

**EIGHTY-SIXTH GENERAL ASSEMBLY
2015 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

APRIL 1, 2015

SENATE FILE 167

S-3083

1 Amend Senate File 167 as follows:
2 1. By striking everything after the enacting clause
3 and inserting:
4 <Section 1. Section 331.401, Code 2015, is amended
5 by adding the following new subsection:
6 NEW SUBSECTION. 4. The board shall not approve for
7 payment to the auditor, treasurer, recorder, sheriff,
8 county attorney, or to a supervisor a separation
9 allowance or severance pay.>

By TONY BISIGNANO

S-3083 FILED MARCH 31, 2015
ADOPTED

SENATE FILE 345

S-3084

1 Amend Senate File 345 as follows:
2 1. Page 2, by striking lines 24 and 25 and
3 inserting:
4 <(1) An incident of harassment or bullying is
5 reported>

By ROBERT M. HOGG

S-3084 FILED MARCH 31, 2015
ADOPTED

S-3085

1 Amend the amendment, S-3079, to Senate File 427 as
2 follows:

3 1. By striking page 1, line 1, through page 15,
4 line 23, and inserting:

5 <Amend Senate File 427 as follows:

6 1. By striking everything after the enacting clause
7 and inserting:

8 <Section 1. Section 724.1, subsection 1, paragraph
9 h, Code 2015, is amended by striking the paragraph.

10 Sec. 2. NEW SECTION. 724.1A Firearm suppressors
11 - certification.

12 1. As used in this section, unless the context
13 otherwise requires:

14 a. "Certification" means the participation and
15 assent of the chief law enforcement officer of the
16 jurisdiction where the applicant resides or maintains
17 an address of record, that is necessary under federal
18 law for the approval of an application to make or
19 transfer a firearm suppressor.

20 b. "Chief law enforcement officer" means the county
21 sheriff, chief of police, or the designee of such
22 official, that the federal bureau of alcohol, tobacco,
23 firearms and explosives, or any successor agency, has
24 identified by regulation or has determined is otherwise
25 eligible to provide any required certification for
26 making or transferring a firearm suppressor.

27 c. "Firearm suppressor" means a mechanical device
28 specifically constructed and designed so that when
29 attached to a firearm silences, muffles, or suppresses
30 the sound when fired that is considered a "firearm
31 silencer" or "firearm muffler" as defined in 18 U.S.C.
32 §921.

33 2. a. A chief law enforcement officer is not
34 required to make any certification under this section
35 the chief law enforcement officer knows to be false,
36 but the chief law enforcement officer shall not
37 refuse, based on a generalized objection, to issue a
38 certification to make or transfer a firearm suppressor.

39 b. When the certification of the chief law
40 enforcement officer is required by federal law or
41 regulation for making or transferring a firearm
42 suppressor, the chief law enforcement officer
43 shall, within thirty days of receipt of a request
44 for certification, issue such certification if the
45 applicant is not prohibited by law from making or
46 transferring a firearm suppressor or is not the subject
47 of a proceeding that could result in the applicant
48 being prohibited by law from making or transferring
49 the firearm suppressor. If the chief law enforcement
50 officer does not issue a certification as required by

S-3085

1 this section, the chief law enforcement officer shall
2 provide the applicant with a written notification of
3 the denial and the reason for the denial.

4 c. A certification that has been approved under
5 this section grants the person the authority to make
6 or transfer a firearm suppressor as provided by state
7 and federal law.

8 3. An applicant whose request for certification
9 is denied may appeal the decision of the chief law
10 enforcement officer to the district court for the
11 county in which the applicant resides or maintains
12 an address of record. The court shall review the
13 decision of the chief law enforcement officer to deny
14 the certification de novo. If the court finds that
15 the applicant is not prohibited by law from making
16 or transferring the firearm suppressor, or is not the
17 subject of a proceeding that could result in such
18 prohibition, or that no substantial evidence supports
19 the decision of the chief law enforcement officer, the
20 court shall order the chief law enforcement officer
21 to issue the certification and award court costs and
22 reasonable attorney fees to the applicant. If the
23 court determines the applicant is not eligible to be
24 issued a certification, the court shall award court
25 costs and reasonable attorney fees to the political
26 subdivision of the state representing the chief law
27 enforcement officer.

28 4. In making a determination about whether to
29 issue a certification under subsection 2, a chief law
30 enforcement officer may conduct a criminal background
31 check, including an inquiry of the national instant
32 criminal background check system maintained by the
33 federal bureau of investigation or any successor
34 agency, but shall only require the applicant provide
35 as much information as is necessary to identify
36 the applicant for this purpose or to determine the
37 disposition of an arrest or proceeding relevant to the
38 eligibility of the applicant to lawfully possess or
39 receive a firearm suppressor. A chief law enforcement
40 officer shall not require access to or consent
41 to inspect any private premises as a condition of
42 providing a certification under this section.

43 5. A chief law enforcement officer and employees
44 of the chief law enforcement officer who act in good
45 faith are immune from liability arising from any act or
46 omission in making a certification as required by this
47 section.

48 Sec. 3. NEW SECTION. 724.1B Firearm suppressors
49 - penalty.

50 1. A person shall not possess a firearm suppressor

1 in this state if such possession is knowingly in
2 violation of federal law.

3 2. A person who possesses a firearm suppressor in
4 violation of subsection 1 commits a class "D" felony.

5 Sec. 4. Section 724.4, subsection 4, paragraph i,
6 Code 2015, is amended to read as follows:

7 i. (1) A person who has in the person's immediate
8 possession and who displays to a peace officer on
9 demand a valid permit to carry weapons which has been
10 issued to the person, and whose conduct is within the
11 limits of that permit. A peace officer shall verify
12 through electronic means, if possible, the validity of
13 the person's permit to carry weapons.

14 (2) A person commits a simple misdemeanor
15 punishable as a scheduled violation pursuant to section
16 805.8C, subsection 11, if the person does not have in
17 the person's immediate possession a valid permit to
18 carry weapons which has been issued to the person.

19 (3) A Except as provided subparagraph (2), a
20 person shall not be convicted of a violation of this
21 section if the person produces at the person's trial a
22 permit to carry weapons which was valid at the time of
23 the alleged offense and which would have brought the
24 person's conduct within this exception if the permit
25 had been produced at the time of the alleged offense.

26 Sec. 5. Section 724.4B, subsection 2, paragraph a,
27 Code 2015, is amended to read as follows:

28 a. A person listed under section 724.4, subsection
29 4, paragraphs "b" through "f" or "j", or a certified
30 peace officer as specified in section 724.6, subsection
31 1.

32 Sec. 6. Section 724.5, Code 2015, is amended to
33 read as follows:

34 724.5 Duty to carry or verify permit to carry
35 weapons.

36 1. A person armed with a revolver, pistol, or
37 pocket billy concealed upon the person shall have in
38 the person's immediate possession the permit provided
39 for in section 724.4, subsection 4, paragraph "i", and
40 shall produce the permit for inspection at the request
41 of a peace officer.

42 2. A peace officer shall verify through electronic
43 means, if possible, the validity of the person's permit
44 to carry weapons.

45 3. Failure to so produce a permit is a simple
46 misdemeanor, punishable as a scheduled violation
47 pursuant to section 805.8C, subsection 12.

48 Sec. 7. Section 724.6, subsection 1, Code 2015, is
49 amended to read as follows:

50 1. A person may be issued a permit to carry weapons

1 when the person's employment in a private investigation
2 business or private security business licensed under
3 chapter 80A, or a person's employment as a peace
4 officer, correctional officer, security guard, bank
5 messenger or other person transporting property of a
6 value requiring security, or in police work, reasonably
7 justifies that person going armed. The permit shall be
8 on a form prescribed and published by the commissioner
9 of public safety, shall identify the holder, and
10 shall state the nature of the employment requiring the
11 holder to go armed. A permit so issued, other than to
12 a peace officer, shall authorize the person to whom
13 it is issued to go armed anywhere in the state, only
14 while engaged in the employment, and while going to and
15 from the place of the employment. A permit issued to
16 a certified peace officer shall authorize that peace
17 officer to go armed anywhere in the state, including
18 a school as provided in section 724.4B, at all times.
19 Permits shall expire twelve months after the date when
20 issued except that permits issued to peace officers and
21 correctional officers are valid through the officer's
22 period of employment unless otherwise canceled. When
23 the employment is terminated, the holder of the
24 permit shall surrender it to the issuing officer for
25 cancellation.

26 Sec. 8. Section 724.7, subsection 1, Code 2015, is
27 amended to read as follows:

28 1. Any person who is not disqualified under
29 section 724.8, who satisfies the training requirements
30 of section 724.9, if applicable, and who files an
31 application in accordance with section 724.10 shall be
32 issued a nonprofessional permit to carry weapons. Such
33 permits shall be on a form prescribed and published
34 by the commissioner of public safety, which shall be
35 readily distinguishable from the professional permit,
36 and shall identify the holder of the permit. Such
37 permits shall not be issued for a particular weapon
38 and shall not contain information about a particular
39 weapon including the make, model, or serial number of
40 the weapon or any ammunition used in that weapon. All
41 permits so issued shall be for a period of five years
42 and shall be valid throughout the state except where
43 the possession or carrying of a firearm is prohibited
44 by state or federal law.

45 Sec. 9. Section 724.9, Code 2015, is amended by
46 adding the following new subsection:

47 NEW SUBSECTION. 1A. The handgun safety training
48 course required in subsection 1 may be conducted
49 over the internet in a live or web-based format, if
50 completion of the course is verified by the instructor

1 or provider of the course.

2 Sec. 10. Section 724.11, subsections 1 and 3, Code
3 2015, are amended to read as follows:

4 1. a. Applications for permits to carry weapons
5 shall be made to the sheriff of the county in which
6 the applicant resides. Applications for professional
7 permits to carry weapons for persons who are
8 nonresidents of the state, or whose need to go armed
9 arises out of employment by the state, shall be made
10 to the commissioner of public safety. In either case,
11 the sheriff or commissioner, before issuing the permit,
12 shall determine that the requirements of sections 724.6
13 to 724.10 have been satisfied. However, ~~for renewal of~~
14 ~~a permit~~ the training program requirements in section
15 724.9, subsection 1, do not apply to an applicant
16 who is able to demonstrate completion of small arms
17 training as specified in section 724.9, subsection 1,
18 paragraph "d". For all other applicants the training
19 program requirements of section 724.9, subsection 1,
20 must be satisfied within the twenty-four-month period
21 prior to the date of the application for the issuance
22 of a permit.

23 b. (1) Prior to issuing a renewal, the sheriff
24 or commissioner shall determine the requirements of
25 sections 724.6, 724.7, 724.8, and 724.10 and either of
26 the following, as applicable, have been satisfied:

27 (a) Beginning with the first renewal of a permit
28 issued after the calendar year 2010, and alternating
29 renewals thereafter, if a renewal applicant applies
30 within thirty days prior to the expiration of the
31 permit or within thirty days after expiration of the
32 permit, the training program requirements of section
33 724.9, subsection 1, do not apply.

34 (b) Beginning with the second renewal of a permit
35 issued after the calendar year 2010, and alternating
36 renewals thereafter, if a renewal applicant applies
37 within thirty days prior to the expiration of the
38 permit or within thirty days after expiration of the
39 permit, a renewal applicant shall qualify for renewal
40 by taking an online training course certified by the
41 national rifle association or the Iowa law enforcement
42 academy, and the training program requirements of
43 section 724.9, subsection 1, do not apply.

44 (2) If any renewal applicant applies more than
45 thirty days after the expiration of the permit, the
46 permit requirements of paragraph "a" apply to the
47 applicant, and any subsequent renewal of this permit
48 shall be considered a first renewal for purposes
49 of subparagraph (1). However, the training program
50 requirements of section 724.9, subsection 1, do not

1 apply to an applicant who is able to demonstrate
2 completion of small arms training as specified in
3 section 724.9, subsection 1, paragraph "d". For all
4 other applicants, in lieu of the training program
5 requirements of section 724.9, subsection 1, the
6 renewal applicant may choose to qualify on a firing
7 range under the supervision of an instructor certified
8 by the national rifle association or the department of
9 public safety or another state's department of public
10 safety, state police department, or similar certifying
11 body.

12 (3) As an alternative to subparagraph (1), and if
13 the requirements of sections 724.6, 724.7, 724.8, and
14 724.10 have been satisfied, a renewal applicant may
15 choose to qualify, at any renewal, under the training
16 program requirements in section 724.9, subsection 1,
17 ~~shall apply~~ or the renewal applicant may choose to
18 qualify on a firing range under the supervision of an
19 instructor certified by the national rifle association
20 or the department of public safety or another
21 state's department of public safety, state police
22 department, or similar certifying body. Such training
23 or qualification must occur within the ~~twelve-month~~
24 twenty-four-month period prior to the expiration
25 of the applicant's current permit, except that the
26 twenty-four-month time period limitation for training
27 or qualification does not apply to an applicant who is
28 able to demonstrate completion of small arms training
29 as specified in section 724.9, subsection 1, paragraph
30 "d".

31 3. The issuing officer shall collect a fee of fifty
32 dollars, except from a duly appointed peace officer or
33 correctional officer, for each permit issued. Renewal
34 permits or duplicate permits shall be issued for a fee
35 of twenty-five dollars, provided the application for
36 such renewal permit is received by the issuing officer
37 ~~at least~~ within thirty days prior to the expiration
38 of the applicant's current permit or within thirty
39 days after such expiration. The issuing officer
40 shall notify the commissioner of public safety of the
41 issuance of any permit at least monthly and forward to
42 the commissioner an amount equal to ten dollars for
43 each permit issued and five dollars for each renewal
44 or duplicate permit issued. All such fees received
45 by the commissioner shall be paid to the treasurer
46 of state and deposited in the operating account of
47 the department of public safety to offset the cost of
48 administering this chapter. Notwithstanding section
49 8.33, any unspent balance as of June 30 of each year
50 shall not revert to the general fund of the state.

1 Sec. 11. Section 724.11, Code 2015, is amended by
2 adding the following new subsection:

3 NEW SUBSECTION. 5. The initial or renewal permit
4 shall have a uniform appearance, size, and content
5 prescribed and published by the commissioner of public
6 safety. The permit shall contain the name of the
7 permittee and the effective date of the permit, but
8 shall not contain the permittee's social security
9 number. Such a permit shall not be issued for a
10 particular weapon and shall not contain information
11 about a particular weapon including the make, model,
12 or serial number of the weapon, or any ammunition used
13 in that weapon.

14 Sec. 12. Section 724.11A, Code 2015, is amended to
15 read as follows:

16 724.11A Recognition.

17 A valid permit or license issued by another state to
18 any nonresident of this state shall be considered to
19 be a valid permit or license to carry weapons issued
20 pursuant to this chapter, except that such permit or
21 license shall not be considered to be a substitute for
22 ~~an annual~~ a permit to acquire ~~pistols or revolvers~~
23 firearms issued pursuant to section 724.15.

24 Sec. 13. Section 724.15, Code 2015, is amended by
25 striking the section and inserting in lieu thereof the
26 following:

27 724.15 Optional permit to acquire firearms.

28 1. It is the purpose of this section to provide
29 for a permit to acquire firearms that will satisfy
30 the requirements of 18 U.S.C. §922(t)(3) to allow the
31 holder of such a permit to acquire firearms from a
32 federally licensed firearms dealer. A person is not
33 required to obtain a permit to acquire firearms under
34 this section if the person possesses a valid permit to
35 carry weapons issued in accordance with this chapter or
36 if the person has otherwise completed a satisfactory
37 national instant criminal background check required
38 pursuant to 18 U.S.C. §922(t).

39 2. A person may obtain a permit to acquire firearms
40 pursuant to this section. However, a permit to acquire
41 firearms shall not be issued to a person who is subject
42 to any of the following:

43 a. Is under twenty-one years of age.

44 b. Is prohibited by section 724.26 or federal law
45 from possessing, shipping, transporting, or receiving a
46 firearm.

47 c. Is prohibited by court order from possessing,
48 shipping, transporting, or receiving a firearm.

49 3. A permit to acquire firearms shall authorize the
50 permit holder to acquire one or more firearms, without

1 limitation, from a federally licensed firearms dealer
2 during the period the permit remains valid pursuant to
3 section 724.20.

4 4. An issuing officer who finds that a person
5 issued a permit to acquire firearms under this chapter
6 has been arrested for a disqualifying offense or who
7 is the subject of proceedings that could lead to the
8 person's ineligibility for such permit may immediately
9 suspend such permit. An issuing officer proceeding
10 under this subsection shall immediately notify the
11 permit holder of the suspension by personal service or
12 certified mail on a form prescribed and published by
13 the commissioner of public safety and the suspension
14 shall become effective upon the permit holder's
15 receipt of such notice. If the suspension is based
16 on an arrest or a proceeding that does not result in
17 a disqualifying conviction or finding against the
18 permit holder, the issuing officer shall immediately
19 reinstate the permit upon receipt of proof of the
20 matter's final disposition. If the arrest leads to
21 a disqualifying conviction or the proceedings to a
22 disqualifying finding, the issuing officer shall revoke
23 the permit. The issuing officer may also revoke the
24 permit of a person whom the issuing officer later finds
25 was not qualified for such a permit at the time of
26 issuance or who the officer finds provided materially
27 false information on the permit application. A person
28 aggrieved by a suspension or revocation under this
29 subsection may seek review of the decision pursuant to
30 section 724.21A.

31 Sec. 14. Section 724.16, Code 2015, is amended by
32 striking the section and inserting in lieu thereof the
33 following:

34 724.16 Prohibited transfers of firearms.

35 1. A person shall not transfer a firearm to another
36 person if the person knows or reasonably should know
37 that the other person is prohibited from receiving or
38 possessing a firearm under section 724.26 or federal
39 law.

40 2. A person shall not loan or rent a firearm
41 to another person for temporary use during lawful
42 activities if the person knows or reasonably should
43 know that the person is prohibited from receiving or
44 possessing a firearm under section 724.26 or federal
45 law.

46 3. A person who transfers, loans, or rents a
47 firearm in violation of this section commits a class
48 "D" felony.

49 Sec. 15. Section 724.17, Code 2015, is amended to
50 read as follows:

1 724.17 Application for ~~annual~~ permit to acquire
2 firearms - criminal history check required.

3 1. The application for ~~an annual~~ a permit to
4 acquire ~~pistols or revolvers~~ firearms may be made to
5 the sheriff of the county of the applicant's residence
6 and shall be on a form prescribed and published by the
7 commissioner of public safety.

8 a. The If an applicant is a United States citizen,
9 the application shall require only the full name of
10 the applicant, the driver's license or nonoperator's
11 identification card number of the applicant, the
12 residence of the applicant, and the date and place of
13 birth of the applicant.

14 b. If the applicant is not a United States citizen,
15 the application shall, in addition to the information
16 specified in paragraph "a", require the applicant's
17 country of citizenship, any alien or admission
18 number issued by the United States immigration and
19 customs enforcement or any successor agency, and,
20 if applicable, the basis for any exception claimed
21 pursuant to 18 U.S.C. §922(y).

22 c. The applicant shall also display an
23 identification card that bears a distinguishing number
24 assigned to the cardholder, the full name, date of
25 birth, sex, residence address, and brief description
26 and ~~colored~~ photograph of the cardholder, or other
27 identification as specified by rule of the department
28 of public safety.

29 2. The sheriff shall conduct a criminal history
30 check concerning each applicant by obtaining criminal
31 history data from the department of public safety
32 which shall include an inquiry of the national instant
33 criminal background check system maintained by the
34 federal bureau of investigation or any successor agency
35 and an immigration alien query through a database
36 maintained by the United States immigration and customs
37 enforcement or any successor agency if the applicant is
38 not a United States citizen.

39 3. A person who makes what the person knows to be
40 a false statement of material fact on an application
41 submitted under this section or who submits what the
42 person knows to be any materially falsified or forged
43 documentation in connection with such an application
44 commits a class "D" felony.

45 Sec. 16. Section 724.18, Code 2015, is amended by
46 striking the section and inserting in lieu thereof the
47 following:

48 724.18 Procedure for making application for permit
49 to acquire firearms.

50 1. A person may personally request the sheriff to

1 mail an application for a permit to acquire firearms,
2 and the sheriff shall immediately forward such
3 application to the person. The person shall personally
4 deliver such a completed application to the sheriff
5 who, upon successful completion of the criminal history
6 check and immigration alien query, if applicable,
7 required pursuant to section 724.17, shall note the
8 period of validity on the application and immediately
9 issue the permit to the applicant.

10 2. For the purposes of this section, the date of
11 application shall be the date on which the sheriff
12 received the completed application.

13 Sec. 17. Section 724.19, Code 2015, is amended to
14 read as follows:

15 724.19 Issuance of ~~annual~~ permit to acquire
16 firearms.

17 The ~~annual~~ permit to acquire ~~pistols or revolvers~~
18 firearms shall be issued to the applicant immediately
19 upon completion of the application unless the applicant
20 is disqualified under the provisions of section 724.15
21 ~~and~~. The permit shall be on a form have a uniform
22 appearance, size, and content prescribed and published
23 by the commissioner of public safety. The permit shall
24 contain the name of the permittee, the residence of
25 the permittee, and the effective date of the permit,
26 but shall not contain the permittee's social security
27 number. Such a permit shall not be issued for a
28 particular weapon and shall not contain information
29 about a particular weapon including the make, model,
30 or serial number of the weapon, or any ammunition used
31 in that weapon.

32 Sec. 18. Section 724.20, Code 2015, is amended to
33 read as follows:

34 724.20 Validity of ~~annual~~ permit to acquire ~~pistols~~
35 ~~or revolvers~~ firearms.

36 The permit shall be valid throughout the state and
37 shall be ~~valid three days after the date of application~~
38 ~~and shall be invalid one year~~ five years after the date
39 of application issuance.

40 Sec. 19. Section 724.21, Code 2015, is amended to
41 read as follows:

42 724.21 Giving false information when acquiring
43 ~~weapon~~ firearms.

44 A person who gives a false name or presents false
45 identification, or otherwise knowingly gives false
46 material information to one from whom the person seeks
47 to acquire a ~~pistol or revolver~~ firearm, commits a
48 class "D" felony.

49 Sec. 20. Section 724.21A, subsections 1 and 7, Code
50 2015, are amended to read as follows:

1 1. In any case where the sheriff or the
2 commissioner of public safety denies an application
3 for or suspends or revokes a permit to carry weapons
4 or ~~an annual a permit to acquire pistols or revolvers~~
5 firearms, the sheriff or commissioner shall provide
6 a written statement of the reasons for the denial,
7 suspension, or revocation and the applicant or permit
8 holder shall have the right to appeal the denial,
9 suspension, or revocation to an administrative law
10 judge in the department of inspections and appeals
11 within thirty days of receiving written notice of the
12 denial, suspension, or revocation.

13 7. In any case where the issuing officer denies
14 an application for, or suspends or revokes a permit
15 to carry weapons or ~~an annual a permit to acquire~~
16 ~~pistols or revolvers~~ firearms solely because of an
17 adverse determination by the national instant criminal
18 background check system, the applicant or permit holder
19 shall not seek relief under this section but may pursue
20 relief of the national instant criminal background
21 check system determination pursuant to Pub. L. No.
22 103-159, sections 103(f) and (g) and 104 and 28 C.F.R.
23 §25.10, or other applicable law. The outcome of such
24 proceedings shall be binding on the issuing officer.

25 Sec. 21. Section 724.21A, Code 2015, is amended by
26 adding the following new subsection:

27 NEW SUBSECTION. 8. If an applicant appeals the
28 decision by the sheriff or commissioner to deny an
29 application, or suspend or revoke a permit to carry
30 weapons or a permit to acquire firearms, and it is
31 later determined the applicant is eligible to be
32 issued or possess such a permit, the applicant shall be
33 awarded court costs and reasonable attorney fees. If
34 the decision of the sheriff or commission to deny the
35 application, or suspend or revoke the permit is upheld
36 on appeal, the political subdivision of the state
37 representing the sheriff or the commissioner shall be
38 awarded court costs and reasonable attorney fees.

39 Sec. 22. Section 724.22, subsection 5, Code 2015,
40 is amended to read as follows:

41 5. A parent or guardian or spouse who is twenty-one
42 years of age or older, of a person ~~fourteen years of~~
43 ~~age but less than~~ below the age of twenty-one may
44 allow the person to possess a pistol or revolver or
45 the ammunition therefor for any lawful purpose while
46 under the direct supervision of the parent or guardian
47 or spouse who is twenty-one years of age or older, or
48 while the person receives instruction in the proper use
49 thereof from an instructor twenty-one years of age or
50 older, with the consent of such parent, guardian or

1 spouse.

2 Sec. 23. Section 724.23, Code 2015, is amended to
3 read as follows:

4 724.23 Records kept by commissioner and issuing
5 officers.

6 1. a. The commissioner of public safety shall
7 maintain a permanent record of all valid permits to
8 carry weapons and of current permit revocations.

9 b. The permanent record shall be kept in a
10 searchable database that is accessible on a statewide
11 basis for the circumstances described in subsection 2,
12 paragraph "b", "c", or "d".

13 2. a. Notwithstanding any other law or rule to
14 the contrary, the commissioner of public safety and
15 any issuing officer shall keep confidential personally
16 identifiable information of holders of nonprofessional
17 permits to carry weapons and permits to acquire
18 firearms, including but not limited to the name, social
19 security number, date of birth, residential or business
20 address, and driver's license or other identification
21 number of the applicant or permit holder.

22 b. This subsection shall not prohibit the
23 release of statistical information relating to the
24 issuance, denial, revocation, or administration of
25 nonprofessional permits to carry weapons and permits
26 to acquire firearms, provided that the release of
27 such information does not reveal the identity of any
28 individual permit holder.

29 c. This subsection shall not prohibit the release
30 of information to any law enforcement agency or any
31 employee or agent thereof when necessary for the
32 purpose of investigating a possible violation of law
33 and probable cause exists, or for conducting a lawfully
34 authorized background investigation.

35 d. This subsection shall not prohibit the
36 release of information relating to the validity of a
37 professional permit to carry weapons to an employer who
38 requires an employee or an agent of the employer to
39 possess a professional permit to carry weapons as part
40 of the duties of the employee or agent.

41 e. Except as provided in paragraphs "b", "c", and
42 "d", the release of any confidential information under
43 this section shall require a court order or the consent
44 of the person whose personally identifiable information
45 is the subject of the information request.

46 Sec. 24. Section 724.27, subsection 1, unnumbered
47 paragraph 1, Code 2015, is amended to read as follows:

48 The provisions of section 724.8, section 724.15,
49 subsection \pm 2, and section 724.26 shall not apply to
50 a person who is eligible to have the person's civil

1 rights regarding firearms restored under section 914.7
2 if any of the following occur:

3 Sec. 25. NEW SECTION. 724.29A Fraudulent purchase
4 of firearms or ammunition.

5 1. For purposes of this section:

6 a. "Ammunition" means any cartridge, shell, or
7 projectile designed for use in a firearm.

8 b. "Licensed firearms dealer" means a person who is
9 licensed pursuant to 18 U.S.C. §923 to engage in the
10 business of dealing in firearms.

11 c. "Materially false information" means information
12 that portrays an illegal transaction as legal or a
13 legal transaction as illegal.

14 d. "Private seller" means a person who sells or
15 offers for sale any firearm or ammunition.

16 2. A person who knowingly solicits, persuades,
17 encourages, or entices a licensed firearms dealer or
18 private seller of firearms or ammunition to transfer
19 a firearm or ammunition under circumstances that the
20 person knows would violate the laws of this state or of
21 the United States commits a class "D" felony.

22 3. A person who knowingly provides materially
23 false information to a licensed firearms dealer or
24 private seller of firearms or ammunition with the
25 intent to deceive the firearms dealer or seller about
26 the legality of a transfer of a firearm or ammunition
27 commits a class "D" felony.

28 4. Any person who willfully procures another to
29 engage in conduct prohibited by this section shall be
30 held accountable as a principal.

31 5. This section does not apply to a law enforcement
32 officer acting in the officer's official capacity
33 or to a person acting at the direction of such law
34 enforcement officer.

35 Sec. 26. NEW SECTION. 724.32 Rules.

36 The department of public safety shall adopt rules
37 pursuant to chapter 17A to administer this chapter.

38 Sec. 27. Section 805.8C, Code 2015, is amended by
39 adding the following new subsections:

40 NEW SUBSECTION. 11. Duty to possess permit to carry
41 weapons. For violations of section 724.4, subsection
42 4, paragraph "i", subparagraph (2), the scheduled fine
43 is ten dollars.

44 NEW SUBSECTION. 12. Failure to produce permit to
45 carry. For violations of section 724.5, the scheduled
46 fine is ten dollars.

47 Sec. 28. EFFECTIVE UPON ENACTMENT. The following
48 provision or provisions of this Act, being deemed of
49 immediate importance, take effect upon enactment:

50 1. The section of this Act amending section 724.1,

1 subsection 1, paragraph "h".

2 2. The section of this Act enacting new section
3 724.1A.

4 3. The section of this Act amending section 724.22.

5 4. The section of this Act amending section 724.23,
6 subsection 2.

7 5. The section of this Act amending section
8 724.29A.

9 6. The applicability section of this Act.

10 Sec. 29. APPLICABILITY. The section of this
11 Act amending section 724.23 applies to holders of
12 nonprofessional permits to carry weapons and permits to
13 acquire firearms and to applicants for nonprofessional
14 permits to carry weapons and permits to acquire
15 firearms on or after the effective date of that section
16 of this Act.>

17 2. Title page, line 2, by striking <and providing
18 penalties> and inserting <providing penalties, and
19 including effective date and applicability provisions>>

By CHARLES SCHNEIDER

S-3086

1 Amend Senate File 427 as follows:

2 1. By striking page 1, line 1, through page 3, line
3 8, and inserting:

4 <Section 1. Section 724.1, subsection 1, paragraph
5 h, Code 2015, is amended by striking the paragraph.

6 Sec. 2. NEW SECTION. 724.1A Firearm suppressors
7 - certification.

8 1. As used in this section, unless the context
9 otherwise requires:

10 a. "Certification" means the participation and
11 assent of the chief law enforcement officer of the
12 jurisdiction where the applicant resides or maintains
13 an address of record, that is necessary under federal
14 law for the approval of an application to make or
15 transfer a firearm suppressor.

16 b. "Chief law enforcement officer" means the county
17 sheriff, chief of police, or the designee of such
18 official, that the federal bureau of alcohol, tobacco,
19 firearms and explosives, or any successor agency, has
20 identified by regulation or has determined is otherwise
21 eligible to provide any required certification for
22 making or transferring a firearm suppressor.

23 c. "Firearm suppressor" means a mechanical device
24 specifically constructed and designed so that when
25 attached to a firearm silences, muffles, or suppresses
26 the sound when fired that is considered a "firearm
27 silencer" or "firearm muffler" as defined in 18 U.S.C.
28 §921.

29 2. a. A chief law enforcement officer is not
30 required to make any certification under this section
31 the chief law enforcement officer knows to be false,
32 but the chief law enforcement officer shall not
33 refuse, based on a generalized objection, to issue a
34 certification to make or transfer a firearm suppressor.

35 b. When the certification of the chief law
36 enforcement officer is required by federal law or
37 regulation for making or transferring a firearm
38 suppressor, the chief law enforcement officer
39 shall, within thirty days of receipt of a request
40 for certification, issue such certification if the
41 applicant is not prohibited by law from making or
42 transferring a firearm suppressor or is not the subject
43 of a proceeding that could result in the applicant
44 being prohibited by law from making or transferring
45 the firearm suppressor. If the chief law enforcement
46 officer does not issue a certification as required by
47 this section, the chief law enforcement officer shall
48 provide the applicant with a written notification of
49 the denial and the reason for the denial.

50 c. A certification that has been approved under

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1 this section grants the person the authority to make
2 or transfer a firearm suppressor as provided by state
3 and federal law.

4 3. An applicant whose request for certification
5 is denied may appeal the decision of the chief law
6 enforcement officer to the district court for the
7 county in which the applicant resides or maintains
8 an address of record. The court shall review the
9 decision of the chief law enforcement officer to deny
10 the certification de novo. If the court finds that
11 the applicant is not prohibited by law from making
12 or transferring the firearm suppressor, or is not the
13 subject of a proceeding that could result in such
14 prohibition, or that no substantial evidence supports
15 the decision of the chief law enforcement officer, the
16 court shall order the chief law enforcement officer
17 to issue the certification and award court costs and
18 reasonable attorney fees to the applicant. If the
19 court determines the applicant is not eligible to be
20 issued a certification, the court shall award court
21 costs and reasonable attorney fees to the political
22 subdivision of the state representing the chief law
23 enforcement officer.

24 4. In making a determination about whether to
25 issue a certification under subsection 2, a chief law
26 enforcement officer may conduct a criminal background
27 check, including an inquiry of the national instant
28 criminal background check system maintained by the
29 federal bureau of investigation or any successor
30 agency, but shall only require the applicant provide
31 as much information as is necessary to identify
32 the applicant for this purpose or to determine the
33 disposition of an arrest or proceeding relevant to the
34 eligibility of the applicant to lawfully possess or
35 receive a firearm suppressor. A chief law enforcement
36 officer shall not require access to or consent
37 to inspect any private premises as a condition of
38 providing a certification under this section.

39 5. A chief law enforcement officer and employees
40 of the chief law enforcement officer who act in good
41 faith are immune from liability arising from any act or
42 omission in making a certification as required by this
43 section.

44 Sec. 3. NEW SECTION. 724.1B Firearm suppressors
45 - penalty.

46 1. A person shall not possess a firearm suppressor
47 in this state if such possession is knowingly in
48 violation of federal law.

49 2. A person who possesses a firearm suppressor in
50 violation of subsection 1 commits a class "D" felony.>

By BILL ANDERSON
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JAKE CHAPMAN
MARK CHELGREN
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S-3086 FILED MARCH 31, 2015
LOST

S-3087

1 Amend Senate File 427 as follows:

2 1. Page 1, before line 1 by inserting:

3 <Section 1. Section 704.1, Code 2015, is amended to
4 read as follows:

5 704.1 Reasonable force.

6 1. "Reasonable force" ~~is~~ means that force ~~and no~~
7 ~~more~~ which a reasonable person, in like circumstances,
8 would judge to be necessary to prevent an injury or
9 loss and can include deadly force if it is reasonable
10 to believe that such force is necessary to avoid injury
11 or risk to one's life or safety or the life or safety
12 of another, or it is reasonable to believe that such
13 force is necessary to resist a like force or threat.

14 2. Reasonable force, including deadly force, may
15 be used even if an alternative course of action is
16 available if the alternative entails a risk to life
17 or safety, or the life or safety of a third party, ~~or~~
18 ~~requires one to abandon or retreat from one's dwelling~~
19 ~~or place of business or employment.~~

20 3. A person may be wrong in the estimation of the
21 danger or the force necessary to repel the danger as
22 long as there is a reasonable basis for the belief
23 of the person and the person acts reasonably in the
24 response to that belief.

25 4. A person who is not engaged in illegal activity
26 has no duty to retreat from any place where the person
27 is lawfully present before using force as specified in
28 this chapter. A finder of fact shall not be permitted
29 to consider the possibility of retreat as a factor in
30 determining whether or not a person who used force
31 reasonably believed that the force was necessary to
32 prevent injury, loss, or risk to life or safety.

33 Sec. _____. Section 704.2, Code 2015, is amended by
34 adding the following new subsection:

35 NEW SUBSECTION. 1A. A threat to cause serious
36 injury or death, by the production, display, or
37 brandishing of a deadly weapon, is not deadly force,
38 as long as the actions of the person are limited to
39 creating an expectation that the person may use deadly
40 force to defend oneself, another, or as otherwise
41 authorized by law.

42 Sec. _____. NEW SECTION. 704.2A Justifiable use of
43 deadly force.

44 1. For purposes of this chapter, a person is
45 presumed to reasonably believe that deadly force is
46 necessary to avoid injury or risk to one's life or
47 safety or the life or safety of another in either of
48 the following circumstances:

49 a. The person against whom force is used, at the
50 time the force is used, is doing any of the following:

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1 (1) Unlawfully entering by force or stealth, or
2 has unlawfully entered by force or stealth and remains
3 within the dwelling, place of business or employment,
4 or occupied vehicle of the person using force.

5 (2) Unlawfully removing or is attempting to
6 unlawfully remove another person against the other
7 person's will from the dwelling, place of business or
8 employment, or occupied vehicle of the person using
9 force.

10 b. The person using force knows or has reason
11 to believe that any of the conditions set forth in
12 paragraph "a" are occurring or have occurred.

13 2. The presumption set forth in subsection 1 does
14 not apply if, at the time force is used, any of the
15 following circumstances are present:

16 a. The person using defensive force is engaged
17 in a criminal offense, is attempting to escape from
18 the scene of a criminal offense that the person has
19 committed, or is using the dwelling, place of business
20 or employment, or occupied vehicle to further a
21 criminal offense.

22 b. The person sought to be removed is a child or
23 grandchild or is otherwise in the lawful custody or
24 under the lawful guardianship of the person against
25 whom force is used.

26 c. The person against whom force is used is a
27 peace officer who has entered or is attempting to
28 enter a dwelling, place of business or employment, or
29 occupied vehicle in the lawful performance of the peace
30 officer's official duties, and the person using force
31 knows or reasonably should know that the person who has
32 entered or is attempting to enter is a peace officer.

33 d. The person against whom the force is used has
34 the right to be in, or is a lawful resident of, the
35 dwelling, place of business or employment, or occupied
36 vehicle of the person using force, and a protective or
37 no-contact order is not in effect against the person
38 against whom the force is used.

39 Sec. _____. Section 704.3, Code 2015, is amended to
40 read as follows:

41 704.3 Defense of self or another.

42 A person is justified in the use of reasonable force
43 when the person reasonably believes that such force is
44 necessary to defend oneself or another from any actual
45 or imminent use of unlawful force.

46 Sec. _____. NEW SECTION. 704.4A Immunity for
47 justifiable use of force.

48 1. As used in this section, "criminal prosecution"
49 means arrest, detention, charging, or prosecution.

50 2. A person who uses reasonable force pursuant

1 to this chapter shall be immune from any criminal
2 prosecution or civil action for using such force.

3 3. A law enforcement agency may use standard
4 investigating procedures for investigating the use of
5 force, but the law enforcement agency shall not arrest
6 a person for using force unless the law enforcement
7 agency determines there is probable cause that the
8 force was unlawful under this chapter.

9 4. The court shall award reasonable attorney fees,
10 court costs, compensation for loss of income, and all
11 expenses incurred by the defendant in defense of any
12 civil action brought by the plaintiff if the court
13 finds that the defendant is immune from prosecution as
14 provided in subsection 2.

15 Sec. _____. Section 704.7, Code 2015, is amended to
16 read as follows:

17 704.7 Resisting ~~forcible~~ violent felony.

18 1. As used in this section, "violent felony" means
19 any felonious sexual abuse involving compulsion or
20 the use of a weapon or any felonious assault, murder,
21 kidnapping, robbery, arson, or burglary.

22 2. A person who ~~knows~~ reasonably believes that a
23 ~~forcible violent~~ felony is being or will imminently
24 be perpetrated is justified in using, ~~against the~~
25 perpetrator, reasonable force, including deadly force,
26 against the perpetrator or perpetrators to prevent the
27 completion of or terminate the perpetration of that
28 felony.>

29 2. Page 3, after line 8 by inserting:

30 <Sec. _____. REPEAL. Section 707.6, Code 2015, is
31 repealed.>

32 3. Title page, line 2, after <suppressors,> by
33 inserting <justifiable use of reasonable force,>

34 4. By renumbering as necessary.

By BILL ANDERSON	TIM L. KAPUCIAN
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JULIAN GARRETT	JACK WHITVER
DENNIS GUTH	BRAD ZAUN
DAVID JOHNSON	DAN ZUMBACH

S-3088

1 Amend Senate File 427 as follows:

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

4 <Section 1. Section 724.1, subsection 1, paragraph
5 h, Code 2015, is amended by striking the paragraph.

6 Sec. 2. NEW SECTION. 724.1A Firearm suppressors
7 - certification.

8 1. As used in this section, unless the context
9 otherwise requires:

10 a. "Certification" means the participation and
11 assent of the chief law enforcement officer of the
12 jurisdiction where the applicant resides or maintains
13 an address of record, that is necessary under federal
14 law for the approval of an application to make or
15 transfer a firearm suppressor.

16 b. "Chief law enforcement officer" means the county
17 sheriff, chief of police, or the designee of such
18 official, that the federal bureau of alcohol, tobacco,
19 firearms and explosives, or any successor agency, has
20 identified by regulation or has determined is otherwise
21 eligible to provide any required certification for
22 making or transferring a firearm suppressor.

23 c. "Firearm suppressor" means a mechanical device
24 specifically constructed and designed so that when
25 attached to a firearm silences, muffles, or suppresses
26 the sound when fired that is considered a "firearm
27 silencer" or "firearm muffler" as defined in 18 U.S.C.
28 §921.

29 2. a. A chief law enforcement officer is not
30 required to make any certification under this section
31 the chief law enforcement officer knows to be false,
32 but the chief law enforcement officer shall not
33 refuse, based on a generalized objection, to issue a
34 certification to make or transfer a firearm suppressor.

35 b. When the certification of the chief law
36 enforcement officer is required by federal law or
37 regulation for making or transferring a firearm
38 suppressor, the chief law enforcement officer
39 shall, within thirty days of receipt of a request
40 for certification, issue such certification if the
41 applicant is not prohibited by law from making or
42 transferring a firearm suppressor or is not the subject
43 of a proceeding that could result in the applicant
44 being prohibited by law from making or transferring
45 the firearm suppressor. If the chief law enforcement
46 officer does not issue a certification as required by
47 this section, the chief law enforcement officer shall
48 provide the applicant with a written notification of
49 the denial and the reason for the denial.

50 c. A certification that has been approved under

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1 this section grants the person the authority to make
2 or transfer a firearm suppressor as provided by state
3 and federal law.

4 3. An applicant whose request for certification
5 is denied may appeal the decision of the chief law
6 enforcement officer to the district court for the
7 county in which the applicant resides or maintains
8 an address of record. The court shall review the
9 decision of the chief law enforcement officer to deny
10 the certification de novo. If the court finds that
11 the applicant is not prohibited by law from making
12 or transferring the firearm suppressor, or is not the
13 subject of a proceeding that could result in such
14 prohibition, or that no substantial evidence supports
15 the decision of the chief law enforcement officer, the
16 court shall order the chief law enforcement officer
17 to issue the certification and award court costs and
18 reasonable attorney fees to the applicant. If the
19 court determines the applicant is not eligible to be
20 issued a certification, the court shall award court
21 costs and reasonable attorney fees to the political
22 subdivision of the state representing the chief law
23 enforcement officer.

24 4. In making a determination about whether to
25 issue a certification under subsection 2, a chief law
26 enforcement officer may conduct a criminal background
27 check, including an inquiry of the national instant
28 criminal background check system maintained by the
29 federal bureau of investigation or any successor
30 agency, but shall only require the applicant provide
31 as much information as is necessary to identify
32 the applicant for this purpose or to determine the
33 disposition of an arrest or proceeding relevant to the
34 eligibility of the applicant to lawfully possess or
35 receive a firearm suppressor. A chief law enforcement
36 officer shall not require access to or consent
37 to inspect any private premises as a condition of
38 providing a certification under this section.

39 5. A chief law enforcement officer and employees
40 of the chief law enforcement officer who act in good
41 faith are immune from liability arising from any act or
42 omission in making a certification as required by this
43 section.

44 Sec. 3. NEW SECTION. 724.1B Firearm suppressors
45 - penalty.

46 1. A person shall not possess a firearm suppressor
47 in this state if such possession is knowingly in
48 violation of federal law.

49 2. A person who possesses a firearm suppressor in
50 violation of subsection 1 commits a class "D" felony.

1 Sec. 4. Section 724.4, subsection 4, paragraph i,
2 Code 2015, is amended to read as follows:

3 i. (1) A person who has in the person's immediate
4 possession and who displays to a peace officer on
5 demand a valid permit to carry weapons which has been
6 issued to the person, and whose conduct is within the
7 limits of that permit. A peace officer shall verify
8 through electronic means, if possible, the validity of
9 the person's permit to carry weapons.

10 (2) A person commits a simple misdemeanor
11 punishable as a scheduled violation pursuant to section
12 805.8C, subsection 11, if the person does not have in
13 the person's immediate possession a valid permit to
14 carry weapons which has been issued to the person.

15 (3) Except as provided subparagraph (2), a
16 person shall not be convicted of a violation of this
17 section if the person produces at the person's trial a
18 permit to carry weapons which was valid at the time of
19 the alleged offense and which would have brought the
20 person's conduct within this exception if the permit
21 had been produced at the time of the alleged offense.

22 Sec. 5. Section 724.4B, subsection 2, paragraph a,
23 Code 2015, is amended to read as follows:

24 a. A person listed under section 724.4, subsection
25 4, paragraphs "b" through "f" or "j", or a certified
26 peace officer as specified in section 724.6, subsection
27 1.

28 Sec. 6. Section 724.5, Code 2015, is amended to
29 read as follows:

30 724.5 Duty to carry or verify permit to carry
31 weapons.

32 1. A person armed with a revolver, pistol, or
33 pocket billy concealed upon the person shall have in
34 the person's immediate possession the permit provided
35 for in section 724.4, subsection 4, paragraph "i", and
36 shall produce the permit for inspection at the request
37 of a peace officer.

38 2. A peace officer shall verify through electronic
39 means, if possible, the validity of the person's permit
40 to carry weapons.

41 3. Failure to so produce a permit is a simple
42 misdemeanor, punishable as a scheduled violation
43 pursuant to section 805.8C, subsection 12.

44 Sec. 7. Section 724.6, subsection 1, Code 2015, is
45 amended to read as follows:

46 1. A person may be issued a permit to carry weapons
47 when the person's employment in a private investigation
48 business or private security business licensed under
49 chapter 80A, or a person's employment as a peace
50 officer, correctional officer, security guard, bank

1 messenger or other person transporting property of a
2 value requiring security, or in police work, reasonably
3 justifies that person going armed. The permit shall be
4 on a form prescribed and published by the commissioner
5 of public safety, shall identify the holder, and
6 shall state the nature of the employment requiring the
7 holder to go armed. A permit so issued, other than to
8 a peace officer, shall authorize the person to whom
9 it is issued to go armed anywhere in the state, only
10 while engaged in the employment, and while going to and
11 from the place of the employment. A permit issued to
12 a certified peace officer shall authorize that peace
13 officer to go armed anywhere in the state, including
14 a school as provided in section 724.4B, at all times.
15 Permits shall expire twelve months after the date when
16 issued except that permits issued to peace officers and
17 correctional officers are valid through the officer's
18 period of employment unless otherwise canceled. When
19 the employment is terminated, the holder of the
20 permit shall surrender it to the issuing officer for
21 cancellation.

22 Sec. 8. Section 724.7, subsection 1, Code 2015, is
23 amended to read as follows:

24 1. Any person who is not disqualified under
25 section 724.8, who satisfies the training requirements
26 of section 724.9, if applicable, and who files an
27 application in accordance with section 724.10 shall be
28 issued a nonprofessional permit to carry weapons. Such
29 permits shall be on a form prescribed and published
30 by the commissioner of public safety, which shall be
31 readily distinguishable from the professional permit,
32 and shall identify the holder of the permit. Such
33 permits shall not be issued for a particular weapon
34 and shall not contain information about a particular
35 weapon including the make, model, or serial number of
36 the weapon or any ammunition used in that weapon. All
37 permits so issued shall be for a period of five years
38 and shall be valid throughout the state except where
39 the possession or carrying of a firearm is prohibited
40 by state or federal law.

41 Sec. 9. Section 724.9, Code 2015, is amended by
42 adding the following new subsection:

43 NEW SUBSECTION. 1A. The handgun safety training
44 course required in subsection 1 may be conducted
45 over the internet in a live or web-based format, if
46 completion of the course is verified by the instructor
47 or provider of the course.

48 Sec. 10. Section 724.11, subsections 1 and 3, Code
49 2015, are amended to read as follows:

50 1. a. Applications for permits to carry weapons

1 shall be made to the sheriff of the county in which
2 the applicant resides. Applications for professional
3 permits to carry weapons for persons who are
4 nonresidents of the state, or whose need to go armed
5 arises out of employment by the state, shall be made
6 to the commissioner of public safety. In either case,
7 the sheriff or commissioner, before issuing the permit,
8 shall determine that the requirements of sections 724.6
9 to 724.10 have been satisfied. However, ~~for renewal of~~
10 ~~a permit~~ the training program requirements in section
11 724.9, subsection 1, do not apply to an applicant
12 who is able to demonstrate completion of small arms
13 training as specified in section 724.9, subsection 1,
14 paragraph "d". For all other applicants the training
15 program requirements of section 724.9, subsection 1,
16 must be satisfied within the twenty-four-month period
17 prior to the date of the application for the issuance
18 of a permit.

19 b. (1) Prior to issuing a renewal, the sheriff
20 or commissioner shall determine the requirements of
21 sections 724.6, 724.7, 724.8, and 724.10 and either of
22 the following, as applicable, have been satisfied:

23 (a) Beginning with the first renewal of a permit
24 issued after the calendar year 2010, and alternating
25 renewals thereafter, if a renewal applicant applies
26 within thirty days prior to the expiration of the
27 permit or within thirty days after expiration of the
28 permit, the training program requirements of section
29 724.9, subsection 1, do not apply.

30 (b) Beginning with the second renewal of a permit
31 issued after the calendar year 2010, and alternating
32 renewals thereafter, if a renewal applicant applies
33 within thirty days prior to the expiration of the
34 permit or within thirty days after expiration of the
35 permit, a renewal applicant shall qualify for renewal
36 by taking an online training course certified by the
37 national rifle association or the Iowa law enforcement
38 academy, and the training program requirements of
39 section 724.9, subsection 1, do not apply.

40 (2) If any renewal applicant applies more than
41 thirty days after the expiration of the permit, the
42 permit requirements of paragraph "a" apply to the
43 applicant, and any subsequent renewal of this permit
44 shall be considered a first renewal for purposes
45 of subparagraph (1). However, the training program
46 requirements of section 724.9, subsection 1, do not
47 apply to an applicant who is able to demonstrate
48 completion of small arms training as specified in
49 section 724.9, subsection 1, paragraph "d". For all
50 other applicants, in lieu of the training program

1 requirements of section 724.9, subsection 1, the
2 renewal applicant may choose to qualify on a firing
3 range under the supervision of an instructor certified
4 by the national rifle association or the department of
5 public safety or another state's department of public
6 safety, state police department, or similar certifying
7 body.

8 (3) As an alternative to subparagraph (1), and if
9 the requirements of sections 724.6, 724.7, 724.8, and
10 724.10 have been satisfied, a renewal applicant may
11 choose to qualify, at any renewal, under the training
12 program requirements in section 724.9, subsection 1,
13 ~~shall apply~~ or the renewal applicant may choose to
14 qualify on a firing range under the supervision of an
15 instructor certified by the national rifle association
16 or the department of public safety or another
17 state's department of public safety, state police
18 department, or similar certifying body. Such training
19 or qualification must occur within the ~~twelve-month~~
20 twenty-four-month period prior to the expiration
21 of the applicant's current permit, except that the
22 twenty-four-month time period limitation for training
23 or qualification does not apply to an applicant who is
24 able to demonstrate completion of small arms training
25 as specified in section 724.9, subsection 1, paragraph
26 "d".

27 3. The issuing officer shall collect a fee of fifty
28 dollars, except from a duly appointed peace officer or
29 correctional officer, for each permit issued. Renewal
30 permits or duplicate permits shall be issued for a fee
31 of twenty-five dollars, provided the application for
32 such renewal permit is received by the issuing officer
33 ~~at least~~ within thirty days prior to the expiration
34 of the applicant's current permit or within thirty
35 days after such expiration. The issuing officer
36 shall notify the commissioner of public safety of the
37 issuance of any permit at least monthly and forward to
38 the commissioner an amount equal to ten dollars for
39 each permit issued and five dollars for each renewal
40 or duplicate permit issued. All such fees received
41 by the commissioner shall be paid to the treasurer
42 of state and deposited in the operating account of
43 the department of public safety to offset the cost of
44 administering this chapter. Notwithstanding section
45 8.33, any unspent balance as of June 30 of each year
46 shall not revert to the general fund of the state.

47 Sec. 11. Section 724.11, Code 2015, is amended by
48 adding the following new subsection:

49 NEW SUBSECTION. 5. The initial or renewal permit
50 shall have a uniform appearance, size, and content

1 prescribed and published by the commissioner of public
2 safety. The permit shall contain the name of the
3 permittee and the effective date of the permit, but
4 shall not contain the permittee's social security
5 number. Such a permit shall not be issued for a
6 particular weapon and shall not contain information
7 about a particular weapon including the make, model,
8 or serial number of the weapon, or any ammunition used
9 in that weapon.

10 Sec. 12. Section 724.11A, Code 2015, is amended to
11 read as follows:

12 724.11A Recognition.

13 A valid permit or license issued by another state to
14 any nonresident of this state shall be considered to
15 be a valid permit or license to carry weapons issued
16 pursuant to this chapter, except that such permit or
17 license shall not be considered to be a substitute for
18 ~~an annual a permit to acquire pistols or revolvers~~
19 firearms issued pursuant to section 724.15.

20 Sec. 13. Section 724.15, Code 2015, is amended by
21 striking the section and inserting in lieu thereof the
22 following:

23 724.15 Optional permit to acquire firearms.

24 1. It is the purpose of this section to provide
25 for a permit to acquire firearms that will satisfy
26 the requirements of 18 U.S.C. §922(t)(3) to allow the
27 holder of such a permit to acquire firearms from a
28 federally licensed firearms dealer. A person is not
29 required to obtain a permit to acquire firearms under
30 this section if the person possesses a valid permit to
31 carry weapons issued in accordance with this chapter or
32 if the person has otherwise completed a satisfactory
33 national instant criminal background check required
34 pursuant to 18 U.S.C. §922(t).

35 2. A person may obtain a permit to acquire firearms
36 pursuant to this section. However, a permit to acquire
37 firearms shall not be issued to a person who is subject
38 to any of the following:

39 a. Is under twenty-one years of age.

40 b. Is prohibited by section 724.26 or federal law
41 from possessing, shipping, transporting, or receiving a
42 firearm.

43 c. Is prohibited by court order from possessing,
44 shipping, transporting, or receiving a firearm.

45 3. A permit to acquire firearms shall authorize the
46 permit holder to acquire one or more firearms, without
47 limitation, from a federally licensed firearms dealer
48 during the period the permit remains valid pursuant to
49 section 724.20.

50 4. An issuing officer who finds that a person

1 issued a permit to acquire firearms under this chapter
2 has been arrested for a disqualifying offense or who
3 is the subject of proceedings that could lead to the
4 person's ineligibility for such permit may immediately
5 suspend such permit. An issuing officer proceeding
6 under this subsection shall immediately notify the
7 permit holder of the suspension by personal service or
8 certified mail on a form prescribed and published by
9 the commissioner of public safety and the suspension
10 shall become effective upon the permit holder's
11 receipt of such notice. If the suspension is based
12 on an arrest or a proceeding that does not result in
13 a disqualifying conviction or finding against the
14 permit holder, the issuing officer shall immediately
15 reinstate the permit upon receipt of proof of the
16 matter's final disposition. If the arrest leads to
17 a disqualifying conviction or the proceedings to a
18 disqualifying finding, the issuing officer shall revoke
19 the permit. The issuing officer may also revoke the
20 permit of a person whom the issuing officer later finds
21 was not qualified for such a permit at the time of
22 issuance or who the officer finds provided materially
23 false information on the permit application. A person
24 aggrieved by a suspension or revocation under this
25 subsection may seek review of the decision pursuant to
26 section 724.21A.

27 Sec. 14. Section 724.16, Code 2015, is amended by
28 striking the section and inserting in lieu thereof the
29 following:

30 724.16 Prohibited transfers of firearms.

31 1. A person shall not transfer a firearm to another
32 person if the person knows or reasonably should know
33 that the other person is prohibited from receiving or
34 possessing a firearm under section 724.26 or federal
35 law.

36 2. A person shall not loan or rent a firearm
37 to another person for temporary use during lawful
38 activities if the person knows or reasonably should
39 know that the person is prohibited from receiving or
40 possessing a firearm under section 724.26 or federal
41 law.

42 3. A person who transfers, loans, or rents a
43 firearm in violation of this section commits a class
44 "D" felony.

45 Sec. 15. Section 724.17, Code 2015, is amended to
46 read as follows:

47 724.17 Application for ~~annual~~ permit to acquire
48 firearms - criminal history check required.

49 1. The application for ~~an annual~~ a permit to
50 acquire ~~pistols or revolvers~~ firearms may be made to

1 the sheriff of the county of the applicant's residence
2 and shall be on a form prescribed and published by the
3 commissioner of public safety.

4 a. The If an applicant is a United States citizen,
5 the application shall require only the full name of
6 the applicant, the driver's license or nonoperator's
7 identification card number of the applicant, the
8 residence of the applicant, and the date and place of
9 birth of the applicant.

10 b. If the applicant is not a United States citizen,
11 the application shall, in addition to the information
12 specified in paragraph "a", require the applicant's
13 country of citizenship, any alien or admission
14 number issued by the United States immigration and
15 customs enforcement or any successor agency, and,
16 if applicable, the basis for any exception claimed
17 pursuant to 18 U.S.C. §922(y).

18 c. The applicant shall also display an
19 identification card that bears a distinguishing number
20 assigned to the cardholder, the full name, date of
21 birth, sex, residence address, and brief description
22 and colored photograph of the cardholder, or other
23 identification as specified by rule of the department
24 of public safety.

25 2. The sheriff shall conduct a criminal history
26 check concerning each applicant by obtaining criminal
27 history data from the department of public safety
28 which shall include an inquiry of the national instant
29 criminal background check system maintained by the
30 federal bureau of investigation or any successor agency
31 and an immigration alien query through a database
32 maintained by the United States immigration and customs
33 enforcement or any successor agency if the applicant is
34 not a United States citizen.

35 3. A person who makes what the person knows to be
36 a false statement of material fact on an application
37 submitted under this section or who submits what the
38 person knows to be any materially falsified or forged
39 documentation in connection with such an application
40 commits a class "D" felony.

41 Sec. 16. Section 724.18, Code 2015, is amended by
42 striking the section and inserting in lieu thereof the
43 following:

44 724.18 Procedure for making application for permit
45 to acquire firearms.

46 1. A person may personally request the sheriff to
47 mail an application for a permit to acquire firearms,
48 and the sheriff shall immediately forward such
49 application to the person. The person shall personally
50 deliver such a completed application to the sheriff

1 who, upon successful completion of the criminal history
2 check and immigration alien query, if applicable,
3 required pursuant to section 724.17, shall note the
4 period of validity on the application and immediately
5 issue the permit to the applicant.

6 2. For the purposes of this section, the date of
7 application shall be the date on which the sheriff
8 received the completed application.

9 Sec. 17. Section 724.19, Code 2015, is amended to
10 read as follows:

11 724.19 Issuance of ~~annual~~ permit to acquire
12 firearms.

13 The ~~annual~~ permit to acquire ~~pistols or revolvers~~
14 firearms shall be issued to the applicant immediately
15 upon completion of the application unless the applicant
16 is disqualified under the provisions of section 724.15
17 ~~and~~. The permit shall ~~be on a form~~ have a uniform
18 appearance, size, and content prescribed and published
19 by the commissioner of public safety. The permit shall
20 contain the name of the permittee, ~~the residence of~~
21 ~~the permittee~~, and the effective date of the permit,
22 but shall not contain the permittee's social security
23 number. Such a permit shall not be issued for a
24 particular weapon and shall not contain information
25 about a particular weapon including the make, model,
26 or serial number of the weapon, or any ammunition used
27 in that weapon.

28 Sec. 18. Section 724.20, Code 2015, is amended to
29 read as follows:

30 724.20 Validity of ~~annual~~ permit to acquire ~~pistols~~
31 ~~or revolvers~~ firearms.

32 The permit shall be valid throughout the state and
33 shall be ~~valid three days after the date of application~~
34 ~~and shall be invalid one year~~ five years after the date
35 of ~~application~~ issuance.

36 Sec. 19. Section 724.21, Code 2015, is amended to
37 read as follows:

38 724.21 Giving false information when acquiring
39 ~~weapon~~ firearms.

40 A person who gives a false name or presents false
41 identification, or otherwise knowingly gives false
42 material information to one from whom the person seeks
43 to acquire a ~~pistol or revolver~~ firearm, commits a
44 class "D" felony.

45 Sec. 20. Section 724.21A, subsections 1 and 7, Code
46 2015, are amended to read as follows:

47 1. In any case where the sheriff or the
48 commissioner of public safety denies an application
49 for or suspends or revokes a permit to carry weapons
50 or ~~an annual~~ a permit to acquire ~~pistols or revolvers~~

1 firearms, the sheriff or commissioner shall provide
2 a written statement of the reasons for the denial,
3 suspension, or revocation and the applicant or permit
4 holder shall have the right to appeal the denial,
5 suspension, or revocation to an administrative law
6 judge in the department of inspections and appeals
7 within thirty days of receiving written notice of the
8 denial, suspension, or revocation.

9 7. In any case where the issuing officer denies
10 an application for, or suspends or revokes a permit
11 to carry weapons or ~~an annual~~ a permit to acquire
12 ~~pistols or revolvers~~ firearms solely because of an
13 adverse determination by the national instant criminal
14 background check system, the applicant or permit holder
15 shall not seek relief under this section but may pursue
16 relief of the national instant criminal background
17 check system determination pursuant to Pub. L. No.
18 103-159, sections 103(f) and (g) and 104 and 28 C.F.R.
19 §25.10, or other applicable law. The outcome of such
20 proceedings shall be binding on the issuing officer.

21 Sec. 21. Section 724.21A, Code 2015, is amended by
22 adding the following new subsection:

23 NEW SUBSECTION. 8. If an applicant appeals the
24 decision by the sheriff or commissioner to deny an
25 application, or suspend or revoke a permit to carry
26 weapons or a permit to acquire firearms, and it is
27 later determined the applicant is eligible to be
28 issued or possess such a permit, the applicant shall be
29 awarded court costs and reasonable attorney fees. If
30 the decision of the sheriff or commission to deny the
31 application, or suspend or revoke the permit is upheld
32 on appeal, the political subdivision of the state
33 representing the sheriff or the commissioner shall be
34 awarded court costs and reasonable attorney fees.

35 Sec. 22. Section 724.22, subsection 5, Code 2015,
36 is amended to read as follows:

37 5. A parent or guardian or spouse who is twenty-one
38 years of age or older, of a person ~~fourteen years of~~
39 ~~age but less than~~ below the age of twenty-one may
40 allow the person to possess a pistol or revolver or
41 the ammunition therefor for any lawful purpose while
42 under the direct supervision of the parent or guardian
43 or spouse who is twenty-one years of age or older, or
44 while the person receives instruction in the proper use
45 thereof from an instructor twenty-one years of age or
46 older, with the consent of such parent, guardian or
47 spouse.

48 Sec. 23. Section 724.23, Code 2015, is amended to
49 read as follows:

50 724.23 Records kept by commissioner and issuing

1 officers.

2 1. a. The commissioner of public safety shall
3 maintain a permanent record of all valid permits to
4 carry weapons and of current permit revocations.

5 b. The permanent record shall be kept in a
6 searchable database that is accessible on a statewide
7 basis for the circumstances described in subsection 2,
8 paragraph "b", "c", or "d".

9 2. a. Notwithstanding any other law or rule to
10 the contrary, the commissioner of public safety and
11 any issuing officer shall keep confidential personally
12 identifiable information of holders of nonprofessional
13 permits to carry weapons and permits to acquire
14 firearms, including but not limited to the name, social
15 security number, date of birth, residential or business
16 address, and driver's license or other identification
17 number of the applicant or permit holder.

18 b. This subsection shall not prohibit the
19 release of statistical information relating to the
20 issuance, denial, revocation, or administration of
21 nonprofessional permits to carry weapons and permits
22 to acquire firearms, provided that the release of
23 such information does not reveal the identity of any
24 individual permit holder.

25 c. This subsection shall not prohibit the release
26 of information to any law enforcement agency or any
27 employee or agent thereof when necessary for the
28 purpose of investigating a possible violation of law
29 and probable cause exists, or for conducting a lawfully
30 authorized background investigation.

31 d. This subsection shall not prohibit the
32 release of information relating to the validity of a
33 professional permit to carry weapons to an employer who
34 requires an employee or an agent of the employer to
35 possess a professional permit to carry weapons as part
36 of the duties of the employee or agent.

37 e. Except as provided in paragraphs "b", "c", and
38 "d", the release of any confidential information under
39 this section shall require a court order or the consent
40 of the person whose personally identifiable information
41 is the subject of the information request.

42 Sec. 24. Section 724.27, subsection 1, unnumbered
43 paragraph 1, Code 2015, is amended to read as follows:

44 The provisions of section 724.8, section 724.15,
45 subsection ~~1~~ 2, and section 724.26 shall not apply to
46 a person who is eligible to have the person's civil
47 rights regarding firearms restored under section 914.7
48 if any of the following occur:

49 Sec. 25. NEW SECTION. 724.29A Fraudulent purchase
50 of firearms or ammunition.

1 1. For purposes of this section:

2 a. "Ammunition" means any cartridge, shell, or
3 projectile designed for use in a firearm.

4 b. "Licensed firearms dealer" means a person who is
5 licensed pursuant to 18 U.S.C. §923 to engage in the
6 business of dealing in firearms.

7 c. "Materially false information" means information
8 that portrays an illegal transaction as legal or a
9 legal transaction as illegal.

10 d. "Private seller" means a person who sells or
11 offers for sale any firearm or ammunition.

12 2. A person who knowingly solicits, persuades,
13 encourages, or entices a licensed firearms dealer or
14 private seller of firearms or ammunition to transfer
15 a firearm or ammunition under circumstances that the
16 person knows would violate the laws of this state or of
17 the United States commits a class "D" felony.

18 3. A person who knowingly provides materially
19 false information to a licensed firearms dealer or
20 private seller of firearms or ammunition with the
21 intent to deceive the firearms dealer or seller about
22 the legality of a transfer of a firearm or ammunition
23 commits a class "D" felony.

24 4. Any person who willfully procures another to
25 engage in conduct prohibited by this section shall be
26 held accountable as a principal.

27 5. This section does not apply to a law enforcement
28 officer acting in the officer's official capacity
29 or to a person acting at the direction of such law
30 enforcement officer.

31 Sec. 26. NEW SECTION. 724.32 Rules.

32 The department of public safety shall adopt rules
33 pursuant to chapter 17A to administer this chapter.

34 Sec. 27. Section 805.8C, Code 2015, is amended by
35 adding the following new subsections:

36 NEW SUBSECTION. 11. Duty to possess permit to carry
37 weapons. For violations of section 724.4, subsection
38 4, paragraph "i", subparagraph (2), the scheduled fine
39 is ten dollars.

40 NEW SUBSECTION. 12. Failure to produce permit to
41 carry. For violations of section 724.5, the scheduled
42 fine is ten dollars.

43 Sec. 28. EFFECTIVE UPON ENACTMENT. The following
44 provision or provisions of this Act, being deemed of
45 immediate importance, take effect upon enactment:

46 1. The section of this Act amending section 724.1,
47 subsection 1, paragraph "h".

48 2. The section of this Act enacting new section
49 724.1A.

50 3. The section of this Act amending section 724.22.

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1 4. The section of this Act amending section 724.23,
2 subsection 2.

3 5. The section of this Act amending section
4 724.29A.

5 6. The applicability section of this Act.

6 Sec. 29. APPLICABILITY. The section of this
7 Act amending section 724.23 applies to holders of
8 nonprofessional permits to carry weapons and permits to
9 acquire firearms and to applicants for nonprofessional
10 permits to carry weapons and permits to acquire
11 firearms on or after the effective date of that section
12 of this Act.>

13 2. Title page, line 2, by striking <and> and
14 inserting <including effective date and applicability
15 provisions, and>

By BILL ANDERSON

JERRY BEHN

RICK BERTRAND

MICHAEL BREITBACH

JAKE CHAPMAN

MARK CHELGREN

MARK COSTELLO

BILL DIX

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ROBY SMITH

JACK WHITVER

BRAD ZAUN

DAN ZUMBACH

S-3088 FILED MARCH 31, 2015

RULED OUT OF ORDER

SENATE FILE 458

S-3082

1 Amend Senate File 458 as follows:

2 1. Title page, line 2, after <property> by
3 inserting <, and including effective date provisions>

By JEFF DANIELSON

S-3082 FILED MARCH 31, 2015

HOUSE FILE 203

S-3081

1 Amend House File 203, as amended, passed, and
2 reprinted by the House, as follows:

3 1. Page 7, line 29, after <section.> by inserting
4 <Upon receipt of an application, the board shall
5 conduct a background check of the applicant.>

By JEFF DANIELSON

S-3081 FILED MARCH 31, 2015



SF 347 – Commercial Establishments for Animals (LSB1192SV)
Analyst: Deb Kozel (Phone: (515) 281-6767) (deb.kozel@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 347 makes changes to the regulation of nonagricultural animals by the Department of Agriculture and Land Stewardship (DALs). Changes include:

- Creates four new classifications for commercial animal establishments and specifies what type of annual license should be purchased from the Department. The new classifications include:
 - Grooming facilities.
 - Animal rescues.
 - Animal sanctuaries.
 - Special commercial breeders -- this includes small breeders, competitive breeders, or specialized breeders.
- Requires all commercial animal establishments to be inspected by the DALs on an annual basis.
- Requires a commercial breeder selling a dog to provide the most recent copy of the inspection report to the potential purchaser. Prior to purchase, the customer must review and sign the report.
- Replaces the current fee system and adds a scheduled fee based on classification for some commercial animal establishments.
- Creates an Animal Rescue Remediation Fund under the control of the DALs and requires a minimum fee revenue transfer of \$20,000 per year. The Bill specifies that if the unobligated and unencumbered balance in the Animal Rescue Remediation Fund equals more than \$60,000 as of March 1 of any given year, the Department can suspend the transfer for the next fiscal year.

Background

House File 2280 (FY 2010 Commercial Animal Establishment Act) created the Commercial Animal Establishment Program in the DALs. The Program is funded with registration fees by commercial animal establishments.

Assumptions

The DALs estimates there are 255 State-licensed commercial breeders that have between 10 and 15 cats and/or dogs and 244 federal-licensed commercial breeders with an average of 60 animals. The following table summarizes the fee revenue and includes the annual transfer of a minimum of \$20,000 in fee revenue to the Animal Rescue Remediation Fund:

Fee Revenue Estimates -- SF 347					
Establishment	Base Fee	Schedule		Facilities	Total Fee Revenue
		Fee	Total Fee		
State License Commerical Breeder	\$ 175	\$ 75	\$ 250	255	\$ 63,750
Federal License Commerical Breeder	\$ 175	\$ 250	\$ 425	244	103,700
Total Fee Revenue					\$ 167,450
Less: Transfer to Animal Rescue Remediation Fund					\$ 20,000
Balance					\$ 147,450

The DALs estimates expenditures for FY 2016 are \$136,000 and 2.00 FTE positions and expenditures for FY 2017 are \$108,000. This includes a 7.0% increase for salary and benefit costs. The following table summarizes the expenditures:

Expenditure Estimates		
Expenditure	FY 2016	FY 2017
Inspectors (additional 2.00 FTEs)	\$ 96,000	\$ 103,000
Equipment	10,000	0
Travel & Depreciation	30,000	5,000
Total Department Expenditures	\$ 136,000	\$ 108,000

Summary of Impacts

Correctional Impact: The correctional impact of [SF 347](#) is expected to be minimal.

Fiscal Impact: The fee revenue is estimated at \$168,000 for FY 2016 and each year after. However, after the Department transfers \$20,000 to the Animal Rescue Remediation Fund, the net fee increase is \$148,000. Expenditures are estimated at \$136,000 and 2.00 FTE positions for FY 2016 and \$108,000 for FY 2017.

Sources

Department of Agriculture and Land Stewardship
Criminal and Juvenile Justice Planning Division

/s/ Holly M. Lyons

March 31, 2015

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 350 – Economic Development Authority Tax Policy Changes (LSB1212SV)
Analyst: Jeff Robinson (Phone: (515) 281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 350 relates to economic development tax credit programs administered by the Economic Development Authority.

- Division I – Creates a new Renewable Chemical Production Tax Credit. This Division is effective on enactment and applies retroactively to January 1, 2015.
- Division II – Modifies the Qualifying Businesses and Community-Based Seed Capital Fund Tax Credit Programs.
- Division III – Modifies the Entrepreneur Investment Awards Program.
- Division IV – Modifies the sales tax refund requirements for housing businesses qualifying under the **Workforce Housing Program** by changing the definition of “project completion” to be the date when the Economic Development Authority notifies the Department of Revenue that all the requirements under Iowa Code section **15.354** have been met. Under current requirements, “project completion” is defined under Iowa Code section **15.331A(2c)**. This provision of the Division is effective on enactment and applies retroactively to July 1, 2014.
- Division V – Allows the Economic Development Authority to extend project completion deadlines under the Redevelopment and Housing Enterprise Zone Tax Credit programs if the subject project suffered a catastrophic fire during calendar year 2014. The Younkers Building in downtown Des Moines experienced a fire in March 2014.

Background – Renewable Chemical Production Tax Credit

The new Renewable Chemical Production Tax Credit created in this Bill is equal to 5.0 cents per pound of qualified renewable chemicals produced by an eligible producer on or after the effective date of the Bill. Specific requirements include:

- The building block chemical to which the production tax credit applies must be produced from biomass feedstock and must not be produced as food, feed, or fuel. In addition, the chemical produced must be composed of at least 50.0% renewable organic material. Under certain restrictions, qualified chemicals may also be food additives, pharmaceuticals, or vitamins.
- The Bill lists a total of 39 building block chemicals that will be eligible for the credit, and the Economic Development Authority may extend the credit to additional chemicals by rule.
- The producer of the chemical must be a for-profit business located in Iowa, and the business must organize, expand, or locate in Iowa on or after the effective date of the Bill. The Bill is effective on enactment.

Following the calendar year of production, the eligible business must apply to the Economic Development Authority for the credit, based on the pounds of qualified chemicals produced during the year.

Assuming all eligibility requirements are met, the EDA will issue a tax credit certificate to the business in an amount equal to 5.0 cents per pound of qualified chemicals produced. Annual per-business limits apply, and the business is limited to a maximum of five years of credits.

The EDA may issue up to \$15.0 million of production credits each fiscal year. If the \$15.0 million cap is reached in a fiscal year, qualified credit applications are placed on a wait list for allocation from the next fiscal year's \$15.0 million. Any unused credits within the annual \$15.0 million cap do not carry forward to the next fiscal year. Tax credits are not available for any chemical produced after calendar year 2025.

The \$15.0 million available for the production tax credit is included under the EDA \$170.0 million annual aggregate tax credit limit (Iowa Code section [15.119](#)). The EDA is allowed to charge a fee to be paid by the business applying for the tax credit. The fee is equal to \$500 per application, and 0.05% of the tax credit amount that is redeemed by the taxpayer.

Background - EDA Aggregate Tax Credit Cap

Iowa Code section [15.119](#) limits the total amount of tax credits that may be authorized by the EDA under seven tax credit programs to no more than \$170.0 million in a fiscal year. These include:

- High Quality Job Creation Program
- Enterprise Zone Program
- Assistive Device Tax Credit Program
- Qualifying Business and Community-Based Seed Capital Tax Credits
- Innovation Funds Program
- Redevelopment Tax Credit
- Workforce Housing Tax Credit

The EDA has the authority to exceed the \$170.0 million limit by as much as \$34.0 million in a fiscal year, but any excess reduces the aggregate cap for the succeeding fiscal year.

Background - Types of Income Tax Credits

The Iowa Code offers various tax credits to encourage or reward different activities. The tax credits generally fall into the following categories of redemption value to the taxpayer:

- Single-year tax credits. Tax credits that must be redeemed in the tax year issued. Any unredeemed tax credits expire unused.
- Carryforward tax credits. Tax credits that may be used in the year issued, and if the amount exceeds the taxpayer's tax liability, unused credits may be used against tax liability in future tax years.
- Transferable tax credits. Tax credits that may be sold or otherwise transferred to another taxpayer. The taxpayer receiving the transferred tax credit may then use the credit to reduce tax liability.
- Refundable tax credits. Tax credits that may be used to offset tax liability, and if the amount of the credit exceeds tax liability, the remaining amount is refunded.
- Sale/Use tax refunds. Tax credits that result in the taxpayer receiving a refund for all or a portion of the sales and use tax paid.

Refundable tax credits are the most valuable to taxpayers, as even taxpayers with no income tax liability can benefit by filing a tax return that includes the refundable tax credit. Refundable tax credits are directly comparable to appropriations, and refundable tax credits typically see redemption rates that equal 100.0% of tax credit awards. This situation also applies to sales/use tax refunds.

Transferable tax credits are similarly valuable, but the taxpayer receiving the original credit may need to sell the credit to benefit, and there are typically transaction costs involved that keeps the original taxpayer from benefitting financially from the full value of the credit. However, this does not reduce the value of the tax credit, and transferred tax credits typically are redeemed near 100.0% of the awarded value.

Tax credits that are not refundable or transferable, but that may be carried forward for a stated number of tax years require that the receiving taxpayer have sufficient Iowa income tax liability

over a period of years to fully benefit from the credit. This type of tax credit often takes several tax years to become fully redeemed, and some credits will expire unused in instances where the taxpayer does not have sufficient lowa income tax liability across the allowed time frame. This type of tax credit typically sees a redemption percentage well below 100.0% of the awarded amount.

Single-year tax credits can be the least valuable, as their value is capped by the tax liability of the taxpayer for that one fiscal year. If the tax credit amount is small, the redemption percentage may approach 100.0%. But if the tax credit amount is large, then the redemption percentage can be expected to be low.

Background – Tax Estimate Payments

Individual taxpayers remit tax payments in three forms. For wages and certain other income, taxes are withheld from the income and the tax is remitted directly to the State. In an instance where there is no withholding required, the taxpayer is likely required to remit quarterly estimate payments. Finally, ultimate tax liability for a taxpayer is reconciled when the tax return for the tax year is filed. Filing of a tax return usually results in either a payment due, or a tax refund, depending on whether the combination of withholding and estimate payments was sufficient for that taxpayer that year.

The tax system is similar for corporations and banks, except there is no withholding concept. All payments are made through quarterly estimate payments and the filing of tax returns. For insurance companies, taxes for the current calendar year are due in June and August, with final reconciliation when tax returns are filed the following March.

Once taxpayers (individual, corporate, bank, or insurance company) become confident their ultimate tax liability for a tax year will be lower than previously assumed, as in the instance of taxpayers earning refundable tax credits, they can be expected to lower their tax estimate payments for that year.

Because refundable tax credits are like cash to any taxpayer, regardless of tax liability, the award of a refundable tax credit has an immediate impact on net General Fund revenue through decreased estimate payments.

Assumptions

New Renewable Chemical Production Tax Credit

- The Bill is effective on enactment and applies to qualified chemicals produced on or after that date. While the Economic Development Authority and the Department of Revenue must adopt rules for the chemical tax credit program, qualified chemicals produced after enactment but prior to final rule adoption will still qualify for the tax credit.
- Current production levels in Iowa of the types of chemicals to which this Bill applies are not known, nor are the future production levels. It is assumed that beginning in calendar year 2016, qualified chemical production will be at least 300.0 million pounds, sufficient to utilize the entire \$15.0 million annual tax credit cap. Calendar year 2015 qualified production is assumed to be 140.0 million pounds, equal to \$7.0 million in tax credit awards.
- Tax credits earned in a calendar year will be awarded in the spring of the next calendar year. Companies will redeem awards through reduced estimate payments and final tax returns.
- Tax credits awarded under the new tax credit program are refundable. Therefore, they are anticipated to be redeemed at a rate of 100.0% of the amounts awarded by the Authority. To estimate the impact of the new tax credit, the following tax credit redemption pattern is used:
 - For calendar year 2015 production, 10.0% redeemed in FY 2016 through reduced estimate payments, 90.0% redeemed through the tax return process.
 - For calendar year 2016 production and after, 25.0% redeemed through reduced estimate payments, 75.0% redeemed through the tax return process.

- Credits expiring unredeemed = 0.0%

Reduced High Quality Jobs Tax Credits

- To make room within the existing EDA \$170.0 million aggregate tax credit cap, it is assumed that the Authority will reduce the annual cap allocation to the High Quality Jobs Program by \$7.0 million for FY 2016 and by \$15.0 million for FY 2017 and after.
- Tax credits awarded under the High Quality Jobs Program are generally not refundable or transferable. Therefore, they are redeemed at a rate well below 100.0% of the amounts awarded by the Authority. To estimate the impact of reduced tax credit awards under the High Quality Jobs Program, the following tax credit redemption pattern is used:
 - Fiscal year of award = 3.0%
 - Second year = 8.0%
 - Third year = 8.0%
 - Fourth through sixth year = 4.0%
 - Seventh through tenth year = 3.0%
 - Credits expiring unredeemed = 57.0%

Venture Capital Tax Credit Changes

The Bill makes several changes to the Venture Capital Tax Credit - Qualifying Business or Community-Based Seed Capital Fund Tax Credit programs. The fiscal impact of the changes is the result of making the tax credits refundable for individual taxpayers. The total amount of tax credits that may be awarded in a year does not change. Tax credit redemptions are assumed to increase from the current level of 81.5% of awarded credits to 95.0%.

Fiscal Impact

The fiscal impact of this Bill is the result of changing from tax credit programs that are not refundable to tax credit programs that are refundable. Refundable tax credits are redeemed much quicker, and at a much higher rate, than nonrefundable tax credits. While the changes to the tax credits contained in this Bill fall under the overall \$170.0 million annual aggregate tax credit cap for EDA programs, the changes will result in redemption of a much higher percentage of the awarded tax credits. This change in the redemption pattern reduces net General Fund revenue and impacts the State General Fund balance sheet.

Senate File 350 - Estimated EDA Tax Credit Changes				
In Millions of Dollars				
	Reduction in High Quality Jobs Program Tax Credit Redemptions	New Renewable Chemical Production Tax Credit Redemptions	Change in Venture Capital Tax Credit Redemptions	Estimated Combined Impact on Net General Fund Revenue
FY 2016	\$ 0.2	\$ -0.7	\$ -0.2	\$ -0.7
FY 2017	1.1	-10.1	-0.2	-9.2
FY 2018	2.3	-15.0	-0.2	-12.9
FY 2019	3.2	-15.0	-0.3	-12.1
FY 2020	3.8	-15.0	-0.3	-11.5
FY 2021	4.4	-15.0	-0.3	-10.9
FY 2022	4.9	-15.0	-0.3	-10.4
FY 2023	5.3	-15.0	-0.3	-10.0

The EDA is authorized to charge a \$500 application fee and a fee equal to 0.5% of tax credits redeemed. This fee structure also applies to the High Quality Jobs Program. Since tax redemptions under the new Renewable Chemical Production Tax Credit are assumed to be higher than under the High Quality Jobs Program, the 0.5% fee should produce approximately \$38,000 more in annual fee revenue for the Authority, beginning in FY 2017.

Division III modifies the Entrepreneur Investment Awards Program. This Program is funded by the Entrepreneur Investment Awards Program Fund. While the Program is modified, the amount available to award is not. This Division does not have a fiscal impact.

The provision in Division IV related to the definition of completion date for sales tax refunds is considered a technical change and has no fiscal impact.

The provision in Division IV related to a project extension related to a 2014 fire does not have a fiscal impact. While the extension does allow the project to receive tax credits that it would not otherwise qualify for, the tax credits involved are for programs under the EDA aggregate tax credit cap and the credit type (refundable, transferable, nonrefundable) is not changed. This provision does not have a fiscal impact.

The Department of Revenue indicates that the enactment of the new Renewable Chemical Production Tax Credit will require the development of a new component to the Department's Tax Credit Award, Claim & Transfer System. This one-time development cost is estimated by the Department to be \$140,000.

Sources

Department of Revenue
Economic Development Authority

/s/ Holly M. Lyons

March 31, 2015

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 476 – English Language Learners, Pre-Kindergarten (LSB1734SZ)
Analyst: John Parker (Phone: (515) 725-2249) (john.parker@legis.iowa.gov)
Fiscal Note Version – New

Description

Senate File 476 provides additional weighting for students enrolled in the Statewide Voluntary Preschool Program (SWVPP) that are identified as limited English proficient (LEP). The additional weighing is half the amount assigned to students in kindergarten through 12th grade that are identified as LEP.

Background

Currently, there is no additional weighting for students in the SWVPP. Students identified as LEP in K-12 receive additional weighting of 0.22.

Assumptions

- The Department of Education will have a test to identify students as LEP in the SWVPP in the Fall of 2015. The additional weighting will be generated for students identified as LEP beginning in FY 2017.
- Students in the SWVPP will receive an additional weighting of 0.11. Any change to the LEP weighting for K-12 students will impact the weighting for SWVPP students.
- The State cost per pupil is \$6,366 for FY 2017. Any increase in the State percent of growth will increase the estimate. The additional weighting of 0.11 will generate approximately \$700 for each student identified as LEP in the SWVPP.
- Statewide, approximately 5.7% of students are identified as LEP in K-12. The same percent of students identified as LEP in K-12 will apply to students in the SWVPP.
- The estimated number of LEP students in the SWVPP will be 1,270. The percentage of LEP students in K-12 in each district was applied to the SWVPP enrollment to get the estimated LEP student count by district for the SWVPP. See **Attachment A** for the percentage of LEP students by district.

Fiscal Impact

The estimated State General Fund impact is an additional cost of \$889,330 for FY 2017. The annual cost in subsequent years is expected to be similar but the exact amount will be dependent on enrollment and weightings.

Sources

Iowa Department of Education
LSA analysis and calculations

/s/ Holly M. Lyons

March 31, 2015

PERCENT OF STUDENTS IN K-12 IDENTIFIED AS LEP FALL 2014

