HOUSE FILE 2688
BY COMMITTEE ON APPROPRIATIONS

(SUCCESSOR TO HF 2428)

(As Amended and Passed by the House April 15, 2024)

[= New Language by the House

* = Language Stricken by the House

A BILL FOR

An Act providing for a rural veterinary practice innovation and revitalization fund and program to assist veterinary practices in certain counties, and making appropriations.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

Section 1. NEW SECTION. 159.31B Definitions.

As used in this part, unless the context otherwise requires:

1. "*Agricultural animal*" means an animal belonging to the bovine, caprine, equine, ovine, or porcine species; farm deer as defined in section 170.1; ostriches, rheas, and emus; turkeys, chickens, domestic geese or ducks, or other domestic fowl; fish or other aquatic organisms confined in private waters for human consumption; or honey bees.

2. "*Financial assistance*" means assistance provided only from the moneys and assets legally available to the department pursuant to this part and includes assistance in the form of grants, low-interest loans, and forgivable loans.

3. "*Fund*" means the rural veterinary practice innovation and revitalization fund established in section 159.31D.

4. "*Licensed veterinarian*" means an individual who is validly and currently licensed to practice veterinary medicine in the state under chapter 169.

5. "*Program*" means the rural veterinary practice innovation and revitalization program established in section 159.31E.

6. "*Veterinary practice*" means a business engaged in the practice of veterinary medicine as defined in section 169.3, as any of the following:

a. An individual acting as solo veterinary practitioner.

b. A partnership or a limited liability partnership formed under chapter 486A in which all partnership interests are held by licensed veterinarians.

c. A limited partnership formed under chapter 488 in which all interests are held by licensed veterinarians.

d. A professional limited liability company formed under chapter 489 in which all membership interests are held by licensed veterinarians.

e. A professional corporation formed under chapter 496C in which all shares are held by licensed veterinarians.

f. A corporation formed under chapter 504 in which all shares are held by licensed veterinarians.

Sec. 2. NEW SECTION. 159.31C Administration.

1. The department shall administer the provisions of this part, including by adopting rules pursuant to chapter 17A as it determines are necessary or desirable.

2. In administering the rural veterinary practice innovation and revitalization program, the department shall consult with the Iowa board of veterinary medicine as provided in section 169.5 and organizations interested in animal agriculture and the health of agricultural animals.

Sec. 3. NEW SECTION. **159.31D Rural veterinary practice innovation and revitalization fund.**

1. A rural veterinary practice innovation and revitalization fund is established in the state treasury under the management and control of the department.

2. The fund shall include moneys appropriated by the general assembly and other moneys available to and obtained or accepted by the department, including moneys from public or private sources.

3. [*a.*] Moneys in the fund are appropriated to the department for the purpose of supporting the rural veterinary practice innovation and revitalization program established in section 159.31E.

[*b.* The department may use not more than five percent of the balance of the unencumbered and unobligated moneys in the fund at the beginning of a fiscal year to pay for the costs of administering the program.]

4. *a.* Notwithstanding section 12C.7, interest or earnings on moneys in the fund shall be credited to the fund.

b. Notwithstanding section 8.33, moneys in the fund that remain unencumbered or unobligated at the end of a fiscal year shall not revert.

Sec. 4. NEW SECTION. **159.31E Rural veterinary practice innovation and revitalization program.**

1. The department shall establish and administer the rural veterinary practice innovation and revitalization program

for the purpose of awarding financial assistance to eligible veterinary practices to expand and improve veterinary services provided to agricultural animals in those counties with a population of thirty thousand or less according to the latest preceding federal decennial census or the latest applicable population estimate issued by the United States census bureau, whichever is most recent.

2. The department shall award financial assistance to pay for project costs incurred by doing one or more of the following:

a. Improve or expand existing facilities.

b. Acquire existing equipment, devices, tools, or instruments.

c. Incorporate new methods and technologies, including computerized systems.

3. The department shall establish eligibility criteria for the program by rule. The eligibility criteria must include all of the following:

a. The veterinary practice must be located in this state.

b. A licensed veterinarian associated with the veterinary practice as a solo practitioner, partner, limited partner, member, or shareholder must not have been subject to [disciplinary action in this state or another state] within the last five years.

c. The veterinary practice must only employ individuals legally authorized to work in this state.

d. The veterinary practice must not currently be in bankruptcy.

e. The veterinary practice must employ less than fifty individuals.

4. A veterinary practice seeking financial assistance under this section must make application to the department in the manner prescribed by the department by rule.

5. Applications shall be accepted during one or more annual application periods to be determined by the department. Upon

reviewing and scoring all applications that are received during an application period, and subject to funding, the department may award financial assistance to eligible veterinary practices. A financial assistance award shall not exceed the amount of eligible project costs included in the eligible application.

Sec. 5. RURAL VETERINARY PRACTICE INNOVATION AND REVITALIZATION FUND AND PROGRAM.

1. There is appropriated from the general fund of the state to the department of agriculture and land stewardship for the fiscal year beginning July 1, 2024, and ending June 30, 2025, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the rural veterinary practice innovation and revitalization fund as provided in section 159.31D:

..... $ 750,000

2. Of the moneys appropriated in this section, a veterinary practice shall not receive more than [$25,000] in any fiscal year under the rural veterinary practice innovation and revitalization program established in section 159.31E.