NINETIETH GENERAL ASSEMBLY 2024 REGULAR SESSION DAILY SENATE CLIP SHEET

April 2, 2024

Clip Sheet Summary

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

Bill	Amendment	Action	Sponsor
<u>SF 2023</u>	<u>S-5107</u>	Adopted	DAN DAWSON
<u>SF 2261</u>	<u>S-5108</u>	Adopted	DAN DAWSON
<u>SF 2343</u>	<u>S-5109</u>	Adopted	JEFF REICHMAN
<u>SF 2401</u>	<u>S-5113</u>	Filed	KERRY GRUENHAGEN
HF 2264	<u>S-5110</u>	Adopted	CHERIELYNN WESTRICH
HF 2264	<u>S-5111</u>	Lost	HERMAN C. QUIRMBACH
HF 2302	<u>S-5112</u>	Filed	TONY BISIGNANO
<u>HF 2326</u>	<u>S-5106</u>	Adopted	SCOTT WEBSTER

Fiscal Notes

SF 2261 — Ignition Interlock Devices (LSB5491SV)

SF 2408 — Traffic Cameras (LSB2506SZ)

HF 681 — Sales Tax Refunds, County and District Fairs (LSB1774HV.1)

<u>HF 2488</u> — <u>Insurance, Prior Authorizations</u> (LSB5718HV.1)

SENATE FILE 2023

S-5107

- 1 Amend Senate File 2023 as follows:
- By striking everything after the enacting clause and
- 3 inserting:
- 4 <Section 1. NEW SECTION. 453A.13A Inspections of
- 5 violations of retailers use or consumption of products on
- 6 premises.
- 7 As a condition for issuance of a permit to, and the continued
- 8 holding of a valid permit by, a retailer, as defined in
- 9 sections 453A.1 and 453A.42, of products regulated under this
- 10 chapter that are used or consumed on the retailer's premises,
- 11 the permit applicant or holder must give consent to health
- 12 departments and official county health officers, police, the
- 13 county sheriff or deputy sheriff, members of the department
- 14 of public safety, and certified peace officers to enter upon
- 15 areas of the premises where such products are stored, sold,
- 16 used, or consumed without a warrant during business hours
- 17 of the retailer to inspect for violations of this chapter
- 18 or ordinances and regulations that cities and boards of
- 19 supervisors may adopt. However, a warrant is required for
- 20 inspection of private records, a private business office,
- 21 or attached living quarters. Persons who are not certified
- 22 peace officers shall limit the scope of their inspections of
- 23 permitted premises to the regulatory authority under which
- 24 the inspection is conducted. All persons who enter upon a
- 25 permitted premises to conduct an inspection shall present
- 26 appropriate identification to the retailer or an employee of
- 27 the retailer who appears to be in charge of the premises prior
- 28 to commencing an inspection; however, this provision does not
- 29 apply to undercover criminal investigations conducted by peace
- 30 officers.>

By DAN DAWSON

S-5107 FILED APRIL 1, 2024 ADOPTED

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SENATE FILE 2261

S-5108

- 1 Amend Senate File 2261 as follows:
- Page 1, by striking lines 1 through 11.
- 3 2. Page 1, line 12, by striking <1, 2, 3, and inserting <2>
- 4 3. Page 1, by striking lines 14 through 30.
- 5 4. Page 2, by striking lines 11 through 14 and inserting
- 6 < license. A temporary restricted license shall not be granted
- 7 by the department until the defendant>
- Page 2, by striking lines 16 through 29.
- 9 6. Page 3, by striking lines 2 through 5 and inserting
- 10 <temporary restricted license. A temporary restricted license
- 11 shall not be granted by the department>
- 7. Page 4, by striking lines 25 and 26 and inserting
- 13 <restricted license. However, if>
- 8. Page 4, lines 32 and 33, by striking <and a driver's
- 15 license shall not be reinstated>
- 16 9. Page 5, by striking lines 6 and 7 and inserting
- 17 <restricted license. However, if>
- 18 10. Page 5, lines 13 and 14, by striking <and a driver's
- 19 license shall not be reinstated>
- 20 ll. Page 5, by striking lines 22 and 23 and inserting
- 21 <following a second or subsequent revocation under section
- 22 321J.4, 321J.9, or 321J.12 this chapter, or following a
- 23 conviction for violating section 321J.21. The>
- 24 12. Page 5, by striking lines 26 through 28 and inserting
- 25 <interlock device shall be for one year from the date of
- 26 reinstatement unless a longer time period is required by
- 27 statute.>
- 28 13. Page 5, by striking lines 29 through 34.
- 29 14. Page 6, line 25, after <321J.17> by inserting <or
- 30 321J.20>
- 31 15. Page 7, by striking lines 3 through 19 and inserting:
- 32 <3. The department shall develop an electronic process in</p>
- 33 which an approved ignition interlock device provider is able to
- 34 identify the start date of a driver's license revocation and to
- 35 provide notice of any violations and a final compliance report

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S-5108 (Continued)

- 1 to the department.>
- 2 16. Page 9, by striking lines 30 through 32 and inserting
- 3 <temporary restricted license.>
- 4 17. By renumbering as necessary.

By DAN DAWSON

<u>S-5108</u> FILED APRIL 1, 2024 ADOPTED

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SENATE FILE 2343

S-5109

- 1 Amend Senate File 2343 as follows:
- 2 l. Page l, before line l by inserting:
- 3 <Section 1. Section 716.8, subsection 5, Code 2024, is
- 4 amended to read as follows:
- A person who commits a trespass while hunting deer,
- 6 other than hunting a farm deer as defined in section 170.1 or
- 7 preserve whitetail as defined in section 484C.1, commits a
- 8 simple misdemeanor punishable as a scheduled violation under
- 9 section 805.8C, subsection 12. A peace officer shall consider
- 10 arresting and may arrest the person under section 805.9,
- 11 subsection 3, paragraph c, if the person refuses to leave
- 12 the property after receiving a citation or immediately returns
- 13 to the property after receiving a citation, or may arrest the
- 14 person as otherwise provided under law. The person shall also
- 15 be subject to civil penalties as provided in sections 481A.130
- 16 and 481A.131. A deer Any wildlife taken by a person while
- 17 committing such a trespass shall be subject to seizure as
- 18 provided in section 481A.12.>
- 19 2. By renumbering as necessary.

By JEFF REICHMAN

S-5109 FILED APRIL 1, 2024 ADOPTED

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SENATE FILE 2401

S-5113

- 1 Amend Senate File 2401 as follows:
- 2 1. Page 1, before line 1 by inserting:
- 3 <DIVISION I
- 4 CLAIMS AGAINST GRAIN DEPOSITORS AND SELLERS INDEMNITY FUND>
- 5 2. Page 2, line 2, by striking <sixteen> and inserting
- 6 <twelve>
- 7 3. Page 2, line 12, by striking <eight> and inserting <five>
- 8 4. Page 2, lines 18 and 19, by striking <transferred</p>
- 9 title to the grain> and inserting <delivered the grain, and
- 10 transferred title to the that grain,>
- 11 5. Page 2, line 27, before <Act> by inserting <division of
- 12 this>
- 6. Page 2, lines 34 and 35, by striking <July 1 of the
- 14 fourth> and inserting <September 1 of the first>
- 15 7. Page 3, line 2, before <Act> by inserting <division of
- 16 this>
- 8. Page 3, line 4, before <Act> by inserting <division of
- 18 this>
- 19 9. Page 3, after line 6 by inserting:
- 20 < DIVISION
- 21 ASSESSMENT YEAR
- 22 Sec. . Section 203D.3, subsection 3, Code 2024, is
- 23 amended to read as follows:
- 3. The assessment year of the fund begins September is the
- 25 same as the state fiscal year beginning on July 1 and ends
- 26 ending on August 31 June 30. Assessment quarters of the fund
- 27 begin September on July 1, December October 1, March January 1,
- 28 and June April 1. The finances of the fund shall be calculated
- 29 on an accrual basis in accordance with generally accepted
- 30 accounting principles.
- 31 Sec. . Section 203D.5, subsection 1, Code 2024, is
- 32 amended to read as follows:
- 33 1. The board shall annually review the debits of and credits
- 34 to the grain depositors and sellers indemnity fund created
- 35 in section 203D.3 and shall determine whether to impose the

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S-5113 (Continued)

- 1 participation fee and per-bushel fee as provided in section
- 2 203D.3A, make adjustments to the fees effective on the previous
- 3 September July 1, or waive the fees as necessary to comply with
- 4 this section. The board shall make the determination not later
- 5 than May 1 of each year. The board shall impose the fees or
- 6 adjust the fees effective on the previous September July 1 in
- 7 accordance with chapter 17A. The imposition or adjustment of
- 8 the fees shall become effective as follows:
- 9 a. For the participation fee, on the following September
- 10 July 1. However, the licensee shall continue to pay the
- ll participation fee at the rate in effect on the prior September
- 12 July 1, until the licensee has paid the amount owing.
- 13 b. For a per-bushel fee, on the following September July 1.
- 14 Sec. . Section 203D.5, subsection 4, paragraph a, Code
- 15 2024, is amended to read as follows:
- 16 a. The participation fee shall be waived and shall not be
- 17 assessable or owing for the following assessment year of the
- 18 fund. However, the licensee shall continue to pay any owing
- 19 participation fee that was in effect on the prior September
- 20 July 1.
- 21 Sec. . CONTINGENT EFFECTIVE DATE.
- 22 1. This division of this Act takes effect on the publication
- 23 date of the issue of the Iowa administrative bulletin that
- 24 includes a notice by the secretary of agriculture stating that
- 25 the participation fee and per-bushel fee paid by grain dealers
- 26 and warehouse operators have been waived as provided in section
- 27 203D.5.
- 28 2. The department of agriculture and land stewardship shall
- 29 send a copy of the notice to the Code editor at least two
- 30 weeks prior to the publication date of the Iowa administrative
- 31 bulletin as described in subsection 1.>
- 32 10. By renumbering as necessary.

By KERRY GRUENHAGEN

S-5113 (Continued)

S-5113 FILED APRIL 1, 2024

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S-5110

- 1 Amend House File 2264, as passed by the House, as follows:
- 2 l. Page 1, line 9, by striking <secular> and inserting
- 3 <sectarian>

By CHERIELYNN WESTRICH

S-5110 FILED APRIL 1, 2024 ADOPTED

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S-5111

- 1 Amend House File 2264, as passed by the House, as follows:
- 2 l. Page 1, line 8, after <require> by inserting <or promote>

By HERMAN C. QUIRMBACH

S-5111 FILED APRIL 1, 2024 LOST

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S-5112

- 1 Amend House File 2302, as passed by the House, as follows:
- 2 l. Page 1, line 4, after <correctional> by inserting <or</p>
- 3 juvenile detention>
- 4 2. Page 1, line 13, after <correctional> by inserting <or
- 5 juvenile detention>
- 6 3. Page 1, line 22, after <correctional> by inserting <or
- 7 juvenile detention>
- 8 4. Page 1, line 31, after <correctional> by inserting <or</p>
- 9 juvenile detention>
- 10 5. Page 2, line 5, after <correctional> by inserting <or
- 11 juvenile detention>
- 12 6. Page 2, line 16, after <correctional> by inserting <or
- 13 juvenile detention>
- 7. Page 2, line 25, after <correctional> by inserting <or
- 15 juvenile detention>
- 8. Page 3, line 3, after <correctional> by inserting <or</p>
- 17 juvenile detention>
- 9. Page 3, line 13, after <correctional> by inserting <or
- 19 juvenile detention>

By TONY BISIGNANO

S-5112 FILED APRIL 1, 2024

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S-5106

- 1 Amend House File 2326, as passed by the House, as follows:
- 2 1. Page 1, before line 1 by inserting:
- 3 < DIVISION I
- 4 REAL ESTATE BROKERS AND THE RENTAL OR LEASING OF REAL ESTATE>
- 5 2. Page 1, line 33, after <This> by inserting <division of
- 6 this>
- 7 3. Page 1, line 35, after <This> by inserting <division of</p>
- 8 this>
- 9 4. Page 2, after line 7 by inserting:
- 10 <DIVISION
- 11 REAL ESTATE BROKERS AND BROKERAGE AGREEMENTS
- 12 Sec. ___. Section 543B.56A, subsection 2, paragraph e, if
- 13 enacted by 2024 Iowa Acts, Senate File 2291, section 7, is
- 14 amended to read as follows:
- 15 e. Review the broker's compensation under the brokerage
- 16 agreement and conspicuously display a statement that the
- 17 broker's compensation, fees, and commission are negotiable and
- 18 not established by law.
- 19 Sec. . Section 543B.56A, subsection 3, if enacted by 2024
- 20 Iowa Acts, Senate File 2291, section 8, is amended to read as
- 21 follows:
- 22 3. A brokerage agreement must be signed by both the broker
- 23 and the client prior to the broker listing any property for
- 24 sale on behalf of a seller, or before showing a property to a
- 25 buyer, or if no property is shown to a buyer, before making
- 26 an offer on a property on behalf of a buyer. This subsection
- 27 shall not apply to customers attending an open house.
- 28 Sec. . Section 543B.57, subsection 5, Code 2024, is
- 29 amended to read as follows:
- 30 5. The seller, in the listing agreement, may authorize
- 31 the seller's licensee to disburse part of the licensee's
- 32 compensation to other licensees, including a buyer's licensee
- 33 solely representing the buyer. A seller may authorize a
- 34 portion of the proceeds from the sale of real property, or
- 35 from another source, to pay a buyer's licensee compensation.

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S-5106 (Continued)

- 1 A licensee representing a buyer shall inform the listing
- 2 licensee, if there is a listing licensee, either verbally or in
- 3 writing, of the agency relationship before any negotiations are
- 4 initiated. The obligation of either the seller or the buyer
- 5 to pay compensation to a licensee is not determinative of the
- 6 agency relationship.>
- 7 5. Title page, by striking lines 1 and 2 and inserting <An
- 8 Act relating to real estate brokers, the rental or leasing of
- 9 real estate, and brokerage agreements, and including effective
- 10 date and>
- 11 6. By renumbering as necessary.

By SCOTT WEBSTER

S-5106 FILED APRIL 1, 2024 ADOPTED

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Fiscal Note



Fiscal Services Division

SF 2261 – Ignition Interlock Devices (LSB5491SV)

Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov

Fiscal Note Version - New

Description

<u>Senate File 2261</u> requires the installation of an ignition interlock device (IID) on every vehicle operated by a person whose driver's license is revoked for operating while intoxicated (OWI) prior to the issuance of a temporary restricted license (TRL). This requirement applies regardless of whether or not the person has had previous convictions or revocations under lowa Code chapter <u>321J</u>.

The Bill also provides that as a condition of reinstatement of a driver's license other than a TRL to a person whose driver's license was revoked for OWI, the person must maintain an IID for 180 days if the person has no previous revocation under Iowa Code chapter 321J. This time period will be reduced by any time the person operated a vehicle with an IID with a TRL.

The Bill makes the following changes:

- Establishes the alcohol concentration beyond which an IID will not allow the operation of the motor vehicle at 0.04.
- Establishes compliance-based removal provisions that may extend the period of time a
 person is required to maintain an IID for multiple violations in a certain time period. The Bill
 establishes reporting requirements for IID providers.
- Amends an existing penalty for circumventing or tampering with an IID to include the removal of an IID. The penalty for this act is a serious misdemeanor.
- Requires the Department of Transportation (DOT) to establish procedures by administrative rule to waive IID requirements under Iowa Code chapter 321J for individuals with a verifiable medical condition.
- Prohibits an IID provider from imposing an early termination fee.

The Bill takes effect January 1, 2025, and is applicable to license revocations that occur after the effective date.

Background

Currently, a person whose driver's license is revoked for operating while intoxicated is required to install an IID before being issued a TRL by the DOT. The IID must be installed on every vehicle owned or operated by the person, or every vehicle operated by the person if the person has had no previous conviction or revocation under lowa Code chapter 321J.

The Department of Public Safety establishes by administrative rule the level of alcohol concentration beyond which an IID will not allow the operation of the motor vehicle. The current level is 0.025 under 661 IAC 158.6.

Currently, a person with a second or subsequent driver's license revocation for OWI is required to install an IID for a minimum of one year after reinstatement of a full driver's license (not a TRL). The one-year period will be reduced by any time a person had an IID installed on a person's vehicle while operating with a TRL.

Under current law, a person found guilty of violating lowa Code chapter 321J commits a serious misdemeanor, which can result in a period of imprisonment in county jail of at least 48 hours but not more than one year and a fine of at least \$430 but not more than \$2,560. The person's driver's license is revoked for a period of 180 days unless the person is issued a TRL.

In FY 2023, there were 5 convictions under Iowa Code sections <u>321J.4(8)(f)</u> and <u>321J.20(7)</u> for tampering with or circumventing an IID, 2 convictions for failure to install pursuant to Iowa Code section 321J.4(8)(e), and 74 convictions under Iowa Code section 321J.4(8)(c) for operating a vehicle without installing an IID.

Assumptions

- The following will not change over the projection period: charge, conviction, and sentencing
 patterns and trends; prisoner length of stay (LOS); revocation rates; plea bargaining; and
 other criminal justice system policies and practices.
- A delay of six months is assumed from the effective date of this Bill to the date of first entry
 of affected offenders into the correctional system.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.

Correctional Impact

Since Senate File 2261 amends an existing serious misdemeanor, it is unknown how many additional convictions would occur. As a result, the correctional impact of the Bill cannot be determined due to a lack of data. **Figure 1** provides estimates for sentencing to State prison, parole, probation, or Community-Based Corrections (CBC) residential facilities; LOS under those supervisions; and supervision marginal costs per day for all serious misdemeanor convictions. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, <u>Cost Estimates Used for Correctional Impact Statements</u>, dated January 16, 2024, for information related to the correctional system.

Figure 1 — Sentencing Estimate and Length of Stay (LOS)

		FY 23			FY 23								
		Avg LOS	FY 23		Avg LOS		Percent	FY 23	Percent	Avg		FY 23	FY 23
	Percent	In Prison	Marginal	Percent	on	FY 23	Sentenced	Marginal	Ordered	Length of	Marginal	Avg LOS	Marginal
	Ordered	In Months	Cost Per	Ordered	Probation	Avg Cost	to CBC	Cost Per	to	Stay in	Cost	on	Cost Per
	to State	(All	Day	to	In	Per Day	Residential	Day	County	County	Per Day	Parole In	Day
Conviction Offense Class	Prison	Releases)	Prison	Probation	Months	Probation	Facility	CBC	Jail	Jail	Jail	Months	Parole
Serious Misdemeanor	1.7%	6.6	\$24.94	53.0%	19.2	\$7.67	1.2%	\$20.00	74.2%	N/A	\$50.00	N/A	\$7.67

Minority Impact

The minority impact cannot be determined due to a lack of data. Refer to the LSA memo addressed to the General Assembly, *Minority Impact Statement*, dated January 16, 2024, for information related to minorities in the criminal justice system.

Fiscal Impact

The fiscal impact cannot be estimated due to a lack of data. The penalty for a serious misdemeanor is an average State cost of a minimum of \$400 and a maximum of \$6,859. The estimated cost to the State General Fund includes operating costs incurred by the Judicial Branch, the Indigent Defense Fund, and the Department of Corrections (DOC). The cost would be incurred across multiple fiscal years for prison and parole supervision. In addition, the DOT estimates one-time information technology programming costs of approximately \$20,000 resulting from the Bill.

Sources

Criminal and Juvenile Justice Planning, Department lowa Department of Transportation	nt of Management
	/s/ Jennifer Acton
	March 29, 2024
Doc ID 1446129	
The fiscal note for this Bill was prepared pursuant to <u>Joint Rul</u> fiscal note is available from the Fiscal Services Division of the	

www.legis.iowa.gov



Fiscal Note



Fiscal Services Division

SF 2408 - Traffic Cameras (LSB2506SZ)

Staff Contact: Garry Martin (515.281.4611) garry.martin@legis.iowa.gov

Fiscal Note Version - New

Description

<u>Senate File 2408</u> regulates the use of automated or remote systems for traffic law enforcement (ATE system).

Division I — Automated or Remote Systems for Traffic Law Enforcement — Automatic Registration Plate Readers

"Automated or remote system for traffic law enforcement" is defined in the Bill as a camera or other optical device designed to work in conjunction with an official traffic control signal or speed measuring device to identify motor vehicles operating in violation of traffic laws, the use of which results in the issuance of citations sent through the mail or by electronic means.

The Bill requires local authorities to hold a valid permit from the Iowa Department of Transportation (DOT) before using an ATE system. The DOT is authorized to determine whether a system is appropriate and necessary and the least restrictive means to address the traffic safety issues at a location. The Bill details a list of requirements that must be included in an application for a permit.

Local authorities are only authorized to use an ATE system for the following violations:

- Failure to yield or stop at an intersection controlled by a traffic-controlled signal.
- Failure to yield or stop at a railroad crossing.
- Exceeding the speed limit by more than 10 miles per hour.

A local authority with a population of 20,000 or less is only authorized to issue warnings for violations detected by a mobile ATE system.

Data collected by automatic registration plate readers must be deleted within 30 days with exceptions for certain circumstances. A person who violates these automatic registration plate reader requirements commits a simple misdemeanor.

Division I provides for signage and reporting requirements for ATE systems. The Bill also provides requirements for the installation and maintenance of an ATE system, including the requirement for a monthly calibration of a system.

Local authorities are required to review and approve a recorded photograph or video of a violation captured by an ATE system before a citation is issued. With the exception of excessive speed violations, scheduled fines must not exceed the amounts under lowa Code section 805.8A. For excessive speed violations detected by an ATE system, the citation amount must not exceed \$75 for speeds between 10 miles and 20 miles per hour over the speed limit, \$100 for speeds between 20 and 25 miles per hour over the speed limit, \$250 for speeds between 25 and 30 miles per hour over the speed limit, and \$500 for speeds greater

than 30 miles per hour over the speed limit. These amounts are doubled if the violation occurs in a road work zone. All violations detected by an ATE system are civil infractions.

Division I requires the local authority to remit 10.0% of moneys collected, minus the installation and maintenance costs of the ATE system itself, to the Length of Service Award Program Fund created under **Division III** of the Bill, and 5.0% of funds collected to the General Fund to be appropriated to the lowa Law Enforcement Academy to provide training, certification, and recertification of officers. Any remaining funds retained by a local authority can be used to fund transportation infrastructure improvement projects or to offset costs related to the operation of a police department or fire department.

Division II — Existing Systems

Division II requires that a local authority using a system prior to January 1, 2024, may submit to the DOT by July 1, 2024, a list of ATE system locations and justifications for placement and use. The DOT must issue a permit to the local authority that provides valid submissions by October 1, 2024. A local authority using an ATE system prior to January 1, 2024, may continue to use the ATE system until a permit is received, unless it is a mobile ATE system prohibited under the Bill. If the local authority has not been issued a permit by October 1, 2024, the local authority must cease using all ATE systems until the local authority obtains a permit. A local authority using an ATE system at a location for the first time on or after January 1, 2024, shall not be issued a permit before July 1, 2026. **Division II** of the Bill takes effect upon enactment.

Division III — Length of Service Award Programs

Division III authorizes municipalities to establish a Length of Service Award Program for volunteer fire fighters, volunteer emergency medical care providers, and reserve peace officers that provides tax-deferred length of service awards. The Bill establishes a Length of Service Award Program Grant Fund under the control of the Department of Revenue (IDR). Moneys in the Fund are appropriated to the IDR for grants to municipalities that have established a Length of Service Award Program to provide contributions to the Program on behalf of participants. Grants must be provided up to a dollar-for-dollar funding match from a municipality.

Background

As of January 2024, the Legislative Services Agency (LSA) is aware of 25 cities and towns in lowa that operate an ATE system or systems, including Sioux City, Cedar Rapids, Davenport, Muscatine, Fort Dodge, Council Bluffs, Des Moines, Waterloo, Fayette, West Union, LeClaire, Strawberry Point, Hazleton, Hudson, Chester, Buffalo, Bellevue, Miles, Independence, Oelwein, Prairie City, Webster City, Marshalltown, Marion, and Postville. Data is not available at this time regarding the use of ATE systems in additional cities or towns. As of January 15, 2024, the LSA obtained data from Cedar Rapids, Council Bluffs, Davenport, Des Moines, LeClaire, Muscatine, Waterloo, Buffalo, Fayette, and Marshalltown regarding their current ATE systems. Sioux City recently changed its ATE system provider and does not have accurate data for a full year.

Of the 25 cities and towns that currently operate an ATE system, 15 have populations of less than 20,000; however, the number that operate mobile ATEs is unknown.

Figure 1 provides data obtained by the LSA related to the number of ATE devices, base cost per violation, vendors' share of revenues, and local authorities' share of revenues for the last full fiscal year. **Figure 2** shows each city's use of ATE system revenue.

Figure 1 — Data Provided for Fiscal Year 2023

Local	Number of	Total Number of	Number of	Number of	Base Fine	Vendor	Local Authority
Authority	Mobile ATEs	Operating ATEs	Violations Issued	Violations Collected	Per Violation	Revenue	Revenue
Buffalo	1	3	10,006	9,359	\$ 75	\$ 145,125	\$ 362,813
Cedar Rapids	2	19	169,696	94,037	75	1,834,563	7,207,857
Coucil Bluffs	0	15	20,299	12,557	100	489,416	849,453
Davenport	4	18	43,452	20,314	65	440,601	1,420,540
Des Moines	3	13	125,768	84,991	65	1,929,663	3,594,696
Fayette	0	2	5,315	4,074	100	138,878	324,049
LeClaire	1	5	62,229	50,533	50	1,664,130	1,703,438
Marshalltown	0	3	5,966	2,952	100	100,000	195,050
Muscatine	1	9	11,577	8,516	75	215,514	510,840
Waterloo	2	25	53,054	26,117	36	942,296	1,166,746

Source: Local Authorities

Figure 2 — Local Uses for ATE System Revenue

Local Authority	Uses
Buffalo	Public safety expenses
Cedar Rapids	General fund
Council Bluffs	General fund
Davenport	General fund
Des Moines	Des Moines Public Safety Radio System and Iowa Statewide Interoperable
	Communications System
Fayette	General fund
LeClaire	General fund
Marshalltown	General fund
Muscatine	Police department for personnel costs
Waterloo	General fund: Police department for equipment
Source: As reporte	d by local authorities

A simple misdemeanor is punishable by confinement for no more than 30 days and a fine of at least \$105 but not more than \$855.

Assumptions

- Local jurisdictions may be required to reduce the amount charged for a single citation for speeding violations as provided in the Bill.
- For cities with a population below 20,000, the local authority revenue collected annually by
 mobile ATEs is in proportion to the number of mobile ATEs the local authority has as a
 percentage of that total number of operating ATEs. Revenue to the cities of Buffalo and
 LeClaire will be reduced by 33.0% and 20.0%, respectively, due to the removal of mobile
 ATE systems.
- Installation and maintenance costs of an ATE system are assumed to include vendor costs. Therefore, 15.0% of moneys collected is applied only to the local authority revenue.
- For the purposes of this *Fiscal Note*, it is assumed that all cameras currently in operation and on which the LSA has collected data will be authorized to continue in operation, with the exception of mobile ATEs in cities with a population below 20,000.
- Marginal costs for county jails cannot be estimated due to a lack of data. For purposes of this analysis, the marginal cost for county jails is assumed to be \$50 per day.

Correctional Impact

Senate File 2408 creates a new simple misdemeanor, and the correctional impact cannot be estimated for the Bill due to a lack of existing conviction data. A conviction for a simple misdemeanor does not result in a prison sentence but does carry the possibility of confinement

in jail for up to 30 days. Refer to the LSA memo addressed to the General Assembly, <u>Cost Estimates Used for Correctional Impact Statements</u>, dated January 16, 2024, for information related to the correctional system.

Minority Impact

Senate File 2408 creates a new offense. As a result, the Criminal and Juvenile Justice Planning (CJJP) of the Department of Management cannot use existing data to estimate the minority impact of the Bill. Refer to the LSA memo addressed to the General Assembly, <u>Minority Impact Statement</u>, dated January 16, 2024, for information related to minorities in the criminal justice system.

Fiscal Impact

Senate File 2408 is estimated to decrease revenue to local authorities. The full fiscal impact of the Bill across all localities cannot be estimated. However, **Figure 3** includes estimates for the 10 cities that provided data to the LSA.

Figure 3 — Estimated Annual Local Government Revenue Reduction Under SF 2408 Compared to FY 2023

	<u>-</u>				
Local	Estimated Loss				
Authority	Of Revenue				
Buffalo	\$ -157,000				
Cedar Rapids	-1,081,000				
Coucil Bluffs	-127,000				
Davenport	-213,000				
Des Moines	-539,000				
Fayette	-49,000				
LeClaire	-545,000				
Marshalltown	-29,000				
Muscatine	-77,000				
Waterloo	-175,000				
Note: This figure only reflec	ts 10 of 25 politica				
subdivisions that have reported to the LSA.					
Numbers may not be exact due to rounding.					

Senate File 2408 is also estimated to increase revenue to the Length of Service Award Program Grant Fund and General Fund beginning in FY 2025. For the 10 cities that provided data to the LSA, the Length of Service Award Program Grant Fund is estimated to have an annual increase of approximately \$1.7 million and the General Fund is estimated to have an annual increase of approximately \$843,000, which is to be appropriated to the ILEA to be used for training, certification, and recertification of officers. However, the full fiscal impact to the Length of Service Award Program Grant Fund and General Fund from all localities cannot be estimated at this time.

The fiscal impact of a new criminal offense cannot be estimated due to a lack of existing data. The average State cost per offense for one simple misdemeanor conviction ranges from \$40 to \$400.

Sources

Department of Transportation Local authorities Legislative Services Agency calculations

	/s/ Jennifer Acton
	March 29, 2024
Doc ID 1447878	
The fiscal note for this Bill was prepared pursuant to <u>Joint Ru</u> fiscal note is available from the Fiscal Services Division of th	·

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Fiscal Note



Fiscal Services Division

<u>HF 681</u> – Sales Tax Refunds, County and District Fairs (LSB1774HV.1) Staff Contact: Evan Johnson (515.281.6301) evan.johnson@legis.iowa.gov Fiscal Note Version – Revised for new data

Description

<u>House File 681</u> exempts from the State sales and use the tax price of tangible personal property, specified digital products, or services sold to a county or district fair.

Background

A fair, as defined under lowa Code chapter <u>174</u>, means an organization that is incorporated under the laws of this State, including as a county or district fair or as an agricultural society, for the purpose of conducting a fair event, if all of the following apply:

- The organization owns or leases at least 10 acres of fairgrounds.
- The organization owns buildings or other improvements situated on the fairgrounds that have been specially constructed for the purposes of conducting a fair event.
- The market value of the fairgrounds and buildings and other improvements located on the fairgrounds is at least \$25,000.

There are 106 county and district fairs in Iowa.

Assumptions

- The average cost to operate a fair in Iowa is approximately \$540,000 annually. One-quarter
 of this cost, or \$135,000, is for items subject to sales/use tax upon purchase. Across all 106
 fairs, total annual costs subject to sales/use tax are estimated to be approximately \$14.3
 million.
- Construction costs are not included in operating costs.
- According to the Association of Iowa Fairs <u>2023 Exhibitor Summary and Statistics Report</u>, there were approximately \$8.6 million in capital improvements across Iowa county fairs 2023. It is assumed that 50.0% of capital improvement costs are labor costs, which are not subject to sales/use tax.
- Total taxable expenditures by county fairs that would be exempt under the Bill are estimated to be approximately \$18.6 million in FY 2023.
- Growth trends in future fiscal years are based on Consumer Price Index estimated increases of 2.0% from FY 2025 to FY 2029.
- Secure an Advanced Vision for Education (SAVE) refunds are 1.0% of taxable expenditures.
 Local options sales tax (LOST) distributions are estimated to be 0.97% of taxable expenditures.

Fiscal Impact

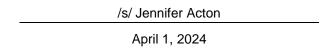
House File 681 is estimated to reduce revenues to the General Fund, SAVE Fund, and LOST by the amounts in **Figure 1**.

Figure 1 — Fiscal Impact of HF 681 (in Millions)

	Gene	ral Fund	SAVE	L	OST
FY 2025	\$	-1.0	\$ -0.2	\$	-0.2
FY 2026		-1.0	-0.2		-0.2
FY 2027		-1.0	-0.2		-0.2
FY 2028		-1.0	-0.2		-0.2
FY 2029		-1.0	-0.2		-0.2

Sources

Iowa Department of Revenue Association of Iowa Fairs 2023 Exhibitor Summary and Statistics Report Legislative Service Agency analysis and calculations



Doc ID 1448511

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

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Fiscal Note



Fiscal Services Division

<u>HF 2488</u> – Insurance, Prior Authorizations (LSB5718HV.1) Staff Contact: Xavier Leonard (515.725.0509) <u>xavier.leonard@legis.iowa.gov</u> Fiscal Note Version – As amended by Senate amendment H-8252

<u>House File 2488</u> as amended by Senate amendment H-8252 relates to prior authorizations and exemptions by health benefit plans and utilization review organizations and certain cost controls for health care services.

Division I — Prior Authorizations and Exemptions

Description

Division I relates to prior authorizations and exemptions by health benefit plans and utilization review organizations. The Bill as amended does the following:

- Provides requirements for utilization review organizations in responding to requests for prior authorization from health care providers, in reviewing health care services, and in eliminating prior authorization requirements for health care services that meet conditions described in the Bill as amended.
- Requires all health carriers that deliver, issue for delivery, continue, or renew a health benefit plan on or after January 1, 2025, to implement a pilot program prior to January 16, 2025, that exempts a subset of participating health care providers from certain prior authorization requirements. Includes requirements for health carriers administering the pilot program.
- Requires each health carrier that implements the pilot program described in the Bill as amended to submit a report to the Commissioner of Insurance on or before January 15, 2026, containing the results of the exemption program, including an analysis of the costs and savings, the health benefit plan's recommendations regarding the program, feedback received regarding the program, and an assessment of the administrative costs incurred by the program.

Background

"Prior authorization" is defined in Iowa Code section <u>514F.8</u> as a determination by a utilization review organization that a specific health care service proposed by a health care provider for a covered person is medically necessary or medically appropriate, which determination is made prior to the provision of the health care service to the covered person, and, if applicable, includes a utilization review organization's requirement that a covered person or a health care provider notify the utilization review organization prior to receiving or providing a specific health care service.

Utilization review is defined in Iowa Code section <u>514F.4</u> as a program or process by which an evaluation is made of the necessity, appropriateness, and efficiency of the use of health care services, procedures, or facilities given or proposed to be given to an individual.

According to the Board of Regents (BOR), the turnaround time for prior authorization decisions required by the Bill as amended aligns with current practices. Administrative expenses make up a small portion of the State Insurance Plan and BOR Insurance Plans. The estimated total

spend for the State of Iowa Insurance Plan is approximately \$340.0 million and for the BOR Insurance Plans is approximately \$458.1 million.

Assumptions

- Administrative costs to the State of Iowa Insurance Plan and the BOR Insurance Plans may increase as a result of the Bill as amended, but the amount of the increase cannot be determined.
- Claims costs to the State of Iowa Insurance Plan may increase minimally.

Fiscal Impact

Division I may increase costs to the State of Iowa Insurance Plan and the BOR Insurance Plans beginning in CY 2025. Increased costs to the BOR Insurance Plans are estimated to be minimal. The increase in State of Iowa Insurance Plan costs is estimated to be minimal, but has the potential to reach 0.1%, which would reflect a \$340,000 increase. The duration of the pilot programs required by the Division is not known; therefore, the duration of potential costs cannot be determined at this time.

Sources

Iowa Insurance Division, Department of Insurance and Financial Services Board of Regents Wellmark Legislative Services Agency analysis

Division II — Cost Controls for Health Care Services

Description

Division II relates to certain cost controls for health care services and does the following:

- Adds the improper denial of claims, as described in the Bill as amended, to the list of unfair methods of competition and unfair or deceptive acts or practices defined in Iowa Code section <u>507B.4</u>.
- Provides requirements for health care providers (providers) to establish and disclose
 discounted cash prices the provider will accept for specific health care services (services).
 The Bill as amended prohibits a provider from entering into a contract that prevents the
 provider from offering or disclosing a cash price below the contracted rates the provider has
 with a health carrier.
- Establishes disclosure requirements regarding deductible credits and for covered persons' out-of-pocket pricing for prescription drugs that meet the conditions in the Bill as amended.
- Establishes disclosure and substitution requirements for health benefit plans regarding the average allowed amount for each health care service.
- Requires credit to be applied towards in-network cost-sharing for covered persons who
 receive service at a discounted cash price other than the average allowed amount at the
 lower of the two amounts if the service is provided by an in-network provider.
- Prohibits a health benefit plan from discriminating in the form of payment for an in-network covered service on the basis of the covered person's being referred for the service by an out-of-network provider.
- Establishes payment credit requirements for cost-sharing for a covered person who
 purchases generic covered prescription drugs for less than the average allowed amounts for
 the name-brand equivalent.
- Establishes requirements for health-denying claims pursuant to the Bill as amended, including an appeal process and a trigger for an investigation into claim denials by the Commissioner of Insurance (Commissioner).

- Requires health benefit carriers to provide covered persons with a program that rewards the
 covered person with a savings incentive for medically necessary services received from
 providers that offer a cash price below the average allowed amount.
- Provides requirements for a provider's initiation or pursuit of a collection action against a person for a debt owed for a service.
- Requires the Department of Administrative Services (DAS) to conduct an analysis of the cost-effectiveness of offering a savings incentive program and deductible credit for State employees and retirees before August 1, 2025.
- Requires the DAS to submit a report to the General Assembly on or before September 1, 2025, containing an explanation of the implementation decision regarding a savings incentive program or deductible credit program.
- The Bill as amended requires any such program to be implemented for the 2026 State employee health insurance open enrollment period.

Background

lowa Code section 507B.4 establishes a list of unfair methods of competition and unfair or deceptive acts or practices with respect to the insurance trade, including but not limited to misrepresentation and false advertising of insurance policies, unfair discrimination, and unfair claim settlement practices.

lowa Code section <u>507B.6</u> permits the Commissioner to issue and serve a statement of charges upon a person who the Commissioner believes has been engaged or is engaging in any unfair method of competition or any unfair or deceptive act or practice that would be in the public interest. At the hearing, the person has the opportunity to be heard and show cause why an order should not be made by the Commissioner to require the person to cease and desist from the acts, methods, or practices complained of.

The 2026 State employee health insurance open enrollment period begins October 2025.

<u>Assumptions</u>

- Providers will be required to establish and disclose the discounted cash price for health care services available to consumers.
- Insurers will be required to provide the minimum negotiated charge a provider has negotiated with the carrier.
- Health carriers offering prescription drug coverage will be required to make the out-of-pocket pricing for all formulary medications available.
- The Bill as amended may require operational and administrative changes to the insurance plans, which may increase expenses.
- According to the DAS, in order to conduct the analysis of the savings incentive program
 required by the Bill as amended, the DAS will need to hire an outside consultant with
 expertise in the subject matter. The outside consultant may cost up to \$495 per hour. The
 total cost cannot be estimated at this time. The DAS states that any associated fiscal impact
 is not currently included within its operating budget.

Fiscal Impact

Division II is estimated to increase operational and administrative expenses for the State of Iowa Insurance Plan and the BOR Insurance Plans. The fiscal impact cannot be estimated at this time but may be significant.

The fiscal impact to the DAS to conduct the analysis and complete the report required by the Bill as amended cannot be determined.

Sources

Iowa Insurance Division, Department of Insurance and Financial Services Department of Administrative Services Board of Regents Wellmark Legislative Services Agency analysis

	April 1, 2024
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