NINETIETH GENERAL ASSEMBLY 2024 REGULAR SESSION DAILY SENATE CLIP SHEET

April 4, 2024

Clip Sheet Summary

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

Bill	Amendment	Action	Sponsor
<u>SF 2410</u>	<u>S-5119</u>	Filed	TOM SHIPLEY

Fiscal Notes

SF 2109 — Minor Driving Permits (LSB5885SV.1)

SF 2261 — Ignition Interlock Devices (LSB5491SV.1)

<u>SF 2335</u> — <u>Cannabidiol Dispensaries</u>, <u>Maximum Number of Licensees</u> (LSB5831SV.1)

SENATE FILE 2410

S-5119

1 Amend Senate File 2410 as follows: 2 1. By striking page 1, line 15, through page 4, line 16. 2. By striking page 10, line 27, through page 11, line 2, 3 4 and inserting: Not later than June 30, 2024, the balance of the dairy 5 <1. 6 innovation fund created in section 159.31A shall be transferred 7 to the choose Iowa fund created in section 159.31.> 8 3. By striking page 11, line 10, through page 12, line 6. 9 4. Page 12, by striking lines 10. 10 Page 12, line 15, by striking <187.313> and inserting 5. 11 <187.311> 12 6. Page 12, line 28, by striking <sections 187.311 and 13 187.313> and inserting <section 187.311> 14 7. By striking page 12, line 33, through page 13, line 7, 15 and inserting: 16 <2. The following section of this division of this Act, 17 being deemed of immediate importance, takes effect upon 18 enactment: 19 The section that provides for the transfer of moneys to the 20 choose Iowa fund.> By renumbering, redesignating, and correcting internal 21 8. 22 references as necessary.

By TOM SHIPLEY

S-5119 FILED APRIL 3, 2024

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Fiscal Note



Fiscal Services Division

<u>SF 2109</u> – Minor Driving Permits (LSB5885SV.1) Staff Contact: Garry Martin (515.281.4611) <u>garry.martin@legis.iowa.gov</u> Fiscal Note Version – As amended and passed by the Senate

Description

<u>Senate File 2109</u> replaces the current special minor's license with a new special minor's restricted license. The special minor's restricted license entitles a person under the age of 16 (licensee) to drive up to 25 miles from the licensee's residence to the licensee's school, place of competent private instruction, extracurricular activities, or work shift in the hour before or after the licensee's scheduled work shift, school day, or extracurricular activity. A licensee may drive more than 25 miles if the licensee attends a public school and resides within the public school district. Under the Bill, an applicant for a special minor's restricted license must hold an instruction permit or a comparable permit issued by another state.

A licensee's parent or guardian must provide the <u>Department of Transportation</u> (DOT) with written consent for the licensee to drive to work. Eligible work activities include farm work and work activities under Iowa Code chapter <u>92</u>. The Bill prohibits a licensee to drive as a part of the licensee's employment if the employment is nonfarm.

The Bill decreases the distance a licensee may travel with a farm-work authorization from 50 miles to 25 miles and retains other existing privileges.

The Bill removes the current requirement for schools to certify that a special need exists for the DOT to issue a special minor's license. Instead, the Bill requires an applicant's school to certify that the applicant is enrolled as a student or, if the applicant receives private instruction, the certification must be made by the applicant's primary instructor. The Bill authorizes a licensee to drive to school regardless of whether the school is public or accredited nonpublic.

The Bill contains various provisions for a licensee who violates the license restrictions or is convicted of violating a traffic law. The Bill establishes that a violation of a license restriction becomes a moving violation.

The Bill does not require a person who holds a special minor's license that was issued before the effective date of the Bill to apply for a new license. However, a person who was issued a special minor's license prior to the effective date of the Bill is prohibited from driving unaccompanied to the person's place of employment until after the person's parent or guardian provides written consent to the DOT in accordance with the Bill.

Background

Under current law, the DOT is authorized to issue special permits and licenses to persons under the age of 18, including a special minor's license, which authorizes unsupervised driving and can be issued to a person 14 and a half years of age. A special minor's license entitles a person between the ages of 14 and a half to 18 (student driver) to operate a motor vehicle without adult supervision up to 50 miles from the student driver's residence to the student driver's school or school bus stop or public transportation service. The student driver can operate a vehicle without supervision for more than 50 miles if the student driver drives to a

school within the school district of enrollment or within a school district contiguous to the school district of enrollment. Current law also distinguishes between a public school and accredited nonpublic school in regard to where a student driver is authorized to drive unsupervised, requires schools to certify that a special need exists for the DOT to issue a special minor's license, and authorizes a student driver to drive to approved locations between the hours of 5:00 a.m. and 10:00 p.m.

Under current law, a student driver who resides on a farm or is employed for compensation on a farm may drive up to 50 miles for the purpose of assisting the person's parents, guardians, or employers with farm work or in connection with any farm job, employment, or other farm-related work, including traveling to or from the location of the farm work.

Assumptions

- The DOT will incur a one-time vendor cost of \$80,000 to redesign the existing minor school license to a special minor restricted license.
- The DOT will incur one-time information technology (IT) programming costs of \$68,000 for the DOT database to update the card design and create a new license, restriction, and sanction for the new special minor restricted license. A new form and a new program for the receipt/recording of the form will need to be created.
- The DOT estimates approximately 21,000 students may be eligible for special restricted driver's licenses. It is assumed that 10,600 students would apply for this type of license per year.
- The DOT may incur additional staff overtime costs to help process employment consent forms.

Fiscal Impact

The estimated fiscal impact to the DOT for SF 2109 is approximately \$209,000 in FY 2025, and ongoing costs of approximately \$61,000 in FY 2026.

DOT Costs	FY 2025	FY 2026
Card Redesign	\$ 80,000	\$ 0
IT Programming	68,000	0
Employment Consent Form Processing Time	61,000	61,000
Total	\$ 209,000	\$ 61,000
Numbers may not total due to rounding.		

Figure 1 — Estimated Fiscal Impact for SF 2109

Sources

Department of Transportation Legislative Services Agency

/s/ Jennifer Acton

April 3, 2024

Doc ID 1448606

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.



Fiscal Note



Fiscal Services Division

<u>SF 2261</u> – Ignition Interlock Devices (LSB5491SV.1) Staff Contact: Garry Martin (515.281.4611) <u>garry.martin@legis.iowa.gov</u> Fiscal Note Version – As amended and passed by the Senate

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 Iowa Code chapter <u>321J</u>.

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.
- Requires the DOT to develop an electronic process in which an approved IID provider is able to identify the start date of a driver's license revocation and to provide notice of any violations and a final compliance report.
- 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 Iowa 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 <u>661 IAC 158.6</u>.

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 1 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 321J.4(8)(f) and 321J.20(7) 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.
- The DOT estimates a one-time information technology (IT) programming cost.

Correctional Impact

Since SF 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.

		EV 00			F)(00								
		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

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

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 IT programming costs of approximately \$34,000 resulting from the Bill.

Sources

Criminal and Juvenile Justice Planning, Department of Management Iowa Department of Transportation

/s/ Jennifer Acton

April 3, 2024

Doc ID 1448580

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>SF 2335</u> – Cannabidiol Dispensaries, Maximum Number of Licensees (LSB5831SV.1) Staff Contact: Louie Hoehle (515.281.6561) <u>louie.hoehle@legis.iowa.gov</u> Fiscal Note Version – As amended and passed by the Senate

Description

<u>Senate File 2335</u> increases the maximum number of medical cannabidiol dispensary licenses in the State from 5 to 10. The Bill allows a licensee to hold any number of medical cannabidiol dispensary licenses.

Background

The Medical Cannabidiol Program was established in 2017, authorizing the manufacture and sale of products that contain both cannabidiol (CBD) and tetrahydrocannabinol (THC). Through the Program, the Department of Health and Human Services (HHS) can award up to five CBD licenses in the State. Currently, MedPharm Iowa holds two dispensary licenses, while Iowa Cannabis Company holds three dispensary licenses.

Taxable sales of medical CBD were approximately \$13.2 million in FY 2023.

Assumptions

- Senate File 2335 may expand the availability of medical CBD.
- The number of active registration cards issued to patients may remain unchanged.
- Medical CBD taxable sales revenue may increase by 25.0% because of previously unmet demand.
- Medical CBD taxable sales and sales tax revenue are estimated to grow at an average annual inflation rate of 2.0% from FY 2024 to FY 2029.
- Secure an Advanced Vision for Education (SAVE) refunds are 1.0% of taxable sales. Local option sales tax (LOST) distributions are estimated to be 0.97% of taxable sales.
- The HHS reports that approximately \$100,000 of information technology (IT) costs and any additional licensing costs associated with validating and integrating new dispensaries and dispensary personnel will be absorbed by the Program's current operational funding.

Fiscal Impact

Senate File 2335 is estimated to increase revenue to the General Fund, SAVE Fund, and LOST by the estimated amounts in **Figure 1**.

	General Fund		SAVE		LOST			
FY 2025	\$	0.16	\$	0.03	\$	0.03		
FY 2026		0.16		0.03		0.03		
FY 2027		0.16		0.03		0.03		
FY 2028		0.17		0.03		0.03		
FY 2029		0.17		0.03		0.03		

Figure 1 — Fiscal Impact of SF 2335 (in millions)

Sources

Department of Health and Human Services Department of Revenue

/s/ Jennifer Acton

April 3, 2024

Doc ID 1448651

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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