of the legislation by the senate  
13 or the house of representatives>
- 14 7. Page 8, line 8, by striking <and> and inserting <or>
- 15 8. Page 8, line 9, after <representatives> by inserting  
16 <prior to full consideration of the legislation by the senate  
17 or the house of representatives>
- 18 9. Page 9, line 16, by striking <and> and inserting <or>
- 19 10. Page 9, line 18, after <assembly> by inserting <on the  
20 internet site of the general assembly>
- 21 11. Page 9, line 26, by striking <and> and inserting <or>
- 22 12. Page 9, line 26, after <representatives> by inserting  
23 <prior to full consideration of the legislation by the senate  
24 or the house of representatives>
- 25 13. Page 10, after line 21 by inserting:
- 26 <Sec. \_\_\_\_\_. Section 2.69, subsection 1, Code 2020, is amended  
27 to read as follows:
- 28 1. A state government efficiency review committee is  
29 established which shall meet ~~at least every two years to review~~  
30 ~~the operations of state government~~ monthly, as necessary,  
31 to efficiently review all boards according to the schedule  
32 established by the legislative services agency pursuant to  
33 section 4A.5. The committee shall meet as directed by the  
34 legislative council.
- 35 Sec. \_\_\_\_\_. Section 2.69, subsection 2, paragraph a, Code

S-5053 (Continued)

1 2020, is amended to read as follows:

2     *a.* The committee shall consist of three members of the  
3 senate appointed by the majority leader of the senate, two  
4 members of the senate appointed by the minority leader of the  
5 senate, three members of the house of representatives appointed  
6 by the speaker of the house of representatives, ~~and~~ two members  
7 of the house of representatives appointed by the minority  
8 leader of the house of representatives, and one ex officio,  
9 nonvoting member appointed by the governor.>

10     14. Page 12, by striking lines 25 through 30.

11     15. By renumbering, redesignating, and correcting internal  
12 references as necessary.

By ROBY SMITH

[S-5053](#) FILED MARCH 3, 2020



---

[SF 2309](#) – Disabled Veteran Property Tax Credit, Charges for Veterans’ Records (LSB6322SV)  
Staff Contact: Jeff Robinson (515.281.4614) [jeff.robinson@legis.iowa.gov](mailto:jeff.robinson@legis.iowa.gov)  
Fiscal Note Version – New

---

### **Description**

[Senate File 2309](#) allows qualified disabled veterans to receive the property tax benefit of the [Disabled Veteran Tax Credit](#) earlier than is available under current law. Under current law, qualification for the credit first applies to the upcoming fiscal year’s payments (September and March) if the application is made on or before July 1. If the application is made on or after July 2, the benefit begins with the payments due in the succeeding fiscal year. The Bill will allow the benefit to begin with any payment due to be paid by the veteran after the date of the application.

The Bill also prohibits the charging of a fee by the county recorder for the examination and copying of public records necessary to complete and file claims for benefits with the Iowa Department of Veterans Affairs and the United States Department of Veterans Affairs.

### **Background**

A property tax credit equal to 100.0% of the property tax due on a property owned by a qualified disabled veteran is available and paid through the State General Fund standing unlimited appropriation to the [Homestead Credit Fund](#). To qualify, the disabled veteran must meet at least one of the following criteria:

- A veteran as defined in Iowa Code section [35.1](#) with a permanent service-connected disability rating of 100.0%.
- A veteran as defined in Iowa Code section [35.1](#) with a permanent and total disability rating based on individual unemployability that is compensated at the 100.0% disability rate.
- A former member of the National Guard of any state who meets specified service requirements and meets at least one of the two previous criteria.
- A veteran of any of the military forces of the United States who acquired the homestead property under either of two federal benefit programs available to disabled veterans.
- An individual who is a surviving spouse or a child and who is receiving dependency and indemnity compensation as certified by the U.S. Department of Veterans Affairs.

To qualify for the 100.0% property tax credit, the disabled veteran must apply once to the county. Annual filings are not required. Local governments are reimbursed for the tax revenue reduction associated with the Disabled Veteran Tax Credit through the State’s Homestead Credit Fund.

### **Assumptions**

- The Bill allows a qualified disabled veteran to qualify for the 100.0% property tax credit potentially one year earlier than would be allowed under current law. The Bill does not increase the number of veterans who may qualify for the property tax credit.
- The number of disabled veterans qualifying for the credit has been increasing in recent years. According to statistics provided by the Department of Revenue, 2,169 veterans qualified in FY 2016 and 4,296 in FY 2020. This is an average annual increase of 532

claimants. This significant annual increase in claimants is likely the result of eligibility expansions enacted in 2014 and in 2015:

- 2014 Iowa Acts, chapter [1117 \(SF 2352](#), Disabled Veteran Tax Credit Expansion Act)
- 2015 Iowa Acts, chapter [6 \(HF 166](#), Disabled Veteran Tax Credit Act)
- The number of new claims approved for the credit in future years is not known. Based on the average annual claim increase of 532 over the past four years, and assuming that a portion of that increase is likely due to the expansion of the credit to additional veterans with an existing disability who did not qualify prior to the expansion, this estimate assumes that 320 new claims are approved each fiscal year.
- The Bill may make a veteran eligible for a 100.0% property tax credit one year earlier than under existing law. The percentage of new claims each year that will actually benefit from the change is not known. For this estimate the percentage is assumed to be 50.0%.
- Combining the previous two assumptions, it is projected that 160 disabled veterans will benefit each year from the changes made to the credit.
- The Department of Revenue estimates that the average tax credit claim for the credit is \$2,863. The LSA assumes that average will increase 3.0% per year.

### **Fiscal Impact**

Allowing disabled veterans to qualify for the Disabled Veteran Tax Credit up to one year earlier than is allowed under current law is projected to increase the standing unlimited General Fund annual appropriation to finance the Homestead Credit Fund by \$0.5 million, beginning with FY 2021.

Prohibiting the charging of a fee for the examination and copying of public records related to the filing of certain veterans' claims is projected to have a minor negative impact on county fee revenue.

### **Sources**

Department of Revenue  
Legislative Services Agency analysis

/s/ Holly M. Lyons

March 2, 2020

Doc ID 1131750

---

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

---

www.legis.iowa.gov



**SF 2364** – Public Improvements, Guaranteed Maximum Price Contracts (LSB5829HV)  
 Staff Contact: Adam Broich (515.281.8223) [adam.broich@legis.iowa.gov](mailto:adam.broich@legis.iowa.gov)  
 Fiscal Note Version – New

**Description**

**Division I**

- The Bill amends the definition of public improvement in Iowa Code section [26.2\(3\)](#).
- Prohibits the Iowa Board of Regents from entering into a design-build contract to construct, repair, or improve buildings or grounds.
- Prohibits governmental entities from the fee-based selection of an architect, landscape architect, or engineer for a public improvement.

**Division II**

- The Bill adopts new definitions for “construction manager-at-risk”, “governmental entity”, and “guaranteed maximum price contract”.
- Authorizes a governmental entity to enter into a guaranteed maximum price contract.
- Adopts procedures for public entities that are pursuing a guaranteed maximum price contract. These procedures include public disclosures, a request for qualifications, a request for proposal, and the selection of bid winners.
- Prohibits all other governmental entities from entering into a design-build contract.
- Prohibits governmental entities from entering into a guaranteed maximum price contract for highway or bridge construction.

**Background**

With the exception of the Board of Regents, all current public improvement projects are completed using a process that requires governmental entities to bid projects using a design-bid-build contract.

Under current law, the Board of Regents uses design-bid-build and design-build contracts. The Board has completed or initiated a total of 14 contracts using design-build to develop projects. As of February 2020, the Board had completed seven projects using design-build. These projects are listed in the table below.

**Board of Regents Projects Completed Under Design-Build**

<b>Institution</b>	<b>Project</b>	<b>Completion</b>	<b>Budget</b>
Iowa	Hawkeye Tennis and Recreation Complex	Dec. 2014	\$15,000,000
Iowa	Biomedical Research Support Facility	Dec. 2015	33,868,000
Iowa	Elizabeth Catlett Residence Hall	Jun. 2017	95,000,000
Iowa	Chilled Water Plant 2 (West)	Jul. 2018	5,200,000
Iowa	Hancher Footbridge	Aug. 2018	3,200,000
Iowa State	Gregory L. Geoffroy Hall	Dec. 2016	49,500,000
Northern Iowa	McElroy Hall	Aug. 2001	2,000,000

The Board is also planning seven additional projects that will use design-build. These projects are reflected in the table below.

**Ongoing Board of Regents Projects Under Design-Build (DB)**

<b>Institution</b>	<b>Project</b>	<b>Scheduled Completion</b>	<b>Phase</b>	<b>Budget</b>
Iowa	Oakdale Studio	Dec. 2021	Construction	\$ 2,500,000
Iowa State	Poultry Farm	Spring 2020	Construction	5,750,000
Iowa State	Gerdin Business Building	Fall 2020	Construction	28,000,000
Iowa State	Curtiss Farm-Feed Mill and Grain Science	Summer 2021	Select DB	21,200,000
Iowa State	Veterinary Diagnostic Lab	Summer 2023	RPF for DB	75,000,000
Iowa State	Industrial and Manufacturing Sys. Engin.	Fall 2022	Programming	40,000,000
Iowa State	LeBaron Hall	Summer 2024	Programming	55,000,000

**Assumptions**

- Allowing public entities to enter into guaranteed maximum price contracts may allow additional flexibility when designing public improvement projects. The extent that governmental entities may use these agreements and the impact of them is unknown.
- Prohibiting the use of design-build may increase expenses for ongoing Regents projects by an unknown amount. The extent that the Board of Regents may use guaranteed maximum price contracts and the impact of them is unknown.

**Fiscal Impact**

The Bill is expected to increase expenses for the Board of Regents by an undetermined amount for ongoing projects. The Bill may also impact unplanned future projects. The fiscal impact of allowing all public entities to enter into guaranteed maximum price contracts cannot be determined at this time.

**Sources**

Iowa Board of Regents  
Legislative Services Agency

/s/ Holly M. Lyons

March 3, 2020

Doc ID 1132355

---

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

---



---

[SF 2374](#) – Court Debt (LSB6195SV)  
Staff Contact: Laura Book (515.205.9275) [laura.book@legis.iowa.gov](mailto:laura.book@legis.iowa.gov)  
Fiscal Note Version – New

---

### **Description**

[Senate File 2374](#) relates to restitution ordered in a criminal proceeding and court debt. The Bill makes several changes related to jail fees assessed under Iowa Code section [356.7](#), the collection of court debt under Iowa Code section [602.8107](#), and restitution under Iowa Code chapter [910](#).

#### **Jail Fees**

[Senate File 2374](#) removes jail fees assessed against a defendant under Iowa Code section [356.7](#) from restitution ordered by the court. The Bill allows a county or municipality to file a claim for reimbursement of the jail fees in a separate civil action rather than as a claim in the underlying criminal case. The Bill waives the filing fees for such civil actions.

#### **Court Debt**

[Senate File 2374](#) makes changes to the collection of court debt under Iowa Code section [602.8107](#). The Bill changes the definition of court debt to mean all restitution, fees, and forfeited bail. The Bill also excludes jail and correctional fees assessed under Iowa Code sections [356.7](#) and [904.108](#)(6) from the definition of court debt and removes them from the payment priority order under Iowa Code section [602.8107](#)(2)(c). The Bill substitutes the phrase “victim restitution” with “pecuniary damages as defined in section [910.1](#)” in Iowa Code section [602.8107](#)(4)(a).

#### **Restitution**

[Senate File 2374](#) modifies the definition of restitution and creates category A and category B restitution. The Bill defines “restitution” under Iowa Code section [910.1](#) to mean pecuniary damages, category A restitution, and category B restitution.

Category A restitution is defined as fines, penalties, and surcharges. Category B restitution contains most other current restitution categories including:

- The contribution of funds to a local anticrime organization that provided assistance to law enforcement in an offender’s case.
- The payment of crime victim compensation program reimbursements.
- Payment of restitution to public agencies pursuant to Iowa Code section [321J.2](#)(13)(b).
- Court costs.
- Court-appointed attorney fees, including the expense of a public defender.
- Payments to medical assistance programs for expenditures paid on behalf of the victim resulting from the offender’s criminal activities.

[Senate File 2374](#) makes several other modifications to Iowa Code chapter [910](#):

- [Iowa Code section 910.2](#) — Removes and replaces the section relating to restitution or community service ordered by a sentencing court. The Bill requires pecuniary damages and category A restitution to be paid in full and category B restitution to be paid subject to an

offender's reasonable ability to make payments. If the offender is not reasonably able to pay category B restitution, the court may require the offender to perform community service.

- [Iowa Code section 910.2A](#) — Creates a new Iowa Code section relating to an offender's reasonable ability to make category B restitution payments. The Bill creates a presumption that an offender has a reasonable ability to make category B restitution payments and establishes a judicial process to determine if an offender has a reasonable ability to pay the full amount of such restitution.
- [Iowa Code section 910.3](#) — Makes changes relating to the court's determination of the amount of restitution and the issuance of temporary and permanent restitution orders.
- [Iowa Code section 910.4](#) — Makes changes relating to payment plans as a condition of probation.
- [Iowa Code section 910.7](#) — Specifies that the appellate court shall not review or modify an offender's plan of restitution or review any other issue related to an offender's restitution unless the offender has exhausted all remedies under Iowa Code section [910.7](#).

## **Background**

### Jail Fees

Under Iowa Code section [356.7](#), the county sheriff, or a municipality operating a temporary municipal holding facility or jail, may charge a prisoner who is 18 years of age or older and has been convicted of a criminal offense for the actual administrative costs relating to the arrest and booking of that prisoner. The average daily cost is determined by the county and varies across the State. Funds collected by the sheriff or municipality are credited to the county general fund or the city general fund.

The fee is currently assessed and collected as part of criminal restitution under Iowa Code chapter [910](#) and is subject to the offender's reasonable ability to pay. The Bill removes this fee from restitution and allows the fee to be collected through a civil action.

### Court Debt

Currently under Iowa Code section [602.8107](#), court debt is defined as all fines, penalties, court costs, fees, forfeited bail, surcharges under Iowa Code chapter [911](#), victim restitution, court-appointed attorney fees or expenses of a public defender ordered pursuant to Iowa Code section [815.9](#), or jail or correctional fees charged pursuant to Iowa Code section [356.7](#) or [904.108](#). The Bill removes the fees charged under Iowa Code sections [356.7](#) and [904.108](#) from this definition. The correctional fees under Iowa Code section [904.108](#) are not currently collected by the Department of Corrections. This "pay for stay" fee is currently assessed as a 6.0% sales tax on items in the commissary.

### Restitution

The current definition of restitution under Iowa Code section [910.1](#)(4) is the payment of pecuniary damages to a victim in an amount and in the manner provided by the offender's plan of restitution. Restitution includes all items listed under the category A and category B restitution categories within this Bill and the jail fees assessed under Iowa Code section [356.7](#).

Currently under Iowa Code section [910.2](#)(1), there are two categories of restitution. The items in the first category are restitution to the victims of the offender's criminal activities and to the clerk of court for fines, penalties and surcharges. The court is required to order restitution for the items in this first category regardless of the offender's reasonable ability to pay.<sup>1</sup>

The second category includes all items in category B of this Bill, plus the jail fees assessed under Iowa Code section [356.7](#). The court can only order restitution for items in this second

---

<sup>1</sup> [State v. Albright](#), 925 N.W.2d 144 (Iowa 2019).

category to the extent the offender has the reasonable ability to pay. If the court finds an offender is not reasonably able to pay all or part of the items in the second category, the court may order community service in lieu of restitution under the terms and conditions set forth in the Iowa Code.<sup>2</sup>

### **Assumptions**

- The average amount of jail fees assessed and collected will remain the same in future fiscal years.
- The modifications to the collection of the jail fees assessed pursuant to Iowa Code section [356.7](#) will create a substantial increase in the filing of small claims cases. The calculations assume 1,000 new small claims cases.
- The new criminal court debt collection processes will require at least a two-hour training program for most clerk of court staff. It is assumed there will be training for 500 staff at an average cost of \$34.62/hour per person.
- The new criminal court debt collection processes will require at least a one-hour training program for all judges prior to the implementation of the new law. It is assumed there will be training for 185 judges at an average cost of \$108/hour per judge.
- The trainer preparation for the training for the clerks will require four hours for each group.

### **Fiscal Impact**

#### **Counties and Municipalities**

[Senate File 2374](#) is estimated to have a negative fiscal impact on the general fund budgets of the counties and municipalities that collect the jail fees assessed under Iowa Code section [356.7](#). It is difficult to determine the total impact due to the fact that the fee would still be permitted, but would be required to be collected as part of a separate civil judgment rather than within the underlying criminal proceeding. As a result, the fee would be subject to a different collection system since it would no longer be considered restitution or court debt, and therefore the fee may be more difficult to assess and collect.

In FY 2019, there was a total of \$21.9 million assessed and \$4.1 million collected in jail fees from all 99 counties. The average total amount collected from all 99 counties over the last three fiscal years was \$3.9 million. **Table 1** shows the five counties with the highest and lowest collections of these fees in FY 2019.

---

<sup>2</sup> Id.

**Table 1 — FY 2019 Jail Fee Assessments and Collections  
Counties with Highest and Lowest Collections<sup>3</sup>**

	<b>County</b>	<b>FY 19 Assessed</b>	<b>FY 19 Collected</b>
Highest	Polk	\$ 9,156,650	\$ 1,570,303
	Linn	1,896,950	351,509
	Woodbury	730,620	251,405
	Black Hawk	420,564	248,187
	Dallas	429,741	86,836
Lowest	Allamakee	\$ 450	\$ 0
	Johnson	30	0
	Franklin	350	0
	Grundy	0	50
	Davis	0	158

Judicial Branch

[Senate File 2374](#) is estimated to have a fiscal impact to Judicial Branch operations. Requiring the jail fee to be collected through a civil judgment rather than the criminal proceeding is estimated to create a substantial increase in small claims cases, although it is unclear how many new small claims cases will be filed. In CY 2019, there were 86,808 small claims filings. Assuming an average filing increase of 1,000 cases (1.0% increase), this provision is estimated to result in an annual cost increase of approximately \$65,000. **Table 2** provides the annual additional cost to the Judicial Branch from the increase in small claims filings.

**Table 2 — [SF 2374](#) Estimated Additional Annual Costs  
Small Claims Caseload Increase**

<u>Required Staff</u>	<u>Average Time/Case</u>	<u>Average Cost/Hr</u>	<u>Additional Caseload</u>	<u>Annual Cost Increase</u>
Magistrate	24 min	\$58.23	1,000	\$ 23,292
Clerk of Court	72 min	\$34.62	1,000	41,544
			<b>Total</b>	<b>\$ 64,836</b>

The modifications made in [SF 2374](#) to the court debt collection system and restitution categories are estimated to have a one-time cost to Judicial Branch operations.

**Table 3** outlines the estimated cost to the Judicial Branch from the changes made by [SF 2374](#). The one-time costs are the result of the training that would be required for staff and judges for the new collection system.

<sup>3</sup> There were several counties that did not assess jail fees in FY 2019: Buchanan, Crawford, Davis, Dubuque, Grundy, Iowa, Keokuk, and Page. Some of these counties still collected previously assessed fees in FY 2019: Buchanan (\$26,089), Davis (\$158), Dubuque (\$259), Grundy (\$50), and Page (\$4,784).

**Table 3 — Estimated One-Time Costs of [SF 2374](#)**

<u>One-Time Costs — First Year</u>	<u>Cost</u>
Training of all clerks' office staff	\$ 34,620
Trainer preparation for clerks' training	160
Training of all judges	19,980
Trainer preparation for judges' training	432
<b>Total</b>	<u><u>\$ 55,192</u></u>

In summary, the estimated overall cost of [SF 2374](#) to the Judicial Branch in the first year would be approximately \$120,000, and \$65,000 in the second year and beyond.

**Additional Impacts**

[Senate File 2374](#) creates category A and B restitution, but does not make any changes to the items subject to the ability-to-pay consideration under current law (other than the jail fees assessed under Iowa Code section [356.7](#)). As a result, these modifications are not estimated to have an impact on the assessment or collection of those items listed under category A and B restitution in this Bill.

The Bill also removes correctional fees under Iowa Code section [904.108](#) from the definition of court debt under Iowa Code section [602.8107](#). These fees are not currently collected by the Department of Corrections (DOC). This “pay for stay” fee is currently assessed as a 6.0% sales tax on items in the commissary. Therefore, the provision removing correctional fees from the definition of court debt would not have an impact on the DOC.

**Sources**

Judicial Branch  
 Department of Corrections  
 LSA analysis

/s/ Holly M. Lyons

March 3, 2020

Doc ID 1131876

---

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

---