

**EIGHTY-FIFTH GENERAL ASSEMBLY
2014 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

APRIL 22, 2014

SENATE FILE 2342

S-5168

1 Amend the House amendment, [S-5156](#), to Senate File
2 2342, as amended, passed, and reprinted by the Senate,
3 as follows:

4 1. Page 4, after line 44 by inserting:

5 <8. Repeal. This section is repealed June 30,
6 2016.>

7 2. By renumbering as necessary.

By MATT McCOY

S-5168 FILED APRIL 21, 2014

ADOPTED

SENATE FILE 2355

S-5167

1 Amend Senate File 2355 as follows:

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

3 <Sec. ____ . Section 321.194, subsection 2, Code
4 2014, is amended to read as follows:

5 2. Suspension and revocation. A driver's license
6 issued under this section is subject to suspension
7 or revocation for the same reasons and in the same
8 manner as suspension or revocation of any other
9 driver's license. The department may also suspend
10 a driver's license issued under this section upon
11 receiving satisfactory evidence that the licensee
12 has violated the restrictions of the license or has
13 been involved in one or more accidents chargeable to
14 the licensee. The department may suspend a driver's
15 license issued under this section upon receiving a
16 record of the licensee's conviction for one violation.
17 The department shall revoke the license upon receiving
18 a record of conviction for two or more violations of a
19 law of this state or a city ordinance regulating the
20 operation of motor vehicles on highways other than
21 parking violations as defined in section 321.210.
22 After a person licensed under this section receives two
23 or more convictions which require revocation of the
24 person's license under this section, the department
25 shall not grant an application for a new driver's
26 license until the expiration of ~~one year~~ thirty days.>

27 2. Page 8, after line 35 by inserting:

28 <Sec. ____ . Section 321A.17, subsection 4, Code
29 2014, is amended to read as follows:

30 4. An individual applying for a driver's license
31 following a period of suspension or revocation
32 pursuant to a dispositional order issued under section
33 232.52, subsection 2, paragraph "a", or under section
34 321.180B, section 321.210, subsection 1, paragraph
35 "a", subparagraph (4), or section 321.210A, 321.213A,
36 321.213B, 321.216B, or 321.513, following a period
37 of suspension or revocation under section 321.178 or
38 321.194, or following a period of revocation pursuant
39 to a court order issued under section 901.5, subsection
40 10, or under section 321J.2A, is not required to
41 maintain proof of financial responsibility under this
42 section.>

43 3. Page 11, after line 1 by inserting:

44 <Sec. ____ . PRIOR REVOCATIONS.

45 1. The department of transportation shall end the
46 period of revocation for any person whose driver's
47 license was revoked under section 321.194, subsection
48 2, Code 2014, for having two or more convictions if
49 the revocation became effective on or after July 1,
50 2013, and, as of the effective date of this Act, the

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1 revocation has been effective for at least 30 days.

2 2. The department shall apply the provisions of
3 section 321A.17, subsection 4, as amended by this Act,
4 to end any ongoing duty to maintain proof of financial
5 responsibility imposed under section 321A.17, Code
6 2014, arising from a revocation under section 321.178,
7 Code 2014, or section 321.194, Code 2014, that occurred
8 prior to the effective date of this Act.>

9 4. By renumbering, redesignating, and correcting
10 internal references as necessary.

By CHRIS BRASE

S-5167 FILED APRIL 21, 2014

ADOPTED

S-5169

1 Amend the amendment, S-5166, to House File 2463,
 2 as amended, passed, and reprinted by the House, as
 3 follows:

- DIV A 4 1. Page 2, line 16, by striking <4,346,962> and
 5 inserting <4,346,602>
 6 2. Page 2, line 44, by striking <5,105,692> and
 7 inserting <5,155,692>
 8 3. Page 2, after line 49 by inserting:
 9 <____. Page 11, line 23, by striking <\$99,823> and
 10 inserting <\$149,823>
 11 _____. Page 11, line 27, after <families.> by
 12 inserting <The amount allocated in this paragraph in
 13 excess of \$100,000 shall be matched dollar for dollar
 14 by the organization specified.>>
 15 4. Page 3, line 7, after <2014> by inserting
 16 <regular session of the eighty-fifth>
 17 5. Page 3, line 9, by striking <8,937,910> and
 18 inserting <8,888,270>
 19 6. Page 3, line 18, by striking <313,400> and
 20 inserting <288,580>
 21 7. Page 3, line 20, by striking <316,375> and
 22 inserting <291,555>
 23 8. Page 4, after line 44 by inserting:
 24 <____. Page 33, line 3, after <responsibility> by
 25 inserting <headquartered>
 26 _____. Page 33, line 8, before <initiative> by
 27 inserting <multi-county>>
 28 9. Page 12, by striking lines 2 through 5 and
 29 inserting:
 30 <____. Page 62, lines 18 and 19, by striking <for
 31 the fiscal year beginning July 1, 2014> and inserting
 32 <effective January 1, 2015>>
 33 10. Page 13, line 28, after <regions> by inserting
 34 <including but not limited to the exemption provisions
 35 in 441 IAC 25.91>
 36 11. Page 14, by striking lines 46 and 47 and
 37 inserting:
 38 <Sec. _____. Section 426B.3, subsection 5, Code 2014,
 39 is amended to read as follows:>
 40 12. Page 14, line 48, before <a.> by inserting <5.>
 41 13. Page 15, by striking lines 7 through 13 and
 42 inserting:
 43 <____. By striking page 74, line 24, through page
 44 75, line 26, and inserting:
 45 <b. For the fiscal year beginning July 1, ~~2013~~
 46 2014, and succeeding fiscal years, the department
 47 of human services shall calculate a Medicaid offset
 48 amount for each county for the fiscal year. The
 49 department shall adopt rules in consultation with
 50 the county finance committee and the Iowa state

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DIV A 1 association of counties specifying the information to
2 be used in calculating a Medicaid offset amount. The
3 information used shall only include ~~but is not limited~~
4 ~~to identification of specific services and supports~~
5 ~~that would otherwise be payable by the county for~~
6 ~~persons eligible under a county's approved service~~
7 ~~management plan but are instead paid by the actual~~
8 amounts expended from the county's services fund for
9 services and supports provided to individuals who
10 enrolled in the Iowa health and wellness plan during
11 that fiscal year. For purposes of calculating the
12 offset amount, it shall be assumed the expenditures
13 for the same services and supports under the plan are
14 no more than the amount expended by the county for
15 those services and supports in that fiscal year. The
16 initial offset amount calculated for a county shall be
17 subject to submitted by October 15 for review, prior
18 to its certification, by the auditor of that county or
19 subject to independent audit state and by the fiscal
20 agent for the region to which the county belongs.
21 The results of the review shall be submitted to the
22 department by December 1. The Medicaid offset amounts
23 amount calculated by the department for a county for
24 a fiscal year are is not official until certified by
25 the director of human services and submitted to the
26 governor and general assembly by October 15 immediately
27 January 1 following the end of the fiscal year for
28 which the offset amounts were calculated.

29 ~~e. The Medicaid offset amounts certified for each~~
30 ~~county by the director of human services for the fiscal~~
31 ~~year beginning July 1, 2013, shall be annualized by~~
32 ~~doubling the amounts. For the fiscal year beginning~~
33 ~~July 1, 2014, a county shall repay the state from any~~
34 ~~equalization payment due the county for the fiscal~~
35 ~~year, eighty percent of the county's annualized~~
36 ~~Medicaid offset amount for the fiscal year beginning~~
37 ~~July 1, 2013. To the extent a county's repayment~~
38 ~~obligation for the fiscal year beginning July 1, 2014,~~
39 ~~exceeds the amount of any equalization payment due the~~
40 ~~county for the fiscal year, the county shall, for the~~
41 ~~following fiscal year, reduce the dollar amount of~~
42 ~~the county's services fund levy by the amount of the~~
43 ~~excess.~~

44 ~~d. c.~~ For the fiscal year beginning July 1,
45 2015, and succeeding fiscal years, a county shall
46 repay the state from any equalization payment due
47 the county for the fiscal year, eighty percent of
48 the county's Medicaid offset amount certified for
49 the previous fiscal year. To the extent a county's
50 repayment obligation for a fiscal year exceeds the

DIV A

DIV A 1 amount of any equalization payment due the county for
 2 that fiscal year, the county shall, for the following
 3 fiscal year, reduce the dollar amount of the county's
 4 services fund levy by the amount of the excess. A
 5 county's obligation for repayment of the offset amount
 6 calculated for the county shall be reduced as necessary
 7 to maintain, for the fiscal year of repayment or levy
 8 reduction, the county's cash flow amount under section
 9 331.424A and the amounts necessary for the county's
 10 share of services provided under the regional service
 11 system management plan approved for the fiscal year in
 12 accordance with section 331.393.

13 ~~e.~~ d. A county's repayment pursuant to this
 14 subsection shall be remitted on or before ~~January~~
 15 February 1 of the fiscal year in which repayment is
 16 due and shall be credited to the property tax relief
 17 fund. Moneys credited to the property tax relief
 18 fund in accordance with this paragraph are subject to
 19 appropriation by the general assembly to support mental
 20 health and disability services administered by the
 21 regional system.>

22 14. Page 16, by striking lines 10 through 27.

23 15. Page 16, by striking lines 30 through 47 and
 24 inserting:

25 <Sec. ____ . MEDICAID AND HAWK-I STATE PLAN
 26 AMENDMENTS AND WAIVERS - NOTIFICATION. The department
 27 of human services shall notify the chairpersons
 28 and ranking members of the joint appropriations
 29 subcommittee on health and human services, the
 30 chairpersons and ranking members of the committees
 31 on human resources of the senate and house of
 32 representatives, the legislative services agency, and
 33 the legislative caucus staffs prior to submission of
 34 any Medicaid or hawk-i program state plan amendment
 35 or waiver to the centers for Medicare and Medicaid
 36 services of the United States department of health and
 37 human services.>

DIV B 38 16. By striking page 16, line 48, through page 17,
 39 line 11.

DIV A 40 17. Page 19, by striking line 49.

41 18. Page 33, by striking line 17.

42 19. Page 37, by striking lines 17 through 19 and
 43 inserting:

44 <b. Five members of the general public who are
 45 individual consumers or a member of a consumer's
 46 family, one each to be selected by the following:>

47 20. Page 37, after line 24 by inserting:

48 <c. The director of the department on aging, or the
 49 director's designee.

DIV A 50 d. The state long-term care ombudsman, or the

DIV A 1 ombudsman's designee.>
2 21. Page 37, line 25, by striking <c.> and
3 inserting <e.>
4 22. Page 37, line 30, after <aging,> by inserting
5 <the office of long-term care ombudsman,>
6 23. By striking page 38, line 20, through page 39,
7 line 19.
8 24. Page 43, line 21, by striking <an>
9 25. Page 47, line 3, by striking <is> and inserting
10 <are>
11 26. Page 47, line 18, by striking <payer> and
12 inserting <payor>
13 27. Page 47, after line 29 by inserting:
14 <DIVISION ____
15 PROVISIONALLY LICENSED PSYCHOLOGISTS – MEDICAID
16 REIMBURSEMENT
17 Sec. _____. Section 249A.15, Code 2014, is amended to
18 read as follows:
19 249A.15 Licensed psychologists eligible for payment.
20 The department shall adopt rules pursuant to
21 chapter 17A entitling psychologists who are licensed
22 in the state where the services are provided and have
23 a doctorate degree in psychology, have had at least
24 two years of clinical experience in a recognized
25 health setting, or have met the standards of a
26 national register of health service providers in
27 psychology, or who are licensed in accordance with
28 section 154B.6, subsection 3, to payment for services
29 provided to recipients of medical assistance, subject
30 to limitations and exclusions the department finds
31 necessary on the basis of federal laws and regulations
32 and of funds available for the medical assistance
33 program.
34 Sec. _____. MEDICAL ASSISTANCE STATE PLAN –
35 PSYCHOLOGIST – PROVISIONAL LICENSEE. The department
36 of human services shall amend the medical assistance
37 state plan to allow psychologists who hold a
38 provisional license in accordance with section 154B.6,
39 subsection 3, as enacted by 2014 Iowa Acts, House File
40 2378, to be participating psychologists under the
DIV A 41 medical assistance program.>
42 28. By renumbering as necessary.

By JACK HATCH

HOUSE FILE 2463

S-5170

1 Amend House File 2463, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 21, after line 6 by inserting:
4 <If health care data is required under
5 administrative rule to be submitted by a health care
6 provider to the department of public health regarding a
7 patient, beginning July 1, 2015, the department shall
8 provide a written notice to the patient within 30 days
9 of receipt of such health care data. The notice shall
10 request that the patient respond within 30 days of
11 receipt of the notice approving or declining approval
12 of storage of such data by the department.>
13 2. By renumbering as necessary.

By JAKE CHAPMAN

S-5170 FILED APRIL 21, 2014
WITHDRAWN

HOUSE FILE 2463

S-5171

1 Amend House File 2463, as amended, passed, and
2 reprinted by the House, as follows:
3 1. Page 74, by striking line 24 and inserting:
4 <b. For the fiscal year beginning July 1, ~~2013~~
5 2014, and>
6 2. Page 75, by striking lines 14 through 26 and
7 inserting:
8 <Sec. _____. Section 426B.3, subsection 5, paragraph
9 c, Code 2014, is amended by striking the paragraph.>
10 3. Page 76, before line 32 by inserting:
11 <Sec. _____. FREE PARKING OPTIONS – CHILDREN WITH
12 CHRONIC CONDITIONS. The university of Iowa hospitals
13 and clinics shall develop and implement by October 1,
14 2014, a free parking option for the use by families of
15 children who are admitted to the hospital for extended
16 periods of time or who visit the hospital routinely for
17 treatment for cancer or other chronic conditions. The
18 option may provide for assignment of one free visitor
19 parking pass to the child for use by the family as
20 the family deems appropriate, validation of parking
21 tickets, provision of a reserved lot in close proximity
22 to the hospital and easily accessible on foot, or
23 issuance of parking passes valid in the hospital
24 parking area.>
25 4. By renumbering as necessary.

By MARK CHELGREN
BRAD ZAUN

JONI ERNST
NANCY J. BOETTGER

S-5171 FILED APRIL 21, 2014
RULED OUT OF ORDER



SF 2355 – Department of Transportation (DOT) Omnibus Policy Bill (LSB 6219SV)
Analyst: Adam Broich (Phone: (515) 281-8223) (adam.broich@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 2355 updates several Iowa Code chapters to comply with federal law, reorganizes Iowa Code chapters **307** and **307A**, and includes several other provisions. Changes include the following:

Division One adopts the following provisions:

- This Bill prohibits the establishment, operation, or maintenance of a junkyard within 1,000 feet of the nearest edge of any road on the national highway system. This Bill exempts existing junkyards and allows exceptions. This change adopts requirements from Moving Ahead for Progress in the 21st Century Act (MAP-21) for establishing **control of junkyards**.
- Redefines “primary highways” to include all highways on the national highway system and all highways on the federal aid primary system as it existed on June 1, 1991. The change will expand the DOT authority to regulate outdoor advertising along interstates and primary highways. This change adopts requirements of MAP-21 for establishing **control of outdoor advertising**.

Division Two adopts several of the following amendments:

- Allows the discharge of a security interest noted on an Iowa vehicle title in statewide computers upon the presentation of a valid certificate of title without the security interest from another jurisdiction.
- Exempts farmers and farm employees from commercial driver’s licenses requirements for covered vehicles. This Bill adopts the definition of farm vehicles as defined in MAP-21.
- Describes new colored lights used as official traffic control signals.
- Extends the number of days to return a certificate of title and claim a refund of the registration fee for aircraft from 10 to 30.
- Requires an annual Road Use Tax Fund efficiency report. Currently, this report is required to be issued quarterly.
- Requires county engineers to report all uncontrolled intersections with speed limits exceeding 55 miles per hour to the DOT.
- Allows the Department to designate third-party examiners for commercial driver’s licenses (CDL) tests that are not community colleges. Currently, only community colleges are designated to conduct CDL tests. This Iowa Code section change is effective on enactment and is repealed five years after the effective date.
- Creates a Commercial Air Service Retention and Expansion Committee within the DOT Office of Aviation, and sets membership requirements. The Committee will develop a plan to retain and expand existing passenger air service in Iowa.

Division Three

- Establishes a two-year special dealer plate for vehicles, owned by the dealer and continuously for sale, that haul a load or tow a trailer. The fee for this plate is \$750.
- Amends disclosure requirements for vehicles sold by motor vehicle dealers to convey if a vehicle has had repairs, replaced parts, or adjustments exceeding 4.0% of the manufacturer's suggested retail price (MSRP). The MSRP replaces a previous method for determining the car's value.
- Exempts the purchase of vehicles loaned to customers by dealerships from the fee for new registration. These vehicles are often loaned when the customer's car is being serviced or repaired.
- Allows licensed motor vehicle dealers to sell used motor trucks with a gross vehicle weight exceeding 26,001 pounds on a consignment basis. The vehicle must be purchased by a corporation or business entity.

Background

The MAP-21 Act expanded the definition of the National Highway System to include new routes. Currently, these routes and advertising along these routes are not under the jurisdiction of the DOT. Similarly, MAP-21 requires states to be responsible for junkyard control along segments recently added to the primary highway system.

Assumptions

Continued noncompliance with MAP-21 will reduce federal funding for highways. The DOT stated that current law may result in a 10.0% reduction in federal funding for failure to control advertising, and a reduction of 7.0% for failure to control junkyards. Current estimates assume unchanged spending from Federal Fiscal Year (FFY) 2014 to FFY 2015.

The DOT states that expanding the definition of the primary highway system will require approval of an additional 250 sign permit applications. The DOT anticipates hiring an additional temporary employee (Transportation Aide) to inventory junkyards on added miles. The impact of allowing an additional 20 days to claim a registration refund for aircraft is unknown, but anticipated to be minimal.

Fiscal Impact

[**SF 2355**](#) will maintain current federal funding levels. Without this legislation, the DOT estimates that noncompliance with the control of advertising requirement will reduce federal revenue by \$46.9 million in FFY 2015. Noncompliance with the control of junkyard provisions will reduce federal funding by \$32.8 million in FFY 2015.

Establishing control of outdoor advertising will require the approval of 250 sign permits by the DOT for each year. Sign owners will be required to pay a \$100 application fee and an annual permit renewal fee of \$15. This will increase revenue to the Highway Beautification Fund by \$25,000 in FY 2015 and \$3,750 each year after. The DOT intends to hire a temporary employee that will work approximately 26 weeks at a cost of \$12,400 each fiscal year.

The creation of a new dealer plate will increase revenue to the Road Use Tax Fund by an unknown amount. Exempting vehicles purchased by dealerships to be loaned to customers will reduce revenue to the Road Use Tax Fund by an unknown amount. Requiring the DOT to collect data from county engineers will require staff time, but will not require hiring additional staff.

Source

Iowa DOT

/s/ Holly M. Lyons

April 21, 2014

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.



HF 2452 – Home Buyer Savings Account, Tax Exemption (LSB 5761HZ.1)
Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – As amended and passed by the House

Description

House File 2452 creates a new State income tax exemption for qualified deposits to a First-time Homebuyer Savings Account. While there is no limit to the amount a taxpayer may contribute to an account, deposited amounts qualifying for the income tax exemption are limited to \$3,000 per year for an individual account or \$6,000 per year for a married couple with a joint account. Interest earned on account balances is also exempt from State income tax.

A qualifying account must pay interest and be established with a State or federally chartered bank, savings and loan association, credit union, or trust company in Iowa. The account must have an administrator. An account holder may also serve as the account administrator. To be eligible to establish an account, a taxpayer must never have been the owner of a single-family, owner-occupied residence.

The assets of an account are to be used for the down payment and allowable closing costs associated with the purchase of a home. Withdrawals from the account are tax-free as long as the money is used for a down payment and closing costs for a single-family, owner-occupied home in Iowa. If the account holder withdraws the money from the account for any other reason, they must include that money as taxable income on their Iowa tax return in the year of withdrawal. Nonqualified withdrawals are generally subject to a 10.0% withdrawal penalty on any amount that represents interest and earnings on the account balance. This Bill is effective January 1, 2015, and applies to tax year 2015 and after.

House File 2452 imposes a serious misdemeanor penalty for knowingly preparing or causing to be prepared a false claim, statement, or billing to justify the withdrawal of money from a First-time Homebuyer Savings Account. This may already be charged as some other criminal conduct under current law.

Background

Correctional Impact

Expanded definitions and enhanced penalties generally increase criminal justice system costs. Refer to the Legislative Services Agency (LSA) memo addressed to the General Assembly, **Correctional Impact Memo**, dated January 30, 2014, for information related to criminal justice system costs. The State General Fund cost of a serious misdemeanor conviction ranges from \$210 to \$4,500. The minimum cost includes court time of a District Associate Judge or a District Court Judge, court reporter, court attendant, and Clerk of Court staff. The maximum cost includes court time plus costs for indigent defense, State prison, and parole.

Minority Data Information

Refer to the memo to the General Assembly, [Minority Impact Memo](#), dated January 30, 2014, for information related to minorities in the criminal justice system.

Assumptions

- An estimated 25,000 single-family, owner-occupied homes are sold in Iowa each year.
- An estimated 40.0% of single-family, owner-occupied homes are sold to first-time homebuyers (10,000 homes).
- The annual number of accounts established to purchase first-time homes will fall into these general categories.
 - 5,000 one-year accounts (the year of purchase) with an average deposit of \$5,000 per account.
 - 2,000 two-year accounts with an average annual deposit of \$4,500.
 - 700 three-year accounts with an average annual deposit of \$3,500.
 - 225 four-year accounts with an average annual deposit of \$3,500.
 - 2,000 first-time home purchases will be made without an account.
 - The interest rate on accounts will be average 3.4% over the next 10 years.
 - The average marginal income tax rate for benefited taxpayers will be 6.5%.
 - Due to the work and publicity needed to get the process fully operational, the fiscal impact in the first three years is assumed to be limited to a percentage of the projected full impact:
 - FY 2015 = 25.0%
 - FY 2016 = 50.0%
 - FY 2017 = 75.0%
 - FY 2018 and after = 100.0%
 - The average statewide rate for the local option income surtax for schools is 3.5%.

Summary of Impacts

Fiscal Impact

The tax credit created in this Bill is projected to reduce net General Fund revenue by the following amounts.

First-time Homebuyer Tax Credit	
In Millions	
	General Fund Revenue Reduction
FY 2015	\$ -0.1
FY 2016	-0.5
FY 2017	-1.7
FY 2018	-2.7
FY 2019	-3.6
FY 2020	-3.6

For fiscal years beyond FY 2020, the fiscal impact continues at a similar level. The new tax credit will reduce State tax liability and it will also reduce the revenue raised by the local option income surtax for schools, for school jurisdictions with the surtax in place. This Bill is projected to reduce the statewide surtax yield by \$100,000 annually.

Correctional Impact

This Bill provides a serious misdemeanor penalty for any person that knowingly prepares or causes to be prepared a false claim, statement, or billing to justify the withdrawal of money from a first-time homebuyer savings account. A serious misdemeanor is punishable by confinement for no more than one year and a fine of at least \$315 but not more than \$1,875.

The correctional impact cannot be estimated but is expected to be minimal.

Minority Impact

The minority impact cannot be estimated but is assumed to be minimal.

Sources

Federal First-time Homebuyer claims, 2008 and 2009
Iowa Association of Realtors
Iowa Department of Revenue
Legislative Services Agency analysis

/s/ Holly M. Lyons

April 21, 2014

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.
