

**EIGHTY-SIXTH GENERAL ASSEMBLY
2016 REGULAR SESSION
DAILY
SENATE CLIP SHEET**

APRIL 27, 2016

**HOUSE AMENDMENT TO
SENATE FILE 2188**

S-5175

1 Amend Senate File 2188, as amended, passed, and
2 reprinted by the Senate, as follows:
3 1. Page 3, after line 7 by inserting:
4 <Sec. ____ . NEW SECTION. 148.13B Requirements for
5 prescription certificates for psychologists – joint
6 rules.
7 1. The board of medicine and the board of
8 psychology shall adopt joint rules in regard to the
9 following:
10 a. Education and training requirements for
11 prescription certificates pursuant to sections 154B.10
12 and 154B.11.
13 b. Specific minimum standards for the terms,
14 conditions, and framework governing the collaborative
15 practice agreement and for governing the limitations
16 on the prescriptions eligible to be prescribed and
17 populations eligible to be prescribed to as specified
18 in section 154B.1, subsection 2.
19 2. The board of medicine shall consult with the
20 university of Iowa Carver college of medicine and
21 clinical and counseling psychology doctoral programs at
22 regents institutions in the development of the rules
23 pertaining to education and training requirements in
24 sections 154B.10 and 154B.11.
25 3. The joint rules, and any amendments thereto,
26 adopted by the board of medicine and the board of
27 psychology pursuant to this section and section 154B.14
28 shall only be adopted by agreement of both boards
29 through a joint rule-making process.>
30 2. Page 4, after line 2 by inserting:
31 < ____ . "Physician" means a person licensed to
32 practice medicine and surgery or osteopathic medicine
33 and surgery in this state who is board-certified
34 in family medicine, internal medicine, pediatrics,
35 psychiatry, or another specialty who prescribes

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1 medications for the treatment of a mental disorder to
2 patients in the normal course of the person's clinical
3 medical practice pursuant to joint rules adopted by the
4 board of psychology and the board of medicine.>

5 3. Page 4, by striking lines 22 through 32 and
6 inserting:

7 < _____. "Psychotropic medication" means a medicine
8 that shall not be dispensed or administered without
9 a prescription and that has been explicitly approved
10 by the federal food and drug administration for the
11 treatment of a mental disorder, as defined by the
12 most recent version of the diagnostic and statistical
13 manual of mental disorders published by the American
14 psychiatric association or the most recent version
15 of the international classification of diseases.
16 "Psychotropic medication" does not include narcotics.>

17 4. Page 5, line 6, after <to> by inserting <joint
18 rules adopted by the board of psychology and the board
19 of medicine and the provisions of>

20 5. Page 5, by striking lines 14 through 16 and
21 inserting:

22 <b. Completed pharmacological training from an
23 institution approved by the board of psychology and
24 the board of medicine or from a provider of continuing
25 education approved by the board of psychology and the
26 board of medicine pursuant to joint rules adopted by
27 both boards.>

28 6. Page 5, line 18, after <board> by inserting <of
29 psychology and the board of medicine>

30 7. Page 5, line 23, after <psychology> by inserting
31 <and the board of medicine pursuant to joint rules
32 adopted by both boards>

33 8. By striking page 5, line 27, through page 6,
34 line 2, and inserting:

35 <e. Within five years immediately preceding

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1 the date of application, has been certified by
2 the applicant's supervising physician as having
3 successfully completed a supervised and relevant
4 clinical experience in clinical assessment and
5 pathophysiology and an additional supervised practicum
6 treating patients with mental disorders. The practica
7 shall have been supervised by a trained physician. The
8 board of psychology and the board of medicine, pursuant
9 to joint rules adopted by the boards, shall determine
10 sufficient practica to competently train the applicant
11 in the treatment of a diverse patient population.>

12 9. Page 6, by striking lines 6 through 8 and
13 inserting:

14 <g. Meets all other requirements, as determined
15 by joint rules adopted by the board of psychology and
16 the board of medicine, for obtaining a conditional
17 prescription certificate.>

18 10. Page 6, after line 29 by inserting:

19 <d. Any other rules adopted jointly by the board of
20 psychology and the board of medicine.>

21 11. Page 7, line 12, after <certificate> by
22 inserting <including joint rules adopted by the board
23 of psychology and the board of medicine>

24 12. Page 7, after line 24 by inserting:

25 <d. Any other rules adopted jointly by the board of
26 psychology and the board of medicine.>

27 13. Page 7, line 31, after <disorders.> by
28 inserting <Such prescribing practices shall be governed
29 by joint rules adopted by the board of psychology and
30 the board of medicine.>

31 14. Page 9, after line 20 by inserting:

32 <Sec. ____ . NEW SECTION. 154B.14 Requirements for
33 prescription certificates – joint rules.

34 1. The board of psychology and the board of
35 medicine shall adopt joint rules in regard to the

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1 following:

2 a. Education and training requirements pursuant to
3 sections 154B.10 and 154B.11.

4 b. Specific minimum standards for the terms,
5 conditions, and framework governing the collaborative
6 practice agreement and for governing the limitations
7 on the prescriptions eligible to be prescribed and
8 populations eligible to be prescribed to as specified
9 in section 154B.1, subsection 2.

10 2. The board of psychology shall consult with
11 the university of Iowa Carver college of medicine and
12 clinical and counseling psychology doctoral programs at
13 regents institutions in the development of the rules
14 pertaining to education and training requirements in
15 sections 154B.10 and 154B.11.

16 3. The joint rules, and any amendments thereto,
17 adopted by the board of psychology and the board of
18 medicine pursuant to this section and section 148.13B
19 shall only be adopted by agreement of both boards
20 through a joint rule-making process.>

21 15. By renumbering as necessary.

RECEIVED FROM THE HOUSE

HOUSE AMENDMENT TO
SENATE FILE 2308

S-5176

1 Amend Senate File 2308, as passed by the Senate, as
2 follows:

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

5 <DIVISION I
6 ENHANCE IOWA

7 Section 1. Section 12.71, Code 2016, is amended by
8 adding the following new subsections:

9 NEW SUBSECTION. 11. The treasurer of state shall
10 not issue bonds or refunding bonds under this section
11 after June 30, 2016.

12 NEW SUBSECTION. 12. This section is repealed on
13 the date that all bonds and refunding bonds issued
14 pursuant to this section are redeemed in full. The
15 treasurer of state shall notify the Iowa Code editor
16 of this occurrence.

17 Sec. 2. Section 15F.101, subsection 2, Code 2016,
18 is amended to read as follows:

19 2. "Board" means the ~~vision~~ enhance Iowa board as
20 created in section 15F.102.

21 Sec. 3. Section 15F.102, Code 2016, is amended by
22 striking the section and inserting in lieu thereof the
23 following:

24 15F.102 Enhance Iowa board.

25 1. An enhance Iowa board is established consisting
26 of the members described in subsection 2. The board
27 is located within the authority for administrative
28 purposes. The director of the authority shall provide
29 office space, staff assistance, and necessary supplies
30 and equipment for the board. The director shall budget
31 moneys to cover the compensation and expenses of the
32 board. In performing its functions, the board is
33 performing a public function on behalf of the state and
34 is a public instrumentality of the state.

35 2. The board shall consist of the following voting

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1 members appointed by the governor:

2 a. Two members from each United States
3 congressional district in the state as established in
4 section 40.1.

5 b. Three members from the state at large.

6 3. a. Of the voting members appointed pursuant to
7 subsection 2, the governor shall appoint the following:

8 (1) One person selected by the board of the Iowa
9 natural heritage foundation.

10 (2) One person with professional experience in
11 finance or investment banking.

12 (3) One person with professional experience in the
13 tourism industry.

14 (4) One person with professional experience in
15 architecture, landscape architecture, or historic
16 preservation.

17 (5) One person with professional experience in
18 cultural attractions and programming.

19 (6) Six persons actively employed in the private,
20 for-profit sector of the economy who have substantial
21 expertise in economic development.

22 b. The governor shall appoint the voting members
23 pursuant to subsection 2, subject to sections 69.16,
24 69.16A, and 69.16C, and subject to confirmation by the
25 senate.

26 c. The members appointed pursuant to subsection 2
27 shall be appointed to two-year staggered terms and the
28 terms shall commence and end as provided by section
29 69.19. If a vacancy occurs, a successor shall be
30 appointed to serve the unexpired term. A successor
31 shall be appointed in the same manner and subject to
32 the same qualifications as the original appointment to
33 serve the unexpired term.

34 4. In addition to the voting members, the
35 membership of the board shall include four members of

1 the general assembly with one member designated by each
2 of the following: the majority leader of the senate,
3 the minority leader of the senate, the speaker of the
4 house of representatives, and the minority leader of
5 the house of representatives. A legislative member
6 serves for a term as provided in section 69.16B in an
7 ex officio, nonvoting capacity.

8 5. The governor shall designate the chairperson
9 and vice chairperson of the board from the members
10 appointed pursuant to subsection 2. In the case of
11 absence or disability of the chairperson and vice
12 chairperson, the members of the board shall elect a
13 temporary chairperson by a majority vote of those
14 members who are present and voting.

15 6. Each voting member of the board shall serve on
16 at least one of the three review committees referred to
17 in sections 15F.203, 15F.304, and 15F.401A.

18 7. A majority of the total voting membership of the
19 board constitutes a quorum.

20 Sec. 4. Section 15F.103, Code 2016, is amended by
21 adding the following new subsections:

22 NEW SUBSECTION. 3A. Oversee the administration by
23 the authority of the sports tourism program pursuant
24 to this chapter.

25 NEW SUBSECTION. 3B. Oversee the administration of
26 the river enhancement community attraction and tourism
27 program pursuant to this chapter.

28 Sec. 5. Section 15F.104, Code 2016, is amended to
29 read as follows:

30 15F.104 Authority duties.

31 The authority, subject to approval by the board,
32 shall adopt administrative rules pursuant to chapter
33 17A necessary to administer ~~the community attraction~~
34 ~~and tourism program and the vision Iowa program the~~
35 programs established pursuant to this chapter. The

1 authority shall provide the board with assistance
2 in implementing administrative functions, marketing
3 the programs, providing technical assistance and
4 application assistance to applicants under the
5 programs, negotiating contracts, and providing project
6 follow-up. The authority, ~~in cooperation with the~~
7 ~~treasurer of state~~, may conduct negotiations on behalf
8 of the board with applicants regarding terms and
9 conditions applicable to awards under the programs.

10 Sec. 6. NEW SECTION. 15F.107 Enhance Iowa fund.

11 1. a. The authority shall establish a fund
12 pursuant to section 15.106A, subsection 1, paragraph
13 "o", for purposes of allocating moneys to programs
14 specified in an appropriation made to the enhance Iowa
15 fund. A fund established for purposes of this section
16 may be administered as a revolving fund and may consist
17 of any moneys appropriated by the general assembly for
18 purposes of this section.

19 b. Notwithstanding section 8.33, at the end of each
20 fiscal year moneys in a fund established for purposes
21 of this section shall not revert to any other fund but
22 shall remain in the fund for expenditure for subsequent
23 fiscal years.

24 c. Notwithstanding section 12C.7, subsection 2,
25 interest or earnings on moneys in the fund shall be
26 credited to the fund. Repayments and recaptures of
27 program moneys shall be credited to the fund.

28 2. The authority shall submit a report to the
29 general assembly and the governor's office each year
30 that moneys are appropriated to the fund established
31 in this section describing the use of moneys and the
32 results achieved under each of the programs receiving
33 fund moneys.

34 Sec. 7. Section 15F.203, subsections 1 and 2, Code
35 2016, are amended to read as follows:

1 1. Applications for assistance under the program
2 shall be submitted to the authority. For those
3 applications that meet the eligibility criteria, the
4 authority shall forward the applications to the board
5 and provide a staff review analysis and evaluation to
6 the community attraction and tourism program review
7 committee referred to in subsection 2 and to the board.

8 2. A review committee composed of five members of
9 the board shall review community attraction and tourism
10 program applications submitted forwarded to the board
11 and make recommendations regarding the applications
12 to the board. The review committee shall consist of
13 members of the board listed in, with one member from
14 each congressional district undersection 15F.102,
15 subsection 2, paragraphs paragraph "a" through "c",
16 and one member from the state at large under section
17 15F.102, subsection 2, paragraph "b".

18 Sec. 8. Section 15F.204, subsection 8, Code 2016,
19 is amended by striking the subsection.

20 Sec. 9. Section 15F.304, subsections 1 and 2, Code
21 2016, are amended to read as follows:

22 1. Applications for assistance under the program
23 shall be submitted to the authority. For those
24 applications that meet the eligibility criteria, the
25 authority shall forward the applications to the board
26 and provide a staff review and evaluation to the vision
27 Iowa program review committee referred to in subsection
28 2 and to the board.

29 2. A review committee composed of ~~eight~~ six
30 members of the board shall review vision Iowa program
31 applications and river enhancement community attraction
32 and tourism project applications submitted forwarded
33 to the board and make recommendations regarding the
34 applications to the board. The review committee shall
35 consist of members of the board listed in, with one

1 member from each congressional district undersection
2 15F.102, subsection 2, paragraphs "d" through
3 "h" paragraph "a", and two members from the state at
4 large under section 15F.102, subsection 2, paragraph
5 "b".

6 Sec. 10. NEW SECTION. 15F.401 Sports tourism
7 program.

8 1. a. The authority shall establish, and, at
9 the direction of the board, shall administer a sports
10 tourism program to provide financial assistance for
11 projects that promote sporting events for organizations
12 of accredited colleges and universities and other
13 sporting events in the state.

14 b. For purposes of this section:

15 (1) "District" means a regional sports authority
16 district certified under section 15E.321.

17 (2) "Financial assistance" means assistance provided
18 only from the funds available to the authority or the
19 board and includes assistance in the form of grants,
20 loans, and forgivable loans.

21 (3) "Organization" means a corporation, conference,
22 association, or other organization which has as one of
23 its primary purposes the sponsoring or administration
24 of extracurricular intercollegiate athletic contests
25 or competitions.

26 c. The authority, by rule, shall define "accredited
27 colleges and universities", in consultation with the
28 college student aid commission.

29 2. a. A city or county in the state or a public
30 organization, including a convention and visitors
31 bureau or a district, may apply to the authority
32 for financial assistance for a project that actively
33 and directly promotes sporting events for accredited
34 colleges and universities and other sporting events
35 in the area served by the city, county, or public

1 organization.

2 b. A city, county, or public organization may apply
3 for and receive financial assistance for more than one
4 project.

5 c. A city, county, or public organization may
6 apply for financial assistance for a project that
7 spans multiple fiscal years or may apply for renewal
8 of financial assistance awarded in a prior year if
9 all applicable contractual requirements are met. The
10 decision as to whether to renew an award shall be at
11 the discretion of the board. The board may adopt by
12 rule certain metrics and return on investment estimates
13 for purposes of this paragraph. The authority may
14 include such metrics and estimates in a program
15 agreement executed pursuant to this section.

16 d. A convention and visitors bureau may apply to
17 the authority for financial assistance pursuant to
18 this section and a district may apply to the authority
19 for district financial assistance, but a convention
20 and visitors bureau shall not in the same year receive
21 financial assistance under the program created in this
22 section and financial assistance as part of a district.

23 3. The authority shall process applications under
24 this section in accordance with this section and
25 section 15F.401A.

26 4. An applicant shall demonstrate matching funds
27 in order to receive financial assistance pursuant to
28 this section. The amount of matching funds that may be
29 required shall be at the board's discretion.

30 5. The board shall make final funding decisions
31 on each application and may approve, deny, defer, or
32 modify applications for financial assistance under the
33 program, in its discretion, in order to fund as many
34 projects with the moneys available as possible. The
35 board and the authority may negotiate with applicants

1 regarding the details of projects and the amount
2 and terms of any award. In making final funding
3 decisions pursuant to this subsection, the board and
4 the authority are exempt from chapter 17A.

5 6. a. A city, county, or public organization may
6 use financial assistance received under the program for
7 marketing, promotions, and infrastructure. Whether an
8 activity or individual cost item is directly related to
9 the promotion of the sporting event shall be within the
10 discretion of the authority.

11 b. All applications to the authority for financial
12 assistance shall be made at least ninety days prior
13 to an event's scheduled date. A city, county, or
14 public organization shall not use financial assistance
15 received under the program as reimbursement for
16 completed projects.

17 7. An applicant receiving financial assistance
18 shall provide an annual report to the authority for
19 years in which it receives financial assistance under
20 this section. The report shall include the information
21 the authority deems relevant.

22 8. Each applicant receiving an award of financial
23 assistance from the board shall enter into an agreement
24 with the authority. The agreement shall contain such
25 terms and conditions as the board may place on the
26 award or the authority may deem necessary for the
27 efficient administration of the program established in
28 this subchapter.

29 9. The authority, with the approval of the board,
30 shall adopt rules for the administration of this
31 subchapter.

32 Sec. 11. NEW SECTION. 15F.401A Sports tourism
33 program application review.

34 1. Applications for assistance under the sports
35 tourism program shall be submitted to the authority.

1 For those applications that meet the eligibility
2 criteria, the authority shall forward the applications
3 to the board and provide a staff review analysis
4 and evaluation to the sports tourism program review
5 committee referred to in subsection 2 and to the board.

6 2. A review committee composed of five members
7 of the board shall review sports tourism program
8 applications forwarded to the board and make
9 recommendations regarding the applications to the
10 authority. The review committee shall consist of
11 members of the board, with one member from each
12 congressional district under section 15F.102,
13 subsection 2, paragraph "a", and one member from the
14 state at large under section 15F.102, subsection 2,
15 paragraph "b".

16 3. When reviewing the applications, the review
17 committee and the authority shall consider, at a
18 minimum, all of the following:

19 a. Impact of the project on the local, regional,
20 and state economies.

21 b. Potential to attract Iowans and out-of-state
22 visitors.

23 c. Amount of positive advertising or media coverage
24 the project generates.

25 d. Quality, size, and scope of the project.

26 e. Ratio of public-to-private investment.

27 4. Upon review of the recommendations of the review
28 committee, the board shall approve, defer, or deny the
29 applications in accordance with section 15F.401.

30 Sec. 12. NEW SECTION. 15F.402 Sports tourism
31 program fund.

32 1. a. The authority shall establish a fund
33 pursuant to section 15.106A, subsection 1, paragraph
34 "o", for purposes of financing sports tourism projects
35 as described in this subchapter. The fund established

1 for purposes of this section may be administered
2 as a revolving fund and may consist of any moneys
3 appropriated by the general assembly for purposes of
4 this section.

5 b. Notwithstanding section 8.33, moneys in a fund
6 established for purposes of this section at the end of
7 each fiscal year shall not revert to any other fund but
8 shall remain in the fund for expenditure for subsequent
9 fiscal years.

10 c. Notwithstanding section 12C.7, subsection 2,
11 interest or earnings on moneys in the fund shall be
12 credited to the fund.

13 2. a. Moneys in the fund are appropriated to
14 the authority for purposes of providing financial
15 assistance to cities, counties, and public
16 organizations under the sports tourism program
17 established and administered pursuant to this
18 subchapter.

19 b. The board in its discretion shall allocate
20 the available moneys in the fund among the programs
21 described in paragraph "a" in the amounts determined
22 by the board.

23 DIVISION II

24 CONFORMING PROVISIONS

25 Sec. 13. Section 12.72, subsection 1, Code 2016, is
26 amended to read as follows:

27 1. A vision Iowa fund is created and established
28 as a separate and distinct fund in the state treasury.
29 The moneys in the fund are appropriated to the ~~vision~~
30 enhance Iowa board for purposes of the vision Iowa
31 program established in section 15F.302. Moneys in the
32 fund shall not be subject to appropriation for any
33 other purpose by the general assembly, but shall be
34 used only for the purposes of the vision Iowa fund.
35 The treasurer of state shall act as custodian of the

1 fund and disburse moneys contained in the fund as
2 directed by the ~~vision~~ enhance Iowa board, including
3 automatic disbursements of funds received pursuant
4 to the terms of bond indentures and documents and
5 security provisions to trustees. The fund shall be
6 administered by the ~~vision~~ enhance Iowa board which
7 shall make expenditures from the fund consistent
8 with the purposes of the vision Iowa program without
9 further appropriation. An applicant under the vision
10 Iowa program shall not receive more than seventy-five
11 million dollars in financial assistance from the fund.

12 Sec. 14. Section 12.75, subsection 1, Code 2016, is
13 amended to read as follows:

14 1. The ~~vision~~ enhance Iowa board may undertake
15 a project for two or more applicants jointly or for
16 any combination of applicants, and may combine for
17 financing purposes, with the consent of all of the
18 applicants which are involved, the project and some
19 or all future projects of any applicant, and sections
20 12.71, 12.72, and 12.74, this section, and sections
21 12.76 and 12.77 apply to and for the benefit of the
22 ~~vision~~ enhance Iowa board and the joint applicants.
23 However, the money set aside in a fund or funds pledged
24 for any series or issue of bonds or notes shall be
25 held for the sole benefit of the series or issue
26 separate and apart from money pledged for another
27 series or issue of bonds or notes of the treasurer
28 of state. To facilitate the combining of projects,
29 bonds or notes may be issued in series under one or
30 more resolutions or trust agreements and may be fully
31 open-ended, thus providing for the unlimited issuance
32 of additional series, or partially open-ended, limited
33 as to additional series.

34 Sec. 15. Section 15.108, subsection 5, paragraph c,
35 Code 2016, is amended to read as follows:

1 c. Coordinate and develop with the department
2 of transportation, the department of natural
3 resources, the department of cultural affairs, the
4 ~~vision~~ enhance Iowa board, other state agencies, and
5 local and regional entities public interpretation,
6 marketing, and education programs that encourage
7 Iowans and out-of-state visitors to participate in the
8 recreational and leisure opportunities available in
9 Iowa. The authority shall establish and administer
10 a program that helps connect both Iowa residents and
11 residents of other states to new and existing Iowa
12 experiences as a means to enhance the economic, social,
13 and cultural well-being of the state. The program
14 shall include a broad range of new opportunities, both
15 rural and urban, including main street destinations,
16 green space initiatives, and artistic and cultural
17 attractions.

18 Sec. 16. Section 15E.321, Code 2016, is amended by
19 adding the following new subsection:

20 NEW SUBSECTION. 3A. Each district may apply for
21 and receive financial assistance under the sports
22 tourism program established by the authority pursuant
23 to section 15F.401.

24 DIVISION III

25 TRANSITION PROVISIONS

26 Sec. 17. BOARD COOPERATION – TRANSITION
27 PROVISIONS. The economic development authority shall
28 ensure the effective transition of powers and duties
29 from the ~~vision~~ Iowa board to the enhance Iowa board in
30 implementing this Act. In the interest of maintaining
31 the institutional knowledge possessed by members of
32 the ~~vision~~ Iowa board, it is the intent of the general
33 assembly that the governor should appoint at least
34 three but not more than seven members of the ~~vision~~
35 Iowa board in existence on June 30, 2016, to the

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1 enhance Iowa board. The initial members of the enhance
2 Iowa board shall be appointed by November 1, 2016.>
3 2. Title page, line 5, by striking <making
4 appropriations,>

RECEIVED FROM THE HOUSE

S-5176 FILED APRIL 26, 2016

HOUSE AMENDMENT TO SENATE AMENDMENT TO
HOUSE FILE 2459

S-5177

1 Amend the Senate amendment, H-8278, to House File
2 2459, as amended, passed, and reprinted by the House,
3 as follows:

4 1. By striking page 1, line 1, through page 20,
5 line 34, and inserting:

6 <Amend House File 2459, as amended, passed, and
7 reprinted by the House, as follows:

8 _____. By striking everything after the enacting
9 clause and inserting:

10

<DIVISION I

11

EQUAL PAY TASK FORCE AND REPORT

12

Section 1. EQUAL PAY.

13

14 1. An equal pay task force is created. The task
15 force shall consist of seven members appointed by the
16 governor.

17

18 2. The task force shall study wage discrepancies
19 within public and private employment and between public
20 and private employers.

21

22 3. The task force shall submit a report regarding
23 its findings and its recommendations regarding
24 potential actions for the elimination and prevention
25 of such discrepancies to the governor and the general
26 assembly no later than December 22, 2017.

27

DIVISION II

28

MISCELLANEOUS PROVISIONS – WAGE DISCRIMINATION

29

Sec. 2. ADDITIONAL UNFAIR OR DISCRIMINATORY

30

PRACTICE – WAGE DISCRIMINATION IN EMPLOYMENT.

31

32 1. As stated in chapter 216, the general assembly
33 finds that the practice of discriminating against any
34 employee because of the age, race, creed, color, sex,
35 sexual orientation, gender identity, national origin,
religion, or disability of such employee by paying
wages to such employee at a rate less than the rate
paid to other employees does all of the following:

36

a. Unjustly discriminates against the person

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1 receiving the lesser rate.
2 b. Leads to low employee morale, high turnover, and
3 frequent labor unrest.
4 c. Discourages employees paid at lesser wage rates
5 from training for higher level jobs.
6 d. Curtails employment opportunities, decreases
7 employees' mobility, and increases labor costs.
8 e. Impairs purchasing power and threatens the
9 maintenance of an adequate standard of living by such
10 employees and their families.
11 f. Prevents optimum utilization of the state's
12 available labor resources.
13 g. Threatens the well-being of citizens of this
14 state and adversely affects the general welfare.
15 2. As stated in section 216.6A, it remains
16 unfair or discriminatory practice for any employer
17 or agent of any employer to discriminate against
18 any employee because of the age, race, creed, color,
19 sex, sexual orientation, gender identity, national
20 origin, religion, or disability of such employee by
21 paying wages to such employee at a rate less than the
22 rate paid to other employees who are employed within
23 the same establishment for equal work on jobs, the
24 performance of which requires equal skill, effort, and
25 responsibility, and which are performed under similar
26 working conditions. As also stated in section 216.6A,
27 an employer or agent of an employer who is paying wages
28 to an employee at a rate less than the rate paid to
29 other employees in violation of this section shall not
30 remedy the violation by reducing the wage rate of any
31 employee.

32 DIVISION III

33 STANDING APPROPRIATIONS AND RELATED MATTERS

34 Sec. 3. 2015 Iowa Acts, chapter 138, section 3, is
35 amended by adding the following new subsection:

1 NEW SUBSECTION. 4. For the peace officers'
2 retirement, accident, and disability system retirement
3 fund under section 97A.11A:
4 \$ 2,500,000

5 Sec. 4. 2015 Iowa Acts, chapter 138, is amended by
6 adding the following new section:

7 NEW SECTION. SEC. 5A. GENERAL ASSEMBLY.

8 1. The appropriations made pursuant to section
9 2.12 for the expenses of the general assembly and
10 legislative agencies for the fiscal year beginning July
11 1, 2016, and ending June 30, 2017, are reduced by the
12 following amount:
13 \$ 5,850,000

14 2. The budgeted amounts for the general assembly
15 and legislative agencies for the fiscal year beginning
16 July 1, 2016, may be adjusted to reflect the unexpended
17 budgeted amounts from the previous fiscal year.

18 3. Annual membership dues for organizations,
19 associations, and conferences shall not be paid from
20 moneys appropriated pursuant to section 2.12.

21 4. Costs for out-of-state travel and per diems
22 for out-of-state travel shall not be paid from moneys
23 appropriated pursuant to section 2.12.

24 Sec. 5. 2015 Iowa Acts, chapter 138, is amended by
25 adding the following new section:

26 NEW SECTION. SEC. 7A. Section 257.35, Code 2016,
27 is amended by adding the following new subsection:

28 NEW SUBSECTION. 10A. Notwithstanding subsection 1,
29 and in addition to the reduction applicable pursuant
30 to subsection 2, the state aid for area education
31 agencies and the portion of the combined district cost
32 calculated for these agencies for the fiscal year
33 beginning July 1, 2016, and ending June 30, 2017, shall
34 be reduced by the department of management by twenty
35 million dollars. The reduction for each area education

1 agency shall be prorated based on the reduction that
2 the agency received in the fiscal year beginning July
3 1, 2003.

4 Sec. 6. Section 2.48, subsection 3, Code 2016, is
5 amended by adding the following new paragraph:

6 NEW PARAGRAPH. Of. In 2016:

7 (1) The homestead tax credit under chapter 425.

8 (2) The elderly and disabled property tax credit
9 under chapter 425.

10 (3) The agricultural land tax credit under chapter
11 426.

12 (4) The military service tax credit under chapter
13 426A.

14 (5) The business property tax credit under chapter
15 426C.

16 (6) The commercial and industrial property tax
17 replacement claims under section 441.21A.

18 Sec. 7. Section 230.8, Code 2016, is amended to
19 read as follows:

20 230.8 Transfers of persons with mental illness –
21 expenses.

22 The transfer to any state hospitals or to the places
23 of their residence of persons with mental illness who
24 have no residence in this state or whose residence is
25 unknown and deemed to be a state case, shall be made
26 according to the directions of the administrator,
27 and when practicable by employees of the state
28 hospitals. The actual and necessary expenses of such
29 transfers shall be paid by the department on itemized
30 vouchers sworn to by the claimants and approved by
31 the administrator, ~~and the amount of the expenses is~~
32 ~~appropriated to the department from any funds in the~~
33 ~~state treasury not otherwise appropriated.~~

34 Sec. 8. Section 820.24, Code 2016, is amended to
35 read as follows:

1 820.24 Expenses – how paid.

2 When the punishment of the crime shall be the
3 confinement of the criminal in the penitentiary, the
4 expenses shall be paid ~~out of the state treasury, on~~
5 ~~the certificate of the governor and warrant of the~~
6 ~~director of the department of administrative services~~
7 by the department of corrections; and in all other
8 cases they shall be paid out of the county treasury in
9 the county wherein the crime is alleged to have been
10 committed. The expenses shall be the fees paid to the
11 officers of the state on whose governor the requisition
12 is made, and all necessary and actual traveling
13 expenses incurred in returning the prisoner.

14 DIVISION IV

15 MISCELLANEOUS PROVISIONS

16 Sec. 9. BUDGET PROCESS FOR FISCAL YEAR 2017-2018.

17 1. For the budget process applicable to the fiscal
18 year beginning July 1, 2017, on or before October 1,
19 2016, in lieu of the information specified in section
20 8.23, subsection 1, unnumbered paragraph 1, and
21 paragraph "a", all departments and establishments of
22 the government shall transmit to the director of the
23 department of management, on blanks to be furnished
24 by the director, estimates of their expenditure
25 requirements, including every proposed expenditure, for
26 the ensuing fiscal year, together with supporting data
27 and explanations as called for by the director of the
28 department of management after consultation with the
29 legislative services agency.

30 2. The estimates of expenditure requirements
31 shall be in a form specified by the director of
32 the department of management, and the expenditure
33 requirements shall include all proposed expenditures
34 and shall be prioritized by program or the results to
35 be achieved. The estimates shall be accompanied by

1 performance measures for evaluating the effectiveness
2 of the programs or results.

3 Sec. 10. TIME AND ATTENDANCE SOLUTION – EXECUTIVE
4 BRANCH. It is the intent of the general assembly that
5 executive branch agencies make use of an existing
6 master agreement entered into by the department of
7 administrative services on November 17, 2015, to
8 develop a statewide time and attendance solution.
9 The statewide time and attendance solution will
10 have the ability to generate savings within state
11 government, minimize compliance risk, and improve
12 workforce productivity with a vendor who specializes in
13 measuring metrics to monitor performance and measures
14 financial and operational activities by incorporating
15 modeling and data analytics, baseline numbers, and any
16 additional pertinent information.

17 Sec. 11. WATER QUALITY – IOWA FINANCE
18 AUTHORITY. There is appropriated from the general fund
19 of the state to the Iowa finance authority for the
20 fiscal year beginning July 1, 2016, and ending June 30,
21 2017, the following amount, or so much thereof as is
22 necessary, to be used for the purpose designated:

23 For deposit in the water quality financial
24 assistance fund created in section 16.134A, if enacted
25 by 2016 Iowa Acts, [House File 2451](#):
26 \$ 2,000,000

27 Sec. 12. SALARY MODEL ADMINISTRATOR. The salary
28 model administrator shall work in conjunction with
29 the legislative services agency to maintain the
30 state's salary model used for analyzing, comparing,
31 and projecting state employee salary and benefit
32 information, including information relating to
33 employees of the state board of regents. The
34 department of revenue, the department of administrative
35 services, the five institutions under the jurisdiction

1 of the state board of regents, the judicial district
2 departments of correctional services, and the state
3 department of transportation shall provide salary data
4 to the department of management and the legislative
5 services agency to operate the state's salary
6 model. The format and frequency of provision of the
7 salary data shall be determined by the department of
8 management and the legislative services agency. The
9 information shall be used in collective bargaining
10 processes under chapter 20 and in calculating the
11 funding needs contained within the annual salary
12 adjustment legislation. A state employee organization
13 as defined in section 20.3, subsection 4, may request
14 information produced by the model, but the information
15 provided shall not contain information attributable to
16 individual employees.

17 Sec. 13. Section 24.32, Code 2016, is amended to
18 read as follows:

19 24.32 Decision certified.

20 After a hearing upon the appeal, the state board
21 shall certify its decision to the county auditor and
22 to the parties to the appeal as provided by rule, and
23 the decision shall be final. The county auditor shall
24 make up the records in accordance with the decision and
25 the levying board shall make its levy in accordance
26 with the decision. Upon receipt of the decision, the
27 certifying board shall correct its records accordingly,
28 if necessary. Final disposition of all appeals shall
29 be made by the state board ~~on or before April 30 of~~
30 each year within forty-five days after the date of the
31 appeal hearing.

32 Sec. 14. Section 284.6, subsection 8, Code 2016, is
33 amended to read as follows:

34 8. For each year in which a school district
35 receives funds calculated and paid to school

1 districts for professional development pursuant to
2 section 257.10, subsection 10, or section 257.37A,
3 subsection 2, the school district shall create quality
4 professional development opportunities. Not less
5 than thirty-six hours in the school calendar, held
6 outside of the minimum school day, shall be set aside
7 during nonpreparation time or designated professional
8 development time to allow practitioners to collaborate
9 with each other to deliver educational programs and
10 assess student learning, or to engage in peer review
11 pursuant to section 284.8, subsection 1. The funds
12 may be used to implement the professional development
13 provisions of the teacher career paths and leadership
14 roles specified in section 284.7 or 284.15, including
15 but not limited to providing professional development
16 to teachers, including additional salaries for
17 time beyond the normal negotiated agreement; pay
18 for substitute teachers; professional development
19 materials, speakers, and professional development
20 content; textbooks and curriculum materials used for
21 classroom purposes, if purchase of such textbooks and
22 curriculum materials includes professional development;
23 and costs associated with implementing the individual
24 professional development plans. The use of the funds
25 shall be balanced between school district, attendance
26 center, and individual professional development plans,
27 making every reasonable effort to provide equal access
28 to all teachers.

29 Sec. 15. Section 418.12, subsection 5, Code 2016,
30 is amended to read as follows:

31 5. If the department of revenue determines that
32 the revenue accruing to the fund or accounts within
33 the fund exceeds thirty million dollars for a fiscal
34 year or exceeds the amount necessary for the purposes
35 of this chapter if the amount necessary is less than

1 thirty million dollars for a fiscal year, then those
2 excess moneys shall be credited by the department of
3 revenue for deposit in the general fund of the state.

4 Sec. 16. Section 669.11, Code 2016, is amended to
5 read as follows:

6 669.11 Payment of award.

7 1. Any Except as provided in subsection 2, an award
8 to a claimant under this chapter, and any judgment in
9 favor of any claimant under this chapter, shall be
10 paid promptly out of appropriations which have been
11 made for such purpose, if any; but any such amount or
12 part thereof which cannot be paid promptly from such
13 appropriations shall be paid promptly out of any money
14 in the state treasury not otherwise appropriated.
15 Payment shall be made only upon receipt of a written
16 release by the claimant in a form approved by the
17 attorney general.

18 2. An award under this chapter, and any judgment
19 in favor of any claimant under this chapter, for a
20 claim relating to conduct or actions of an employee
21 of the hospital and medical clinics at the university
22 of Iowa that is paid by moneys from the general fund
23 of the state through the state appeal board shall be
24 reimbursed by the hospital and medical clinics at the
25 university of Iowa. Payment shall be made only upon
26 receipt of a written release by the claimant in a form
27 approved by the attorney general.

28 Sec. 17. Section 915.25, subsection 3, as enacted
29 by 2016 Iowa Acts, [Senate File 2288](#), section 16, is
30 amended to read as follows:

31 3. Notwithstanding the provisions of sections
32 232.147, 232.149, and 232.149A, an intake or juvenile
33 court officer shall disclose to the alleged victim
34 of a delinquent act, upon the request of the victim,
35 the complaint, the name and address of the child

1 who allegedly committed the delinquent act, and
2 the disposition of the complaint. If the alleged
3 delinquent act would be a ~~foreible felony~~ serious
4 misdemeanor, aggravated misdemeanor, or felony offense
5 if committed by an adult, the intake or juvenile court
6 officer shall provide notification to the victim of the
7 delinquent act as required by section 915.24.

8 Sec. 18. 2016 Iowa Acts, Senate File 2314, section
9 22, if enacted, is amended to read as follows:

10 SEC. 59. SECRETARY OF STATE. There is appropriated
11 from the general fund of the state to the office of
12 the secretary of state for the fiscal year beginning
13 July 1, 2016, and ending June 30, 2017, the following
14 amounts, or so much thereof as is necessary, to be used
15 for the purposes designated:

16 1. ADMINISTRATION AND ELECTIONS

17 For salaries, support, maintenance, and
18 miscellaneous purposes, and for not more than the
19 following full-time equivalent positions:

20	\$	1,440,890
21	FTEs	13.10
22		<u>15.60</u>

23 The state department or state agency which provides
24 data processing services to support voter registration
25 file maintenance and storage shall provide those
26 services without charge.

27 2. BUSINESS SERVICES

28 For salaries, support, maintenance, and
29 miscellaneous purposes, and for not more than the
30 following full-time equivalent positions:

31	\$	1,440,891
32	FTEs	13.10
33		<u>15.60</u>

34 DIVISION V
35 CORRECTIVE PROVISIONS

1 Sec. 19. Section 29C.24, subsection 3, paragraph
2 a, subparagraphs (3) and (6), if enacted by 2016 Iowa
3 Acts, Senate File 2306, section 2, are amended to read
4 as follows:

5 (3) The imposition of income taxes under chapter
6 422, divisions II and III, including the requirement
7 to file tax returns under sections 422.13 through
8 422.15 or section 422.36, as applicable, and
9 including the requirement to withhold and remit
10 income tax from out-of-state employees under section
11 422.16. In addition, the performance of disaster or
12 emergency-related work during a disaster response
13 period by an out-of-state business or out-of-state
14 employee shall not require an out-of-state business
15 to be included in a consolidated return under section
16 422.37, and shall not increase the amount of net income
17 of the out-of-state business allocated and apportioned
18 to the state under ~~sections~~ section 422.8 or 422.33, as
19 applicable.

20 (6) The assessment of property taxes by the
21 department of revenue under sections 428.24 through
22 428.26, 428.28, and 428.29, or chapters 433, 434,
23 435, and 437 through 438, or by a local assessor
24 under another provision of law, on property brought
25 into the state to aid in the performance of disaster
26 or emergency-related work during a disaster response
27 period if such property does not remain in the state
28 after the conclusion of the disaster response period.

29 Sec. 20. Section 29C.24, subsection 4, if enacted
30 by 2016 Iowa Acts, Senate File 2306, section 2, is
31 amended to read as follows:

32 4. Business and employee status after a disaster
33 response period. An out-of-state business or
34 out-of-state employee that remains in the state after
35 the conclusion of the disaster response period ~~for~~

1 during which the disaster or emergency-related work
2 was performed shall be fully subject to the state's
3 standards for establishing presence, residency, or
4 doing business as otherwise provided by law, and
5 shall be responsible for any resulting taxes, fees,
6 licensing, registration, filing, or other requirements.

7 Sec. 21. Section 155A.13, subsection 3, paragraph
8 d, if enacted by 2016 Iowa Acts, Senate File 453,
9 section 3, is amended to read as follows:

10 d. An applicant seeking a special or limited-use
11 ~~pharmacy licensed~~ license for a proposed telepharmacy
12 site that does not meet the mileage requirement
13 established in paragraph "c" and is not statutorily
14 exempt from the mileage requirement may apply to the
15 board for a waiver of the mileage requirement. A
16 waiver request shall only be granted if the applicant
17 can demonstrate to the board that the proposed
18 telepharmacy site is located in an area where there is
19 limited access to pharmacy services and can establish
20 the existence of compelling circumstances that justify
21 waiving the mileage requirement. The board's decision
22 to grant or deny a waiver request shall be a proposed
23 decision subject to mandatory review by the director
24 ~~of the department~~ of public health. The director
25 shall review a proposed decision and shall have the
26 power to approve, modify, or veto a proposed decision.
27 The director's decision on a waiver request shall be
28 considered final agency action subject to judicial
29 review under chapter 17A.

30 Sec. 22. Section 229.13, subsection 7, paragraph a,
31 subparagraph (1), if enacted by 2016 Iowa Acts, Senate
32 File 2259, section 1, is amended to read as follows:

33 (1) The respondent's mental health professional
34 acting within the scope of the mental health
35 professional's practice shall notify the committing

1 court, with preference given to the committing judge,
2 if available, in the appropriate county ~~who~~ and the
3 court shall enter a written order directing that
4 the respondent be taken into immediate custody by
5 the appropriate sheriff or sheriff's deputy. The
6 appropriate sheriff or sheriff's deputy shall exercise
7 all due diligence in taking the respondent into
8 protective custody to a hospital or other suitable
9 facility.

10 Sec. 23. Section 256.11, subsection 4, Code 2016,
11 as amended by 2016 Iowa Acts, House File 2392, section
12 26, if enacted, is amended to read as follows:

13 4. The following shall be taught in grades seven
14 and eight: English-language arts; social studies;
15 mathematics; science; health; age-appropriate and
16 research-based human growth and development; career
17 exploration and development; physical education; music;
18 and visual art. Career exploration and development
19 shall be designed so that students are appropriately
20 prepared to create an individual career and academic
21 plan pursuant to section 279.61, incorporate
22 foundational career and technical education concepts
23 aligned with the six career and technical education
24 service areas as defined in ~~paragraph~~ subsection 5,
25 ~~subsection paragraph~~ "h", and incorporate relevant
26 twenty-first century skills. The health curriculum
27 shall include age-appropriate and research-based
28 information regarding the characteristics of
29 sexually transmitted diseases, including HPV and the
30 availability of a vaccine to prevent HPV, and acquired
31 immune deficiency syndrome. The state board as part
32 of accreditation standards shall adopt curriculum
33 definitions for implementing the program in grades
34 seven and eight. However, this subsection shall
35 not apply to the teaching of career exploration and

1 development in nonpublic schools. For purposes of this
2 section, "age-appropriate", "HPV", and "research-based"
3 mean the same as defined in section 279.50.

4 Sec. 24. Section 272.25, subsection 3, Code 2016,
5 as amended by 2016 Iowa Acts, [Senate File 2196](#), section
6 3, is amended to read as follows:

7 3. A requirement that the program include
8 instruction in skills and strategies to be used in
9 classroom management of individuals, and of small and
10 large groups, under varying conditions; skills for
11 communicating and working constructively with pupils,
12 teachers, administrators, and parents; preparation in
13 reading theory, knowledge, strategies, and approaches,
14 and for integrating literacy instruction ~~in~~ into
15 content areas in accordance with section 256.16; and
16 skills for understanding the role of the board of
17 education and the functions of other education agencies
18 in the state. The requirement shall be based upon
19 recommendations of the department of education after
20 consultation with teacher education faculty members in
21 colleges and universities.

22 Sec. 25. Section 521A.6B, subsection 5, paragraph
23 e, if enacted by 2016 Iowa Acts, [House File 2394](#),
24 section 10, is amended to read as follows:

25 e. Entering into agreements with or obtaining
26 documentation from any insurer registered under
27 section 521A.4, any member of an internationally
28 active insurance group, and any other state, federal,
29 or international regulatory agency for members of the
30 internationally active insurance group, that provides
31 the basis for or otherwise clarifies the commissioner's
32 role as group-wide supervisor of an internationally
33 active insurance group, including provisions for
34 resolving disputes with other regulatory officials.
35 Such agreements or documentation shall not serve as

1 evidence in any proceeding that any insurer or person
2 within an insurance ~~company~~ holding company system
3 not domiciled or incorporated in this state is doing
4 business in this state or is otherwise subject to
5 jurisdiction in this state.

6 Sec. 26. Section 598C.102, subsection 8, paragraph
7 b, if enacted by 2016 Iowa Acts, [Senate File 2233](#),
8 section 2, is amended to read as follows:

9 b. An individual who has custodial responsibility
10 for a child under a law of this state other than this
11 chapter.

12 Sec. 27. 2016 Iowa Acts, [House File 2269](#), section
13 20, subsection 1, is amended to read as follows:

14 1. It is amended, rescinded, or supplemented by the
15 affirmative action of the executive ~~council~~ committee
16 of the Iowa beef cattle producers association created
17 in section 181.3, as amended in this Act.

18 Sec. 28. 2016 Iowa Acts, [Senate File 378](#), section
19 2, is amended to read as follows:

20 SEC. 2. REPEAL. Section 80.37, Code ~~2015~~ 2016, is
21 repealed.

22 Sec. 29. 2016 Iowa Acts, [Senate File 2185](#), section
23 2, if enacted, is amended by striking the section and
24 inserting in lieu thereof the following:

25 SEC. 2. Section 709.21, subsection 3, Code 2016, is
26 amended to read as follows:

27 3. A person who violates this section commits a
28 ~~serious~~ an aggravated misdemeanor.

29 DIVISION VI

30 AREA EDUCATION AGENCY FUNDING

31 Sec. 30. SPECIAL EDUCATION SUPPORT SERVICES

32 FUNDING. Notwithstanding the provisions of section
33 257.35, subsection 11, and section 257.37, subsection
34 6, for the budget year beginning July 1, 2016, an area
35 education agency shall use the total amount determined

1 to be available to the area education agency under
2 section 257.35 and any unreserved fund balances for
3 media services or education services that exceed
4 an amount equal to 5 percent of the area education
5 agency's budget for media services and education
6 services for that budget year, and including funds
7 that exceed the payment for special education support
8 services pursuant to section 257.35, in a manner to
9 best maintain the level of required area education
10 agency special education support services.

11 Sec. 31. EFFECTIVE UPON ENACTMENT. This division
12 of this Act, being deemed of immediate importance,
13 takes effect upon enactment.

14 DIVISION VII

15 SCHOOL DISTRICT FUNDING

16 Sec. 32. Section 257.2, subsection 2, Code 2016, is
17 amended by striking the subsection.

18 Sec. 33. NEW SECTION. 257.14A District cost per
19 pupil equity - budget adjustment.

20 1. The board of directors of an eligible school
21 district with a regular program district cost per pupil
22 for the budget year beginning July 1, 2016, that is
23 less than the highest regular program district cost
24 per pupil among all school districts in the state for
25 the same budget year that wishes to receive the budget
26 adjustment under this section may adopt a resolution
27 by June 30, 2016, and shall notify the department of
28 management of the adoption of the resolution and the
29 amount of the budget adjustment to be received.

30 2. a. For the budget year beginning July 1,
31 2016, each eligible school district that satisfies
32 the requirements of subsection 1 shall be eligible
33 for a budget adjustment for that budget year in an
34 amount not to exceed the difference between the school
35 district's regular program district cost per pupil

1 for the budget year beginning July 1, 2016, and the
2 highest regular program district cost per pupil among
3 all school districts in the state for the same budget
4 year multiplied by the district's budget enrollment
5 for the budget year beginning July 1, 2016. The
6 resolution adopted under subsection 1 may specify a
7 budget adjustment amount that is less than the maximum
8 amount authorized under this paragraph "a".

9 b. The eligible school district shall fund the
10 budget adjustment solely by using cash reserve moneys
11 available to the school district during the budget
12 year beginning July 1, 2016. Amounts used to fund the
13 budget adjustment may be used by the school district
14 for any school general fund purpose.

15 c. An eligible school district receiving a budget
16 adjustment under this section shall be subject to the
17 reduction of the maximum cash reserve levy authorized
18 in section 298.10, subsection 3, paragraph "b", and
19 shall in one or more subsequent budget years reimburse
20 the school district's cash reserve amount the total
21 amount of the budget adjustment received during the
22 budget year beginning July 1, 2016, using school
23 district general fund moneys that are part of the
24 school district's authorized expenditures in section
25 257.7.

26 3. A budget adjustment received under this section
27 shall not affect the eligibility for or amount of any
28 other budget adjustment authorized by law for the same
29 budget year. In addition, a budget adjustment under
30 this section shall be limited to the budget year for
31 which the adjustment was authorized and shall not be
32 included in any computation of a school district's cost
33 for any future budget year.

34 4. For purposes of this section, "eligible school
35 district" means a school district located in whole or

1 in part within a county with a population in excess of
2 one hundred fifty thousand but less than two hundred
3 thousand and that has a budget enrollment in excess
4 of ten thousand for the budget year beginning July 1,
5 2016.

6 Sec. 34. Section 257.34, Code 2016, is amended to
7 read as follows:

8 257.34 Cash reserve information.

9 1. If a school district receives less state school
10 foundation aid under section 257.1 than is due under
11 that section for a base year and the school district
12 uses funds from its cash reserve during the base year
13 to make up for the amount of state aid not paid, the
14 board of directors of the school district shall include
15 in its general fund budget document information about
16 the amount of the cash reserve used to replace state
17 school foundation aid not paid.

18 2. If a school district uses funds from its cash
19 reserve during the budget year beginning July 1, 2016,
20 to fund a budget adjustment under section 257.14A, the
21 board of directors of the school district shall include
22 in its general fund budget document information about
23 the amount of the cash reserve used for such purpose.

24 Sec. 35. Section 298.10, subsection 3, Code 2016,
25 is amended to read as follows:

26 3. a. For fiscal years beginning on or after
27 July 1, 2012, the cash reserve levy for a budget
28 year shall not exceed twenty percent of the general
29 fund expenditures for the year previous to the base
30 year minus the unexpended fund balance, as defined in
31 section 257.2, for the year previous to the base year.

32 b. For fiscal years beginning on or after July
33 1, 2017, the maximum amount of the cash reserve levy
34 calculated under paragraph "a" shall be reduced by an
35 amount equal to the amount of the budget adjustment

1 authorized by the school district under section 257.14A
2 that has not been reimbursed by the school district
3 pursuant to section 257.14, subsection 2, paragraph
4 "c".

5 Sec. 36. EFFECTIVE UPON ENACTMENT. This division
6 of this Act, being deemed of immediate importance,
7 takes effect upon enactment.

8 DIVISION VIII
9 WATER UTILITIES

10 Sec. 37. Section 388.1, Code 2016, is amended by
11 adding the following new subsections:

12 NEW SUBSECTION. 1A. "Population" means the
13 population shown by the latest preceding certified
14 federal census or the latest applicable population
15 estimate issued by the federal government, whichever is
16 most recent and available as of July 1 of the preceding
17 fiscal year.

18 NEW SUBSECTION. 2A. "Water utility services"
19 means providing water at retail or wholesale cost;
20 water withdrawal, storage, treatment, or distribution
21 facilities; other equipment or facilities necessary for
22 the operation of a water utility; or water management,
23 operation, or billing services.

24 Sec. 38. Section 388.3, Code 2016, is amended to
25 read as follows:

26 388.3 Procedure upon approval.

27 1. If a proposal to establish a utility board
28 receives a favorable majority vote, the mayor shall
29 appoint the board members, as provided in the proposal,
30 subject to the approval of the council. The council
31 shall by resolution provide for staggered six-year
32 terms for, and shall set the compensation of, board
33 members.

34 2. A board member appointed to fill a vacancy
35 occurring by reason other than the expiration of a term

1 is appointed for the balance of the unexpired term.

2 3. A public officer or a salaried employee of the
3 city may not serve on a utility board.

4 4. Notwithstanding section 388.2, a board for
5 a city with a population of more than one hundred
6 ninety thousand that provides water utility services
7 to persons who reside outside of the city limits or to
8 other cities shall be appointed as follows:

9 a. The mayor of the city with a population of one
10 hundred ninety thousand or more shall appoint two board
11 members, subject to approval by the city council.

12 b. The mayor of each city with a population of
13 more than fifteen thousand and less than one hundred
14 ninety thousand where the city utility provides utility
15 services shall each appoint one board member, subject
16 to approval by the respective city councils.

17 c. The board of supervisors of each county in which
18 the city utility provides utility services shall each
19 appoint one board member. Such board members shall
20 reside in an area in which the city utility provides
21 utility services that is not within a city with a
22 population of more than fifteen thousand. However, if
23 the utility services in the county are provided to a
24 rural water district organized under chapter 357A, the
25 board of the rural water district shall appoint the
26 board member.

27 5. The board established in subsection 4 shall, by
28 resolution, provide for staggered six-year terms and
29 shall set the compensation for the board members.

30 DIVISION IX

31 CITY UTILITY BILLINGS AND COLLECTIONS - LIENS

32 Sec. 39. Section 384.84, subsection 4, paragraph
33 a, Code 2016, is amended by adding the following new
34 subparagraph:

35 NEW SUBPARAGRAPH. (4) A lien under subparagraph

1 (1) shall not be placed upon a premises that is a
2 mobile home, modular home, or manufactured home served
3 by any of the services under that subparagraph if the
4 mobile home, modular home, or manufactured home is
5 owned by a tenant of and located in a mobile home park
6 or manufactured home community and the mobile home park
7 or manufactured home community owner or manager is the
8 account holder, unless the lease agreement specifies
9 that the tenant is responsible for payment of a portion
10 of the rates or charges billed to the account holder.

11 Sec. 40. Section 384.84, subsections 10 and 11,
12 Code 2016, are amended to read as follows:

13 10. For the purposes of this section, "premises"
14 includes a mobile home, modular home, or manufactured
15 ~~home as defined in section 435.1, when the mobile home,~~
16 ~~modular home, or manufactured home is taxed as real~~
17 ~~estate, and mobile home park and "manufactured home~~
18 community" mean as defined in section 435.1.

19 11. Notwithstanding subsection 4, except for mobile
20 home parks or manufactured home communities where the
21 mobile home park or manufactured home community owner
22 or manager is responsible for paying the rates or
23 charges for services, a lien shall not be filed against
24 the land if the premises are located on leased land.
25 If the premises are located on leased land, a lien may
26 be filed against the premises only.

27 DIVISION X

28 ELECTRIC TRANSMISSION LINES

29 Sec. 41. NEW SECTION. 478.6A Merchant line
30 franchises – requirements – limitations.

31 1. a. For purposes of this section, "bifurcation"
32 means the conducting of two separate hearings when
33 a petition involves the taking of property under
34 eminent domain, one hearing considering whether the
35 proposed line is necessary to serve a public use and

1 represents a reasonable relationship to an overall plan
2 of transmitting electricity in the public interest, and
3 the other considering the granting of eminent domain
4 authority.

5 b. For purposes of this section, "merchant
6 line" means a high-voltage direct current electric
7 transmission line which does not provide for the
8 erection of electric substations at intervals of less
9 than fifty miles, which substations are necessary
10 to accommodate both the purchase and sale to persons
11 located in this state of electricity generated or
12 transmitted by the franchisee.

13 2. A petition for a franchise to construct a
14 merchant line, in addition to any other applicable
15 requirements pursuant to this chapter, shall be subject
16 to all of the following:

17 a. The board shall not permit the bifurcation in
18 any manner of a petition and shall reject any request
19 by a petitioner for bifurcation.

20 b. Notwithstanding section 478.10, the sale and
21 transfer of a merchant line, by voluntary or judicial
22 sale or otherwise, shall not carry with it the transfer
23 of the franchise.

24 c. Notwithstanding section 478.21, if a petition
25 that involves the taking of property under eminent
26 domain is not approved by the board and a franchise
27 granted within three years following the date of
28 the first informational meeting held in any county
29 regarding the petition, pursuant to section 478.2, the
30 utilities board shall reject the petition and make a
31 record of the rejection. A petitioner may not file a
32 petition for the same or a similar project that has
33 been rejected under this subsection within sixty months
34 following the date of rejection.

35 d. The board shall not grant a petition that

1 involves the taking of property under eminent domain
2 unless a minimum of seventy-five percent of the
3 easements necessary to construct the project have been
4 obtained voluntarily.

5 e. In considering whether to grant a petition that
6 involves the taking of property under eminent domain,
7 section 478.3, subsection 3, is not applicable, and
8 the term "public" shall be interpreted to be limited to
9 consumers located in this state.

10 Sec. 42. EFFECTIVE UPON ENACTMENT. This division
11 of this Act, being deemed of immediate importance,
12 takes effect upon enactment.

13 Sec. 43. APPLICABILITY. This division of this Act
14 is applicable to petitions for franchise filed on or
15 after November 1, 2014, that have not been approved
16 by the utilities board on or after the effective date
17 of this division of this Act, and to petitions for
18 franchise filed on or after the effective date of this
19 division of this Act.>>

20 2. Title page, line 4, after <date> by inserting
21 <and applicability>

RECEIVED FROM THE HOUSE

S-5177 FILED APRIL 26, 2016

REFUSED TO CONCUR



HF 2464 – Petroleum Tanks Fund and Financing Program (LSB5257HZ.1)
Analyst: Jeff Robinson (Phone: 515-281-4614) (jeff.robinson@legis.iowa.gov)
Fiscal Note Version – As passed by the House

Description

House File 2464, as passed by the House, relates to the Iowa Comprehensive Petroleum Underground Storage Tank Fund and Board (UST Fund and UST Board) and to related programs and program financing. The bill:

- Strikes a quarterly \$3.5 million transfer from the **Statutory Allocations Fund** to the **UST Fund**. The change is effective beginning with the third quarter of FY 2017.
- Strikes a quarterly \$750,000 transfer from the Statutory Allocations Fund to the Department of Agriculture and Land Stewardship (DALS) **Renewable Fuel Infrastructure Fund** and replaces it with a \$1.5 million quarterly allocation. This change is effective for the first two quarters of FY 2017. The new quarterly allocation is then struck, effective with the third quarter of FY 2017.
- Extends the existing **Environmental Protection Charge** (EPC) for six months, to December 31, 2016.
- Makes conforming changes.

Background

Iowa's EPC is set to expire at the end of FY 2016. The EPC is equal to \$0.01 per petroleum gallon. The EPC generates revenue of approximately \$21.6 million per year. Although originally designed as a financing mechanism for the cleanup of petroleum contamination, for many years the EPC has been a revenue source for the Road Use Tax Fund (RUTF). Underground petroleum storage tank cleanup has instead been financed at first through an annual allocation of motor vehicle use tax, and later (and currently) through an annual allocation from the Statutory Allocation Fund.

While the EPC is set to expire at the end of FY 2016, under current law the annual \$14.0 million allocation to UST cleanup does not expire. In addition, the Renewable Fuel Infrastructure Fund receives an annual \$3.0 million allocation from the Statutory Allocations Fund and this allocation does not expire.

The Statutory Allocations Fund receives funding from trailer registration fees, driver's license fees, and other fees. Any revenue in the Fund that is not specifically allocated to another purpose is transferred to the RUTF. The scheduled expiration of the EPC will reduce RUTF revenue by \$21.5 million per year. This bill delays the repeal of the EPC by six months and the delay will result in additional FY 2017 RUTF revenue when compared to current law. The bill eliminates two ongoing annual allocations totaling \$17.0 million. Eliminating the two allocations will also increase RUTF revenue and offset much of the revenue decrease associated with the EPC expiration. A 2014 **Issue Review** describing the **EPC** is available from the Legislative Services Agency (LSA).

The UST Program, UST Fund, and UST Board were created in HF 447 (Petroleum Underground Storage Tank Act of 1989). The main purpose of the Program is to provide environmental remediation assistance, site insurance, and loan financing for underground

petroleum storage tank locations. A 2014 *Issue Review* describing the [UST Program](#) is available from the LSA.

Updating the 2014 *Issue Review* analysis, the UST Program had a balance at the end of FY 2015 of \$33.7 million and outstanding cleanup obligations of \$29.3 million. During the course of FY 2016 the UST Fund will receive \$14.0 million from the Statutory Allocations Fund and will make payments for remedial claims and for administration. The projected UST Fund balance at the conclusion of FY 2016 is \$36.3 million and outstanding claim obligations are expected to total \$22.8 million.

While an increase in the expected total cleanup cost for known claims has reduced the future financial condition of the UST Program somewhat, the projected balances for FY 2016 through FY 2019 are expected to be sufficient to pay all existing and future Fund obligations without the continued revenue transfer from the Statutory Allocations Fund after December 2016.

The Renewable Fuels Infrastructure Fund is administered by the DALs and the [Renewable Fuel Infrastructure Board](#). The sources of revenue for the Fund include the annual \$3.0 million transfer from the Statutory Allocations Fund and interest. The Fund is used for the following purposes:

- Up to \$50,000 annually for administration.
- Up to 1.5% (about \$45,000 per year) for program marketing.
- Renewable fuel infrastructure incentives for petroleum retailers and terminals. The purpose of the Program is to improve motor fuel distribution sites by installing, replacing, or converting infrastructure to be used to store, blend, or dispense renewable (ethanol and biodiesel) fuel.
- Since FY 2012, the annual Agriculture and Natural Resources Appropriation Act has appropriated \$500,000 each year from the Renewable Fuel Infrastructure Fund to the DALs for motor fuel inspection.

Over four fiscal years (FY 2012 through FY 2015), the Renewable Fuel Infrastructure Fund:

- Received \$12.0 million from the Statutory Allocations Fund.
- Received \$87,000 in interest and other revenue.
- Transferred \$2.0 million to the DALs for motor fuel inspection.
- Expended \$200,000 on administration.
- Expended \$8.5 million on retail and terminal motor fuel infrastructure incentives.
- Increased the ending balance by \$1.4 million.

Fiscal Impact

The bill strikes quarterly allocations from the Statutory Allocations Fund to the UST Fund and the Renewable Fuel Infrastructure Fund. The UST Fund and the Renewable Infrastructure Fund will cease to receive quarterly allocations after the second quarter of FY 2017. The changes in the bill will result in the following fiscal impacts:

- UST Fund, negative \$7.0 million for FY 2017, negative \$14.0 million annually thereafter.
- Renewable Fuel Infrastructure Fund, negative \$3.0 million annually after FY 2017.
- RUTF, positive \$17.8 million for FY 2017, positive \$17.0 million thereafter.

Current projections indicate that the existing UST Fund has a sufficient balance to pay all remaining Fund obligations and to provide a funding source for future petroleum cleanup identified as program-eligible under current law. The Renewable Fuel Infrastructure Fund had a balance of \$3.4 million at the end of FY 2015 and a similar cash balance at the end of February 2016.

The \$17.8 million in FY 2017 and \$17.0 million annually thereafter in increased RUTF revenue will become part of the RUTF distribution formula and will be used for city, county, and state road construction and maintenance activities. The increase will offset much of an annual \$21.6 million current law RUTF revenue decrease scheduled to begin in FY 2017.

Sources

Legislative Services Agency analysis
Department of Transportation
Department of Natural Resources
Iowa UST Board
State of Iowa accounting system

/s/ Holly M. Lyons

April 25, 2016

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.
