

**EIGHTY-NINTH GENERAL ASSEMBLY
2021 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

February 23, 2021

Clip Sheet Summary

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

Bill	Amendment	Action	Sponsor
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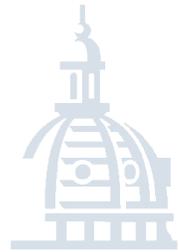
No amendments filed on February 22, 2021

Fiscal Notes

[SF 114](#) — [Amusement Park Operator Age](#) (LSB1485XS)

[SF 389](#) — [Medicaid, Supplemental Nutrition Assistance Program \(SNAP\), Eligibility Verification](#) (LSB2201SV)

[SF 419](#) — [Front License Plates](#) (LSB2084SV)



[SF 114](#) – Amusement Park Operator Age (LSB1485XS)
Staff Contact: Eric Richardson (515.281.6767) eric.richardson@legis.iowa.gov
Fiscal Note Version – New

Description

[Senate File 114](#) relates to amusement rides. The Bill provides that an attendant who controls patron restraints or the operation, starting, stopping, or speed of an amusement ride shall be at least 16 years of age. The Bill requires the operator of a carnival or fair to require that a person complete training specified in the Bill prior to beginning work as an attendant. The Bill also defines violations of any order or rule issued by the Labor Commissioner pursuant to this legislation as serious misdemeanors, punishable by confinement for no more than one year and a fine of at least \$430 but not more than \$2,560.

Background

There is currently no minimum age requirement in statute (Iowa Code chapter [88A](#)) for the operation of amusement rides. The Division of Labor within the Iowa Department of Workforce Development (IWD) administers safety inspections of amusement rides. 875 IAC [62.2](#) specifies minimum age requirements for the operation of amusement rides and sets the minimum age at 18 to operate most amusement rides.

Assumptions

The Division of Labor will implement any statutory and rule changes using existing staff and appropriations.

Correctional Impact

The correctional impact of the Bill cannot be estimated, as the Bill creates a new crime with no historical data. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 22, 2021, for information related to the correctional system.

Minority Impact

A minority impact may not be able to be estimated, as this is a new crime with no historical data. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 27, 2021, for information related to minorities in the criminal justice system.

Fiscal Impact

The Bill is expected to have no fiscal impact to the IWD. The fiscal impact to the State due to the introduction of a criminal penalty is unknown. The average State cost per offense for a serious misdemeanor ranges from \$410 to \$7,500. The estimated impact to the State General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the Department of Corrections.

Sources

Legislative Services Agency

Iowa Department of Workforce Development

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

/s/ Holly M. Lyons

February 19, 2021

Doc ID 1213647

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.

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[SF 389](#) – Medicaid, Supplemental Nutrition Assistance Program (SNAP), Eligibility Verification (LSB2201SV)

Staff Contact: Jess Benson (515.281.4611) jess.benson@legis.iowa.gov

Fiscal Note Version – New

Description

[Senate File 389](#) requires the Department of Human Services (DHS) to implement an eligibility verification system for public assistance programs to verify the eligibility of an individual who is an applicant for any such program. The Bill creates new Iowa Code chapter 239 relating to various eligibility verification and authentication measures for public assistance programs, including:

- Providing definitions used in the new Iowa Code chapter, including the definition of “public assistance,” which includes the Medicaid Program, the Family Investment Program (FIP), SNAP, and the Children’s Health Insurance Program (CHIP).
- Requiring the DHS to conduct an asset test on all members of the household of an applicant for SNAP benefits. The Bill specifies the minimum information from federal, State, and other data sources and public records that the DHS must access prior to determining an applicant’s eligibility for SNAP benefits. The Bill requires the DHS to enter into a memorandum of understanding with any department or subunit of a department to obtain the information specified.
- Requiring that an applicant for SNAP benefits cooperate with the DHS Child Support Recovery Unit (CSRU) as a condition of eligibility for SNAP benefits.
- Requiring that by July 1, 2022, the DHS provide for identity verification, identity authentication, asset verification, and dual enrollment prevention in each public assistance program administered by the DHS. The DHS may contract with a third-party vendor to develop a system or redesign an existing system to verify income, assets, and identity eligibility of applicants and recipients.
- Requiring that prior to being awarded public assistance benefits, an applicant complete a computerized identity authentication process to confirm the applicant’s identity through the use of a knowledge-based questionnaire consisting of financial and personal questions, including questions tailored to assist persons without a bank account or those who have poor access to financial and banking services or who do not have an established credit history.
- Providing that if information obtained from a review of an applicant’s or recipient’s information does not result in the DHS finding a discrepancy or change in an individual’s circumstances affecting eligibility, the DHS is to take no further action. If the information obtained from a review of the applicant’s or recipient’s information results in finding a discrepancy or a change in the individual’s circumstances affecting eligibility, the DHS is to provide written notice to the individual and the opportunity to explain any issues identified.
- Specifying the processes and results depending upon whether an applicant or recipient responds by disagreeing or agreeing with the findings of a review by the DHS. If the applicant or recipient fails to respond to the notice in a timely manner, the DHS is required to

provide notice to terminate the applicant's application or to discontinue the recipient's enrollment for failure to cooperate, and is required to terminate the applicant's application or discontinue the recipient's enrollment.

- Allowing the DHS to refer cases of suspected fraud along with any supportive information to the Department of Inspections and Appeals (DIA) for review. In cases of substantiated fraud, upon conviction, the State is required to review all appropriate legal options including but not limited to removal of a recipient from other public assistance programs and garnishment of wages or State income tax refunds until the DHS recovers an equal amount of benefits fraudulently claimed. The DHS may refer suspected cases of fraud, misrepresentation, or inadequate documentation relating to initial or continued eligibility to appropriate State agencies, divisions, or departments for review of eligibility issues in other public assistance programs.
- Requiring the DHS to adopt administrative rules to administer the Iowa Code chapter and to submit a report to the Governor and the General Assembly by January 15, 2023, and by January 15 annually thereafter through January 15, 2028, detailing the impact of the verification and authentication measures taken under the Bill.
- Requiring the DHS to request federal approval or waivers necessary to administer the Bill, and requiring that the provisions of the Bill requiring federal approval be implemented upon receipt of such federal approval. The provisions of the Bill that do not require federal approval are to be implemented as specified in the Bill or, if not specified in the Bill, no later than July 1, 2022.

Assumptions

All increases in staffing are assumed for four months in FY 2022 and for a full year in FY 2023. In addition, the federal match rate varies by program and activity from 0.0% to 100.0% federal match. Total cost and State share are depicted in the table below.

Section 2 — Asset Test for SNAP — Requires 2,000 hours of contract computer work at \$105 per hour to allow the DHS eligibility system to interface with the National Accuracy Clearinghouse and an additional 2,000 hours to contract with a third-party vendor to check against all other data sources at \$105 per hour.

Section 3 — Cooperation with Child Support Enforcement for SNAP Eligibility — Requires the following systems changes and staff increases:

- The changes will require 4,645 hours of contract computer work at \$105 per hour to make various changes to the Iowa Collections and Reporting (ICAR) system, the Automated Benefit Calculation (ABC) system, and the Iowa Child Support Case (ICSC) number screen to allow referrals and the systems to communicate.
- DHS field staff will have 12,417 additional referrals to the CSRU, requiring 1.0 full-time equivalent (FTE) position for an Income Maintenance Worker 2 (IMW2).
- Of the cases referred by DHS field staff, 8,626 cases will be new and require the CSRU to establish child support orders and begin enforcement procedures. At current staffing ratios, this will require 16.0 Support Recovery Officer FTE positions, 5.0 Clerk Specialist FTE positions, and 1.0 Support Recovery Supervisor FTE position.
- Each additional FTE position will require \$2,097 for computers and other technology to complete the work, with an ongoing software cost in the second year and beyond of \$818 per FTE position.
- Approximately 77.0% (6,642) of the new cases will require court action to establish a child support order. The CSRU must serve each nonrequesting parent in an establishment action with a notice, which will cost an average of \$5.96 per notice for certified mail. Approximately 45.0% of parents will not accept or pick up the certified mail, requiring the use of a process server or sheriff at an average cost of \$73.37 per case.

Section 4 — Verification and Authentication Systems — Public Assistance Programs —

Updating the Eligibility Integrated Application Solution (ELIAS) to interface with a new vendor and provide batch changes, form updates, and rules updates is estimated to cost \$2.0 million in FY 2022. In addition, the DHS will require 1.0 Executive Officer 2 FTE position to implement and monitor the new requirements. The additional FTE position will require \$2,097 for a computer and other technology to complete the work, with an ongoing software cost in the second year and beyond of \$818.

Section 5 — Public Assistance Programs — Applicant and Recipient Eligibility

Verification — Approximately 1.0% of individuals receiving benefits will have their benefits canceled due to discrepancies. This includes 5,999 Medicaid recipients, 793 CHIP recipients, 68 FIP recipients, and 1,466 SNAP recipients. Due to both enrollment and costs being skewed by the COVID-19 pandemic, January 2020 data is being used for this estimate.

The DHS will contract with a third-party vendor to complete the verifications required by this Bill. Although actual pricing is unknown, the DHS estimates a \$500,000 annual base contract amount plus a 10.0% contingency payment based on total savings.

Section 8 — Notice and Right to Be Heard

As of January 2020, there were 146,566 households receiving SNAP benefits. Sending Requests for Information (RFI) to benefits members and addressing data discrepancies will have the following impact on DHS field staff:

- Due to the additional verifications and data matches, it is assumed that two changes will be reported per year per household, requiring approximately five minutes of staff time per change. This will require an additional 15.0 IMW2 FTE positions.
- There will be 1.0 IMW2 FTE position needed to address data discrepancies for SNAP recipients.
- It is assumed that 1.0% of Medicaid, CHIP, and SNAP cases will be closed due to discrepancies. This will require 4.0 fewer IMW2 FTE positions at current staffing levels.
- At current staffing ratios, the 15.0 additional IMW2 FTE positions listed above will require an additional 1.0 IM Supervisor FTE position and 2.0 Typist Advanced FTE positions.
- Each additional FTE position will require \$2,097 for computers and other technology to complete the work, with an ongoing software cost in the second year and beyond of \$818 per FTE position.
- An additional 7,328 RFIs will be sent at \$0.60 per mailing.

Section 9 — Referrals for Fraud, Misrepresentation, or Inadequate Documentation

The DIA anticipates that referrals for investigation will increase from 2.9% of the current SNAP caseload to 3.9%, resulting in an additional 1,432 referrals annually. At current caseloads, this will require 5.0 Investigator III FTE positions. Investigator III positions are home-based and travel throughout the State to do investigative work, which requires that the employees are assigned State vehicles.

Section 10 — Administration, Rules, and Reporting — New reporting requirements will require 990 hours of contract computer work at \$105 per hour to update the Data Warehouse to collect data not currently collected. In addition, there will be an additional 140 hours of contract computer work at \$105 per hour to update the Local Area Network.

Fiscal Impact

Senate File 389 is estimated to increase State costs by \$1.5 million in FY 2022 and save the State \$11.8 million in FY 2023 and subsequent fiscal years. Details of the estimated increase in costs, increases in FTE positions, and savings are listed in the table below for FY 2022 and FY 2023.

Fiscal Impact Estimate for SF 389

	FY 2022		FY 2023	
	Total Cost	State Share	Total Cost/Savings	State Share
DHS Staff Costs				
DHS Staff Increase	\$ 766,872	\$ 293,070	\$ 2,300,616	\$ 879,211
Other IT Costs (New Computers)	81,789	39,253	31,918	15,318
Total DHS Staff Costs	\$ 848,661	\$ 332,324	\$ 2,332,533	\$ 894,529
DIA Staff Costs				
DIA Staff Increase	\$ 117,998	\$ 117,998	\$ 364,615	\$ 364,615
Other IT Costs (computer and licenses)	17,500	17,500	\$ 7,500	\$ 7,500
Investigator Vehicles	115,335	115,335	0	0
Total DIA Staff Costs	\$ 250,833	\$ 250,833	\$ 372,115	\$ 372,115
DHS Information Technology				
IT Systems Costs	\$ 3,026,233	\$ 959,159	\$ 0	\$ 0
DHS Miscellaneous Costs				
Third-Party Verification Contract	\$ 0	\$ 0	\$ 6,184,146	\$ 2,978,783
Child Support Notices	0	0	258,889	88,022
Food Assistance Postage	0	0	4,397	2,220
Total DHS Miscellaneous Costs	\$ 0	\$ 0	\$ 6,447,431	\$ 3,069,026
DHS Program Savings				
Medicaid	\$ 0	\$ 0	\$ -49,953,560	\$ -15,397,327
Children's Health Insurance Program	0	0	-1,578,908	-418,411
Family Investment Program	0	0	-270,139	-270,139
Food Assistance	0	0	-5,038,849	0
DHS Total Program Savings	\$ 0	\$ 0	\$ -56,841,457	\$ -16,085,877
SF 389 Total Increased Cost/Savings	\$ 4,125,727	\$ 1,542,316	\$ -47,689,377	\$ -11,750,207

Sources

Department of Human Services
 Department of Inspections and Appeals

/s/ Holly M. Lyons

February 22, 2021

Doc ID 1213345

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 419](#) – Front License Plates (LSB2084SV)

Staff Contact: Austin Brinks (515.725.2200) austin.brinks@legis.iowa.gov

Fiscal Note Version – New

Description

[Senate File 419](#) prohibits a peace officer from stopping or detaining a person if the person's motor vehicle is required to display a license plate on both its front and rear, but the motor vehicle displays a license plate only on its rear. The Bill also amends [321.37\(2\)](#) to say that a vehicle registered as an antique under Iowa Code section [321.115](#), or a motor vehicle that would require modifications to mount a front license plate are exempt from displaying a front license plate.

Background

The display of front license plates is currently not required on certain vehicles such as autocycles and motorcycles, and motor vehicles with a model year of 1948 or older. In addition, truck tractors are required to display a front license plate under Iowa Code section [321.37\(1\)](#). In FY 2018 there were 2,005 scheduled violations for failing to display license plates under Iowa Code section [321.37](#). In FY 2019, there were 1,937 violations, and in FY 2020, there were 1,586 violations.

Under Iowa Code section [602.8106\(4\)\(b\)](#), scheduled fine revenue for a State law violation is distributed as follows: 91.0% to the State and 9.0% to the general fund of the county in which the violation occurred. For the State share of citations, 1.3% is distributed to the Emergency Medical Services (EMS) Fund and 98.7% is distributed to the State General Fund.

In addition to the scheduled fine, a Crime Services Surcharge, equal to 15.0% of the fine, and a \$55 fee for court costs are also imposed. The Crime Services Surcharge is remitted to the State Court Administrator and is distributed as follows: 46.0% to the Juvenile Detention Home Fund; 32.0% to the Victim Compensation Fund; 20.0% to the Criminalistics Laboratory Fund; and 2.0% to the Drug Abuse Resistance Education Fund. The fee assessed for court costs is deposited into the State General Fund.

Assumptions

- Fewer vehicles will be stopped for incorrectly displaying their license plates, resulting in fewer violations of section [321.37](#).
- There will be 1,800 convictions of current law in FY 2021, based on an average of the last three years.
- The collection rate is 58.0%.
- The scheduled fine for a violation of improper display of registration plates is \$30.

Correctional Impact

Since the penalty for violation of Senate File 419 does not include imprisonment, a correctional impact is unknown. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, [Cost Estimates Used for Correctional Impact Statements](#), dated January 22, 2021, for information related to the correctional system.

Minority Impact

Convictions under current Iowa Code section [321.37](#) are displayed in **Table 1**. While convictions are likely to decrease due to this Bill, the impact is unknown. Refer to the LSA memo addressed to the General Assembly, [Minority Impact Statement](#), dated January 27, 2021, for information related to minorities in the criminal justice system.

Table 1

Iowa Code Section 321.276 Convictions by Ethnicity			
	<u>Caucasian</u>	<u>African American</u>	<u>Other</u>
FY 2019	1631	176	130
FY 2020	1335	144	106

Fiscal Impact

Table 2 — Estimated Range of Annual Fiscal Impact Under SF 419				
	<u>Current Law</u>	<u>Potential Decrease in Convictions</u>		
	<u>Est. FY 2021</u>	<u>500 Convictions</u>	<u>1,000 Convictions</u>	<u>1,500 Convictions</u>
General Fund				
Penalty Revenue	\$ 28,000	\$ -8,000	\$ -16,000	\$ -23,000
Court Fee	57,000	-16,000	-32,000	-48,000
Subtotal	\$ 85,000	\$ -24,000	\$ -48,000	\$ -71,000
Surcharge Revenue				
Juvenile Detention	\$ 2,200	\$ -600	\$ -1,200	\$ -1,800
Victim Comp.	1,500	-400	-800	-1,200
Crime Lab	900	-200	-500	-700
DARE	90	-20	-50	-70
Subtotal	\$ 4,690	\$ -1,220	\$ -2,550	\$ -3,770
Other				
County General Funds	\$ 2,800	\$ -800	\$ -1,500	\$ -2,300
EMS Fund	400	-100	-200	-300
Grand Total	\$ 92,890	\$ -26,120	\$ -52,250	\$ -77,370

*Figures may not add up due to rounding

While the number of convictions of [321.37](#) under this Bill is unknown, **Table 2** provides a range of possible decreases in convictions of 500, 1,000, and 1,500, and the resulting loss of revenue.

Sources

Legislative Services Agency
Criminal Juvenile and Justice Planning Division

/s/ Holly M. Lyons

February 22, 2021

Doc ID 1213594

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.

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