CHAPTER 25

NONSUBSTANTIVE CODE CORRECTIONS

S.F. 474

AN ACT relating to nonsubstantive Code corrections and including effective date and retroactive applicability provisions.

Be It Enacted by the General Assembly of the State of Iowa:

DIVISION I
NONSUBSTANTIVE CHANGES

Section 1. Section 8.57, subsection 6, paragraph e, subparagraph (1), subparagraph division (d), subparagraph subdivision (i), Code 2011, is amended to read as follows:

(i) The total moneys in excess of the moneys deposited in the revenue bonds debt service fund, the revenue bonds federal ~~holdback~~ subsidy holdback fund, the vision Iowa fund, the school infrastructure fund, and the general fund of the state in a fiscal year shall be deposited in the rebuild Iowa infrastructure fund and shall be used as provided in this section, notwithstanding section 8.60.

Sec. 2. Section 8A.311, subsection 14, paragraph b, Code 2011, is amended to read as follows:

b. The procurement by state agencies of ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants manufactured from soybeans in accordance with the requirements of section 8A.316.

Sec. 3. Section 8A.316, subsection 4, paragraph a, Code 2011, is amended to read as follows:

a. Provide that when purchasing hydraulic fluids, greases, and other industrial lubricants, the department or a state agency authorized by the department to directly purchase hydraulic fluids, greases, and other industrial lubricants shall give preference to purchasing ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants manufactured from soybeans.

Sec. 4. Section 8A.316, subsection 4, paragraph c, subparagraph (1), Code 2011, is amended to read as follows:

(1) *~~"Bio-based~~ "Biobased hydraulic fluids, greases, and other industrial lubricants"* means the same as defined by the United States department of agriculture, if the department has adopted such a definition. If the United States department of agriculture has not adopted a definition, *~~"bio-based~~ "biobased hydraulic fluids, greases, and other industrial lubricants"* means hydraulic fluids, greases, and other lubricants containing a minimum of fifty-one percent soybean oil.

Sec. 5. Section 8D.3, subsection 2, Code 2011, is amended to read as follows:

2. *Members.*

a. The commission is composed of five members appointed by the governor and subject to confirmation by the senate. Members of the commission shall not serve in any manner or be employed by an authorized user of the network or by an entity seeking to do or doing business with the network.

~~*a.*~~ (1) The governor shall appoint a member as the chairperson of the commission from the five members appointed by the governor, subject to confirmation by the senate.

~~*b.*~~ (2) Members of the commission shall serve six-year staggered terms as designated by the governor and appointments to the commission are subject to the requirements of sections 69.16, 69.16A, and 69.19. Vacancies shall be filled by the governor for the duration of the unexpired term.

~~*c.*~~ (3) The salary of the members of the commission shall be twelve thousand dollars per year, except that the salary of the chairperson shall be seventeen thousand dollars per year. Members of the commission shall also be reimbursed for all actual and necessary expenses

incurred in the performance of duties as members. The benefits and salary paid to the members of the commission shall be adjusted annually equal to the average of the annual pay adjustments, expense reimbursements, and related benefits provided under collective bargaining agreements negotiated pursuant to chapter 20.

~~*d.* Meetings of the commission shall be held at the call of the chairperson of the commission.~~

b. In addition to the members appointed by the governor, the auditor of state or the auditor's designee shall serve as a nonvoting, ex officio member of the commission.

c. Meetings of the commission shall be held at the call of the chairperson of the commission.

Sec. 6. Section 12.87, subsection 1, Code 2011, is amended to read as follows:

1. *a.* The treasurer of state is authorized to issue and sell bonds on behalf of the state to provide funds for certain infrastructure projects and for purposes of the Iowa jobs program established in section 16.194. The treasurer of state shall have all of the powers which are necessary or convenient to issue, sell, and secure bonds and carry out the treasurer of state's duties, and exercise the treasurer of state's authority under this section and sections 12.88 through 12.90. The treasurer of state may issue and sell bonds in such amounts as the treasurer of state determines to be necessary to provide sufficient funds for certain infrastructure projects and the revenue bonds capitals fund, the revenue bonds capitals II fund, the payment of interest on the bonds, the establishment of reserves to secure the bonds, the payment of costs of issuance of the bonds, the payment of other expenditures of the treasurer of state incident to and necessary or convenient to carry out the issuance and sale of the bonds, and the payment of all other expenditures of the treasurer of state necessary or convenient to administer the funds and to carry out the purposes for which the bonds are issued and sold. The treasurer of state may issue and sell bonds in one or more series on the terms and conditions the treasurer of state determines to be in the best interest of the state, in accordance with this section in such amounts as the treasurer of state determines to be necessary to fund the purposes for which such bonds are issued and sold as follows:

~~*a.*~~ *b.* The treasurer of state may issue and sell bonds in amounts which provide aggregate net proceeds of not more than six hundred ninety-five million dollars, excluding any bonds issued and sold to refund outstanding bonds issued under this section, as follows:

(1) On or after July 1, 2009, the treasurer of state may issue and sell bonds in amounts which provide aggregate net proceeds of not more than one hundred eighty-five million dollars for capital projects which qualify as vertical infrastructure projects as defined in section 8.57, subsection 6, paragraph "*c*", to the extent practicable in any fiscal year and without limiting other qualifying capital expenditures.

(2) On or after July 1, 2009, the treasurer of state may issue and sell bonds in amounts which provide aggregate net proceeds of not more than three hundred sixty million dollars for purposes of the Iowa jobs program established in section 16.194 and for watershed flood rebuilding and prevention projects, soil conservation projects, sewer infrastructure projects, for certain housing and public service shelter projects and public broadband and alternative energy projects, and for projects relating to bridge safety and the rehabilitation of deficient bridges.

(3) On or after April 1, 2010, the treasurer of state may issue and sell bonds in amounts which provide aggregate net proceeds of not more than one hundred fifty million dollars for purposes of the Iowa jobs II program established in section 16.194A and for qualified projects in the departments of agriculture and land stewardship, economic development, education, natural resources, and transportation, and the Iowa finance authority, state board of regents, and treasurer of state.

Sec. 7. Section 12.89A, subsection 5, Code 2011, is amended to read as follows:

5. At any time during each fiscal year that there are moneys on deposit in the revenue bonds federal subsidy holdback fund that are not needed to pay principal and interest on federal subsidy bonds during such fiscal year as determined by the treasurer of state or the

treasurer's designee, such moneys on deposit in the revenue bonds federal subsidy holdback ~~account~~ fund shall be credited to the rebuild Iowa infrastructure fund of the state.

Sec. 8. Section 29C.20B, subsection 2, paragraph f, Code 2011, is amended to read as follows:

f. ~~Develop~~ Development of formal working relationships with agencies and ~~create~~ creation of interagency agreements for those considered to provide disaster case management services.

Sec. 9. Section 34A.15, subsection 1, paragraph f, Code 2011, is amended to read as follows:

f. One person appointed by the Iowa ~~firemen's~~ firefighters association.

Sec. 10. Section 88.19, Code 2011, is amended to read as follows:

88.19 Annual report.

Within one hundred twenty days following the convening of each session of each general assembly, the commissioner shall prepare and submit to the governor for transmittal to the general assembly a report upon the subject matter of this chapter, the progress toward achievement of the purpose of this chapter, the needs and requirements in the field of occupational safety and health, and any other relevant information. Such reports may include information regarding occupational safety and health standards, and criteria for such standards, developed during the preceding year; evaluation of standards and criteria previously developed under this chapter, defining areas of emphasis for new criteria and standards; ~~and~~ evaluation of the degree of observance of applicable occupational safety and health standards, and a summary of inspection and enforcement activity undertaken; analysis and evaluation of research activities for which results have been obtained under governmental and nongovernmental sponsorship; an analysis of major occupational diseases; evaluation of available control and measurement technology for hazards for which standards or criteria have been developed during the preceding year; a description of cooperative efforts undertaken between government agencies and other interested parties in the implementation of this chapter during the preceding year; a progress report on the development of an adequate supply of trained personnel in the field of occupational safety and health, including estimates of future needs and the efforts being made by government and others to meet those needs; a listing of all toxic substances in industrial usage for which labeling requirements, criteria, or standards have not yet been established; and such recommendations for additional legislation as are deemed necessary to protect the safety and health of the worker and improve the administration of this chapter.

Sec. 11. Section 89.6, subsection 2, Code 2011, is amended to read as follows:

2. Before any power boiler is converted to a low pressure boiler, the owner or user shall give to the commissioner ten days' written notice of intent to convert the boiler ~~to the commissioner~~. The notice shall designate the boiler location, the uses of the building, and other information specified by rule by the board.

Sec. 12. Section 97C.2, subsections 3 and 6, Code 2011, are amended to read as follows:

3. The term "*employment*" means any service performed by an employee in the employ of the state, or any political subdivision thereof, for such employer, except ~~(1)~~ service which in the absence of an agreement entered into under this chapter would constitute "*employment*" as defined in the Social Security Act; or ~~(2)~~ service which under the Social Security Act may not be included in an agreement between the state and the federal security administrator entered into under this chapter.

6. The term "*political subdivision*" includes an instrumentality ~~(a)~~ of the state of Iowa, ~~(b)~~ of one or more of its political subdivisions, or ~~(c)~~ of the state and one or more of its political subdivisions, but only if such instrumentality is a juristic entity which is legally separate and distinct from the state or subdivision and only if its employees are not by virtue of their relation to such juristic entity employees of the state or subdivisions.

Sec. 13. Section 97C.4, Code 2011, is amended to read as follows:

97C.4 Other states — joint agreements.

Any instrumentality jointly created by this state and any other state or states is hereby authorized, upon the granting of like authority by such other state or states, ~~(1)~~ to enter into an agreement with the federal security administrator whereby the benefits of the federal old-age and survivors' insurance system shall be extended to employees of such instrumentality, ~~(2)~~ to require its employees to pay ~~(and~~, and for that purpose to deduct from their ~~wages)~~ wages, contributions equal to the amounts which they would be required to pay under section 97C.5 if they were covered by an agreement made pursuant to section 97C.3, and ~~(3)~~ to make payments to the secretary of the treasury in accordance with such agreement, including payments from its own funds, and otherwise to comply with such agreements. Such agreement shall, to the extent practicable, be consistent with the terms and provisions of section 97C.3 and other provisions of this chapter.

Sec. 14. Section 100B.1, subsection 1, paragraph a, subparagraph (1), subparagraph division (a), Code 2011, is amended to read as follows:

(a) Two members from a list submitted by the Iowa ~~firemen's~~ firefighters association.

Sec. 15. Section 101C.3, subsection 3, paragraph b, Code 2011, is amended to read as follows:

b. A volunteer fire fighter designated by the Iowa ~~firemen's~~ firefighters association.

Sec. 16. Section 135.159, subsection 3, paragraph i, Code 2011, is amended to read as follows:

i. For children, coordinate with and integrate guidelines, data, and information from existing newborn and child health programs and entities, including but not limited to the healthy opportunities for parents to experience success – healthy families Iowa program, the early childhood Iowa initiative, the center for congenital and inherited disorders screening and health care programs, standards of care for pediatric health guidelines, the office of minority and multicultural health established in section 135.12, the oral health bureau established in section 135.15, and other similar programs and services.

Sec. 17. Section 136.1, Code 2011, is amended to read as follows:

136.1 Composition of board.

1. The state board of health shall consist of the following members:

a. Two members learned in health-related disciplines~~, three~~.

b. Three members who have direct experience with public health~~, two~~.

c. Two members who have direct experience with substance abuse treatment or prevention~~, and four~~.

d. Four members representing the general public.

2. At least one of such members shall be licensed in the practice of medicine and surgery or osteopathic medicine and surgery under chapter 148.

Sec. 18. Section 147A.2, subsection 1, Code 2011, is amended to read as follows:

1. An EMS advisory council shall be appointed by the director. Membership of the council shall be comprised of individuals nominated from, but not limited to, the following state or national organizations: Iowa osteopathic medical association, Iowa medical society, American college of emergency physicians, Iowa physician assistant society, Iowa academy of family physicians, university of Iowa hospitals and clinics, American academy of emergency medicine, American academy of pediatrics, Iowa EMS association, Iowa ~~firemen's~~ firefighters association, Iowa professional firefighters, EMS education programs committee, Iowa nurses association, Iowa hospital association, and the Iowa state association of counties. The council shall also include at least two at-large members who are volunteer emergency medical care providers and a representative of a private service program.

Sec. 19. Section 159A.3, subsection 2, paragraph h, Code 2011, is amended to read as follows:

h. ~~Approve~~ Approving a renewable fuel which may be used as a flexible fuel powering a motor vehicle required to be purchased by state agencies.

Sec. 20. Section 252B.20, subsection 13, Code 2011, is amended to read as follows:

13. For the purposes of chapter 252H, subchapter II, regarding the criteria for a review ~~under subchapter II of that chapter~~ or for a cost-of-living alteration under chapter 252H, subchapter IV ~~of that chapter~~, if a support obligation is terminated or reinstated under this section, such termination or reinstatement shall not be considered a modification of the support order.

Sec. 21. Section 260C.19B, Code 2011, is amended to read as follows:

260C.19B Purchase of ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants.

Hydraulic fluids, greases, and other industrial lubricants purchased by or used under the direction of the board of directors to provide services to a merged area shall be purchased in compliance with the preference requirements for purchasing ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants as provided pursuant to section 8A.316.

Sec. 22. Section 262.25B, Code 2011, is amended to read as follows:

262.25B Purchase of ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants.

The state board of regents and institutions under the control of the board purchasing hydraulic fluids, greases, and other industrial lubricants shall give preference to purchasing ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants as provided in section 8A.316.

Sec. 23. Section 282.6, subsection 2, Code 2011, is amended to read as follows:

2. Every school shall be free of tuition to all actual residents between the ages of five and twenty-one years and to resident veterans as defined in section 35.1, as many months after becoming twenty-one years of age as they have spent in the armed forces of the United States before they became twenty-one, provided, however, fees may be charged covering instructional costs for a summer school or ~~drivers~~ driver education program. The board of education may, in a hardship case, exempt a student from payment of the above fees. Every person, however, who shall attend any school after graduation from a four-year course in an approved high school or its equivalent shall be charged a sufficient tuition fee to cover the cost of the instruction received by the person.

Sec. 24. Section 285.5, subsection 1, paragraph a, Code 2011, is amended to read as follows:

a. Contracts for school bus service with private parties shall be in writing and be for the transportation of children who attend public school and children who attend nonpublic school. Such contracts shall define the route, the length of time, service contracted for, the compensation, and the vehicle to be used. The contract shall prescribe the duties of the contractor and driver of the vehicles and shall provide that every person in charge of a vehicle conveying children to and from school shall be at all times subject to any rules said board shall adopt for the protection of the children, or to govern the conduct of the persons in charge of said conveyance. Contracts may be made for a period not to exceed three years.

Sec. 25. Section 306B.1, subsections 3 and 4, Code 2011, are amended to read as follows:

3. *"Interstate system"* means the system of highways as ~~defined~~ described in ~~Tit.~~ 23 U.S.C. ~~103, subsection "e"~~ § 103(c) or amendments thereto.

4. *"National policy"* means the provisions relating to control of advertising devices adjacent to the interstate system contained in ~~Tit.~~ 23 U.S.C. § 131 or amendments thereto and the national standards promulgated pursuant to such provisions.

Sec. 26. Section 306C.10, subsection 9, Code 2011, is amended to read as follows:

9. *"Information center"* means a site, either with or without structures or buildings, established and maintained at a rest area for the purpose of providing ~~"information~~ "specific information of ~~specific~~ interest to the traveling public", as defined in subsection 18.

Sec. 27. Section 313.4, subsection 2, Code 2011, is amended to read as follows:

2. Such fund is also appropriated and shall be used for the construction, reconstruction, improvement and maintenance of state institutional roads and state park roads and bridges on such roads and roads and bridges on community college property as provided in ~~subsection 11 of~~ section 307A.2, subsection 11, for restoration of secondary roads used as primary road detours and for compensation of counties for such use, for restoration of municipal streets so used and for compensation of cities for such use, and for the payments required in section 307.45.

Sec. 28. Section 321.178, subsection 2, paragraph a, subparagraph (1), Code 2011, is amended to read as follows:

(1) A person between sixteen and eighteen years of age who has completed an approved ~~driver's~~ driver education course and is not in attendance at school and has not met the requirements described in section 299.2, subsection 1, may be issued a restricted license only for travel to and from work or to transport dependents to and from temporary care facilities, if necessary for the person to maintain the person's present employment. The restricted license shall be issued by the department only upon confirmation of the person's employment and need for a restricted license to travel to and from work or to transport dependents to and from temporary care facilities if necessary to maintain the person's employment. The employer shall notify the department if the employment of the person is terminated before the person attains the age of eighteen.

Sec. 29. Section 321.178, subsection 3, paragraph b, subparagraph (4), Code 2011, is amended to read as follows:

(4) The minor must pass the written and driving skills tests as required by the department, but is not required to have taken a ~~driver's~~ driver education class.

Sec. 30. Section 321.188, subsection 1, paragraphs a and c, Code 2011, are amended to read as follows:

a. Certify whether the applicant is subject to and meets applicable driver qualifications of 49 C.F.R. ~~part~~ pt. 391 as adopted by rule by the department.

c. Successfully pass knowledge tests and driving skills tests which the department shall require by rule. The rules adopted shall substantially comply with the federal minimum testing and licensing requirements in 49 C.F.R. ~~part~~ pt. 383, ~~subparts~~ subpt. E, G, and H as adopted by rule by the department. Except as required under 49 C.F.R. ~~part~~ pt. 383, ~~subpart~~ subpt. E, G, or H, a commercial driver's license is renewable without a driving skills test within one year after its expiration date.

Sec. 31. Section 321J.2, subsection 5, paragraph d, Code 2011, is amended to read as follows:

d. Assignment to substance abuse evaluation and treatment, a course for drinking drivers, and, if available and appropriate, a reality education substance abuse prevention program pursuant to section 321J.24.

Sec. 32. Section 323A.2, subsection 1, paragraph b, Code 2011, is amended to read as follows:

b. The franchisee has requested and has been denied delivery of motor fuel sold or distributed under the trademark named in the franchise from a person other than the franchisor.

Sec. 33. Section 336.16, subsection 3, Code 2011, is amended to read as follows:

3. A city or county election shall not be called until a hearing has been held on the proposal to submit a proposition of withdrawal to an election. A hearing may be held only after public

notice is published as provided in section 362.3 in the case of a city or section 331.305 in the case of a county. A copy of the notice submitted for publication shall be mailed to the public library on or before the date of publication. The proposal presented at the hearing must include a plan for continuing adequate library service with or without all participants and the respective allocated costs and levels of service shall be stated. At the hearing, any interested person shall be given a reasonable time to be heard, either for or against the withdrawal or the plan to accompany it.

Sec. 34. Section 360.1, Code 2011, is amended to read as follows:

360.1 Election.

1. The trustees, on a petition of a majority of the resident freeholders of any civil township, shall request the county commissioner of elections to submit the question of building or acquiring by purchase, or acquiring by a lease with purchase option, a public hall to the electors thereof. The county commissioner shall conduct the election pursuant to the applicable provisions of chapters 39 to 53 and certify the result to the trustees.

2. The form of the proposition shall be: "Shall the proposition to levy a tax of ..... cents per thousand dollars of assessed value for the erection of a public hall be adopted?"

3. Notice of the election shall be given as provided by chapter 49.

Sec. 35. Section 364.4, subsection 4, paragraph e, subparagraph (2), subparagraph division (b), Code 2011, is amended to read as follows:

(b) (i) If at any time before the end of the thirty-day period after which a meeting may be held to take action to enter into the lease or lease-purchase contract, a petition is filed with the clerk of the city in the manner provided by section 362.4, asking that the question of entering into the lease or lease-purchase contract be submitted to the registered voters of the city, the governing body shall either by resolution declare the proposal to enter into the lease or lease-purchase contract to have been abandoned or shall direct the county commissioner of elections to call a special election upon the question of entering into the lease or lease-purchase contract. However, for purposes of this subparagraph, the petition shall not require signatures in excess of one thousand persons.

(ii) The question to be placed on the ballot shall be stated affirmatively in substantially the following manner: Shall the city of ..... enter into a lease or lease-purchase contract in amount of $..... for the purpose of .....?

(iii) Notice of the election and its conduct shall be in the manner provided in section 384.26, subsections 2 through 4.

Sec. 36. Section 400.2, subsection 2, paragraph a, Code 2011, is amended to read as follows:

a. Sell ~~to~~, or in any manner become parties, directly or indirectly, to any contract to furnish supplies, material, or labor to the city unless the sale is made or the contract is awarded by competitive bid in writing, publicly invited and opened.

Sec. 37. Section 403.19A, subsection 3, paragraph c, subparagraph (1), Code 2011, is amended to read as follows:

(1) The pilot project city shall enter into a withholding agreement with each employer concerning the targeted jobs withholding credit. The withholding agreement shall provide for the total amount of withholding ~~tax~~ credits awarded. An agreement shall not provide for an amount of withholding credits that exceeds the amount of the qualifying investment made in the project. An agreement shall not be entered into by a pilot project city with a business currently located in this state unless the business either creates ten new jobs or makes a qualifying investment of at least five hundred thousand dollars within the urban renewal area. The withholding agreement may have a term of up to ten years. An employer shall not be obligated to enter into a withholding agreement. An agreement shall not be entered into with an employer not already located in a pilot project city when another Iowa community is competing for the same project and both the pilot project city and the other Iowa community are seeking assistance from the department.

Sec. 38. Section 403.19A, subsection 3, paragraph f, Code 2011, is amended to read as follows:

f. If the employer ceases to meet the requirements of the withholding agreement, the agreement shall be terminated and any withholding ~~tax~~ credits for the benefit of the employer shall cease. However, in regard to the number of new jobs that are to be created, if the employer has met the number of new jobs to be created pursuant to the withholding agreement and subsequently the number of new jobs falls below the required level, the employer shall not be considered as not meeting the new job requirement until eighteen months after the date of the decrease in the number of new jobs created.

Sec. 39. Section 403A.21, Code 2011, is amended to read as follows:

403A.21 Cooperation in undertaking housing projects.

1. For the purpose of aiding and cooperating in the planning, undertaking, construction or operation of housing projects located within the area in which it is authorized to act, any state public body may upon such terms, with or without consideration, as it may determine:

~~1.~~ *a.* Dedicate, sell, convey or lease any of its interest in any property or grant easements, licenses or any other rights or privileges therein to any municipality, or to the federal government.

~~2.~~ *b.* Cause parks, playgrounds, recreational community, educational, water, sewer or drainage facilities or any other works which it is otherwise empowered to undertake, to be furnished adjacent to or in connection with housing projects.

~~3.~~ *c.* Furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads, roadways, alleys, sidewalks or other places which it is otherwise empowered to undertake.

~~4.~~ *d.* Cause services to be furnished for housing projects of the character which such state public body is otherwise empowered to furnish.

~~5.~~ *e.* Enter into agreements with respect to the exercise by such state public body of its powers relating to the repair, elimination or closing of unsafe, insanitary or unfit dwellings.

~~6.~~ *f.* Do any and all things necessary or convenient to aid and cooperate in the planning, undertaking, construction or operation of such housing projects.

~~7.~~ *g.* Incur the entire expense of any public improvements made by such state public body in exercising the powers granted in this chapter.

~~8.~~ *h.* Enter into agreements ~~(which~~, which may extend over any period, notwithstanding any provision or rule of law to the ~~contrary)~~ contrary, with any municipality respecting action to be taken by such state public body pursuant to any of the powers granted by this chapter. If at any time title to, or possession of, any project is held by any public body or governmental agency authorized by law to engage in the development or administration of municipal housing or slum clearance projects, including any agency or instrumentality of the United States of America, the provisions of such agreements shall inure to the benefit of and may be enforced by such public body or governmental agency.

~~9.~~ 2. Any law or statute to the contrary notwithstanding, any sale, conveyance, lease or agreement provided for in this section may be made by a state public body without appraisal, public notice, advertisement, or public bidding.

Sec. 40. Section 422.32, Code 2011, is amended to read as follows:

422.32 Definitions.

1. For the purpose of this division and unless otherwise required by the context:

~~1.~~ *a.* ~~The term "affiliated~~ *"Affiliated group"* means a group of corporations as defined in section 1504(a) of the Internal Revenue Code.

~~2.~~ *b.* *"Business income"* means income arising from transactions and activity in the regular course of the taxpayer's trade or business; or income from tangible and intangible property if the acquisition, management, and disposition of the property constitute integral parts of the taxpayer's regular trade or business operations; or gain or loss resulting from the sale, exchange, or other disposition of real property or of tangible or intangible personal property, if the property while owned by the taxpayer was operationally related to the taxpayer's trade or business carried on in Iowa or operationally related to sources within Iowa, or the property was operationally related to sources outside this state and to the taxpayer's trade or business carried on in Iowa; or gain or loss resulting from the sale, exchange, or other disposition

of stock in another corporation if the activities of the other corporation were operationally related to the taxpayer's trade or business carried on in Iowa while the stock was owned by the taxpayer. A taxpayer may have more than one regular trade or business in determining whether income is business income.

(1) It is the intent of the general assembly to treat as apportionable business income all income that may be treated as apportionable business income under the Constitution of the United States.

(2) The filing of an Iowa income tax return on a combined report basis is neither allowed nor required by this ~~subsection~~ paragraph "*b*".

~~3.~~ *c.* "*Commercial domicile*" means the principal place from which the trade or business of the taxpayer is directed or managed.

~~4.~~ *d.* "*Corporation*" includes joint stock companies, and associations organized for pecuniary profit, and partnerships and limited liability companies taxed as corporations under the Internal Revenue Code.

~~5.~~ *e.* ~~The words "*domestic~~ *"Domestic corporation"* ~~mean~~ means any corporation organized under the laws of this state.

~~6.~~ *f.* ~~The words "*foreign~~ *"Foreign corporation"* ~~mean~~ means any corporation other than a domestic corporation.

~~7.~~ *g.* *"Internal Revenue Code"* means the Internal Revenue Code of 1954, prior to the date of its redesignation as the Internal Revenue Code of 1986 by the Tax Reform Act of 1986, or means the Internal Revenue Code of 1986 as amended to and including January 1, 2008.

~~8.~~ *h.* *"Nonbusiness income"* means all income other than business income.

~~9.~~ *i.* "*State*" means any state of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, and any foreign country or political subdivision thereof.

~~10.~~ *j.* *"Taxable in another state"*. For purposes of allocation and apportionment of income under this division, a taxpayer is ~~taxable~~ "taxable in another ~~state~~ state" if:

~~*a.*~~ (1) In that state the taxpayer is subject to a net income tax, a franchise tax measured by net income, a franchise tax for the privilege of doing business, or a corporate stock tax; or

~~*b.*~~ (2) That state has jurisdiction to subject the taxpayer to a net income tax regardless of whether, in fact, the state does or does not.

~~11.~~ *k.* ~~The term "*unitary~~ *"Unitary business"* means a business carried on partly within and partly without a state where the portion of the business carried on within the state depends on or contributes to the business outside the state.

2. The words, terms, and phrases defined in division II, section 422.4, subsections 4 to 6, 8, 9, 13, and 15 to 17, when used in this division, shall have the meanings ascribed to them in said section except where the context clearly indicates a different meaning.

Sec. 41. Section 423.3, subsection 92, paragraph a, subparagraphs (1) and (2), Code 2011, are amended to read as follows:

(1) The sales price from the sale or rental of computers and equipment that are necessary for the maintenance and operation of a web search portal and property whether directly or indirectly connected to the computers, including but not limited to cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity used for the maintenance and operation of the web search portal, including but not limited to exterior dedicated business-owned substations, ~~back-up~~ backup power generation systems, battery systems, and related infrastructure; and racking systems, cabling, and trays, which are necessary for the maintenance and operation of the web search portal.

(2) The sales price of ~~back-up~~ backup power generation fuel, that is purchased by a web search portal business for use in the items listed in subparagraph (1).

Sec. 42. Section 423.3, subsection 93, paragraph a, subparagraphs (1) and (2), Code 2011, are amended to read as follows:

(1) The sales price from the sale or rental of computers and equipment that are necessary for the maintenance and operation of a web search portal business and property whether directly or indirectly connected to the computers, including but not limited to cooling

systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity used for the maintenance and operation of the web search portal business, including but not limited to exterior dedicated business-owned substations, ~~back-up~~ backup power generation systems, battery systems, and related infrastructure; and racking systems, cabling, and trays, which are necessary for the maintenance and operation of the web search portal business.

(2) The sales price of ~~back-up~~ backup power generation fuel, that is purchased by a web search portal business for use in the items listed in subparagraph (1).

Sec. 43. Section 423F.5, subsection 1, Code 2011, is amended to read as follows:

1. A school district shall include as part of its financial audit for the budget year beginning July 1, 2007, and for each subsequent budget year the amount received during the year pursuant to chapter 423E or ~~423F~~ this chapter, as applicable. In addition, the financial audit shall include the amount of bond levies, physical plant and equipment levy, and public educational and recreational levy reduced as a result of the moneys received under chapter 423E or ~~423F~~ this chapter, as applicable. The amount of the reductions shall be stated in terms of dollars and cents per one thousand dollars of valuation and in total amount of property tax dollars. Also included shall be an accounting of the amount of moneys received which were spent for infrastructure purposes pursuant to chapter 423E or ~~423F~~ this chapter, as applicable.

Sec. 44. Section 427.1, subsection 35, paragraph a, Code 2011, is amended to read as follows:

a. Property, other than land and buildings and other improvements, that is utilized by a web search portal business as defined in and meeting the requirements of section 423.3, subsection 92, including computers and equipment that are necessary for the maintenance and operation of a web search portal and other property whether directly or indirectly connected to the computers, including but not limited to cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity, including but not limited to exterior dedicated business-owned substations, and power distribution systems which are not subject to assessment under chapter 437A; racking systems, cabling, and trays; and ~~back-up~~ backup power generation systems, battery systems, and related infrastructure all of which are necessary for the maintenance and operation of the web search portal site.

Sec. 45. Section 427.1, subsection 36, paragraph a, Code 2011, is amended to read as follows:

a. Property, other than land and buildings and other improvements, that is utilized by a web search portal business as defined in and meeting the requirements of section 423.3, subsection 93, including computers and equipment that are necessary for the maintenance and operation of a web search portal business and other property whether directly or indirectly connected to the computers, including but not limited to cooling systems, cooling towers, and other temperature control infrastructure; power infrastructure for transformation, distribution, or management of electricity, including but not limited to exterior dedicated business-owned substations, and power distribution systems which are not subject to assessment under chapter 437A; racking systems, cabling, and trays; and ~~back-up~~ backup power generation systems, battery systems, and related infrastructure all of which are necessary for the maintenance and operation of the web search portal business.

Sec. 46. Section 435.23, Code 2011, is amended to read as follows:

435.23 Exemptions — prorating tax.

1. The manufacturer's and retailer's inventory of mobile homes, manufactured homes, or modular homes not in use as a place of human habitation shall be exempt from the annual tax. All travel trailers shall be exempt from this tax. The homes and travel trailers in the inventory of manufacturers and retailers shall be exempt from personal property tax.

2. The homes coming into Iowa from out of state and located in a manufactured home community or mobile home park shall be liable for the tax computed pro rata to the nearest whole month, for the time the home is actually situated in Iowa.

Sec. 47. Section 441.49, Code 2011, is amended to read as follows:

441.49 Adjustment by auditor.

1. *a.* The director shall keep a record of the review and adjustment proceedings and finish the proceedings on or before October 1 unless for good cause the proceedings cannot be completed by that date. The director shall notify each county auditor by mail of the final action taken at the proceedings and specify any adjustments in the valuations of any class of property to be made effective for the jurisdiction.

b. However, an assessing jurisdiction may request the director to permit the use of an alternative method of applying the equalization order to the property values in the assessing jurisdiction, provided that the final valuation shall be equivalent to the director's equalization order. The assessing jurisdiction shall notify the county auditor of the request for the use of an alternative method of applying the equalization order and the director's disposition of the request. The request to use an alternative method of applying the equalization order, including procedures for notifying affected property owners and appealing valuation adjustments, shall be made within ten days from the date the county auditor receives the equalization order and the valuation adjustments, and appeal procedures shall be completed by November 30 of the year of the equalization order. Compliance with the provisions of section 441.21 is sufficient grounds for the director to permit the use of an alternative method of applying the equalization order.

2. *a.* On or before October 15 the county auditor shall cause to be published in official newspapers of general circulation the final equalization order. The publication shall include, in type larger than the remainder of the publication, the following statement:

~~"Assessed~~ Assessed values are equalized by the department of revenue every two years. Local taxing authorities determine the final tax levies and may reduce property tax rates to compensate for any increase in valuation due to ~~equalization."~~ equalization.

b. Failure to publish the equalization order has no effect upon the validity of the orders.

3. The county auditor shall add to or deduct from the valuation of each class of property in the county the required percentage, rejecting all fractions of fifty cents or less in the result, and counting all fractions over fifty cents as one dollar. For any special charter city that levies and collects its own tax based on current year assessed values, the equalization percentage shall be applied to the following year's values, and shall be considered the equalized values for that year for purposes of this chapter.

4. The local board of review shall reconvene in special session from October 15 to November 15 for the purpose of hearing the protests of affected property owners or taxpayers within the jurisdiction of the board whose valuation of property if adjusted pursuant to the equalization order issued by the director of revenue will result in a greater value than permitted under section 441.21. The board of review shall accept protests only during the first ten days following the date the local board of review reconvenes. The board of review shall limit its review to only the timely filed protests. The board of review may adjust all or a part of the percentage increase ordered by the director of revenue by adjusting the actual value of the property under protest to one hundred percent of actual value. Any adjustment so determined by the board of review shall not exceed the percentage increase provided for in the director's equalization order. The determination of the board of review on filed protests is final, subject to appeal to the property assessment appeal board. A final decision by the local board of review, or the property assessment appeal board, if the local board's decision is appealed, is subject to review by the director of revenue for the purpose of determining whether the board's actions substantially altered the equalization order. In making the review, the director has all the powers provided in chapter 421, and in exercising the powers the director is not subject to chapter 17A. Not later than fifteen days following the adjournment of the board, the board of review shall submit to the director of revenue, on forms prescribed by the director, a report of all actions taken by the board of review during this session.

5. Not later than ten days after the date the final equalization order is issued, the city or county officials of the affected county or assessing jurisdiction may appeal the final equalization order to the state board of tax review. The appeal shall not delay the implementation of the equalization orders.

6. Tentative and final equalization orders issued by the director of revenue are not rules as defined in section 17A.2, subsection 7.

Sec. 48. Section 453A.13, subsections 3 and 4, Code 2011, are amended to read as follows:

3. *Fees — expiration.*

a. All permits provided for in this division shall expire on June 30 of each year. A permit shall not be granted or issued until the applicant has paid for the period ending June 30 next, to the department or the city or county granting the permit, the fees provided for in this division. The annual state permit fee for a distributor, cigarette vendor, and wholesaler is one hundred dollars when the permit is granted during the months of July, August, or September. However, whenever a state permit holder operates more than one place of business, a duplicate state permit shall be issued for each additional place of business on payment of five dollars for each duplicate state permit, but refunds as provided in this division do not apply to any duplicate permit issued.

b. The fee for retail permits is as follows when the permit is granted during the months of July, August, or September:

~~*a.*~~ (1) In places outside any city, fifty dollars.

~~*b.*~~ (2) In cities of less than fifteen thousand population, seventy-five dollars.

~~*c.*~~ (3) In cities of fifteen thousand or more population, one hundred dollars.

c. If any permit is granted during the months of October, November, or December, the fee shall be three-fourths of the above maximum schedule; if granted during the months of January, February, or March, one-half of the maximum schedule, and if granted during the months of April, May, or June, one-fourth of the maximum schedule.

4. *Refunds.*

a. An unrevoked permit for which the holder has paid the full annual fee may be surrendered during the first nine months of said year to the officer issuing it, and the department, or the city or county granting the permit shall make refunds to the said holder as follows:

(1) Three-fourths of the annual fee if the surrender is made during July, August, or September.

(2) One-half of the annual fee if the surrender is made during October, November, or December.

(3) One-fourth of the annual fee if the surrender is made during January, February, or March.

b. An unrevoked permit for which the holder has paid three-fourths of a full annual fee may be so surrendered during the first six months of the period covered by said payment and the said department, city or county shall make refunds to the holder as follows:

(1) A sum equal to one-half of an annual fee if the surrender is made during October, November or December.

(2) A sum equal to one-fourth of an annual fee if the surrender is made during January, February or March.

c. An unrevoked permit for which the holder has paid one-half of a full annual fee may be ~~so~~ surrendered during the first three months of the period covered by ~~said~~ that payment, and the department, city or county, shall refund to the holder a sum equal to one-fourth of an annual fee.

Sec. 49. Section 455B.134, subsection 3, paragraph d, subparagraph (2), Code 2011, is amended to read as follows:

(2) In applications for conditional permits for electric power generating facilities, the applicant shall quantify the potential to emit greenhouse ~~gas emissions~~ gases due to the proposed project.

Sec. 50. Section 455B.134, subsection 3, paragraph g, Code 2011, is amended to read as follows:

g. All applications for construction permits or prevention of significant deterioration permits shall quantify the potential to emit greenhouse ~~gas emissions~~ gases due to the proposed project.

Sec. 51. Section 455B.172, subsection 11, paragraph a, unnumbered paragraph 1, Code 2011, is amended to read as follows:

~~A~~ If a building where a person resides, congregates, or is employed ~~that~~ is served by a private sewage disposal system, ~~shall have~~ the sewage disposal system serving the building shall be inspected prior to any transfer of ownership of the building. The requirements of this subsection shall be applied to all types of ownership transfer including at the time a seller-financed real estate contract is signed. The county recorder shall not record a deed or any other property transfer or conveyance document until either a certified inspector's report is provided which documents the condition of the private sewage disposal system and whether any modifications are required to conform to standards adopted by the department or, in the event that weather or other temporary physical conditions prevent the certified inspection from being conducted, the buyer has executed and submitted a binding acknowledgment with the county board of health to conduct a certified inspection of the private sewage disposal system at the earliest practicable time and to be responsible for any required modifications to the private sewage disposal system as identified by the certified inspection. Any type of on-site treatment unit or private sewage disposal system must be inspected according to rules developed by the department. For the purposes of this subsection, *"transfer"* means the transfer or conveyance by sale, exchange, real estate contract, or any other method by which real estate and improvements are purchased, if the property includes at least one but not more than four dwelling units. However, *"transfer"* does not include any of the following:

Sec. 52. Section 455B.305, subsection 1, paragraph c, Code 2011, is amended to read as follows:

c. A permit may be suspended or revoked by the director if a sanitary disposal project is found not to meet the requirements of this part 1 or the rules adopted pursuant to this part 1. The suspension or revocation of a permit may be appealed to the department.

Sec. 53. Section 455E.11, subsection 2, paragraph d, subparagraph (3), Code 2011, is amended to read as follows:

(3) Each fiscal year, the department of natural resources shall enter into an agreement with the Iowa comprehensive petroleum underground storage tank fund board for the completion of administrative tasks during the fiscal year directly related to the evaluation and modification of risk based corrective action rules as necessary and processes that affect the administration in subparagraph (2).

Sec. 54. Section 455G.4, subsection 1, paragraph a, subparagraph (4), Code 2011, is amended to read as follows:

(4) Two public members appointed by the governor and confirmed by the senate to staggered four-year terms, except that, of the first members appointed, one public member shall be appointed for a term of two years and one for a term of four years. A public member shall have experience, knowledge, and expertise of the subject matter embraced within this chapter. ~~Two~~ The two public members shall ~~be appointed with~~ have experience in either, or both, financial markets or insurance.

Sec. 55. Section 456A.17, subsection 4, Code 2011, is amended to read as follows:

4. The state conservation fund, except as otherwise provided, consists of all other funds accruing to the department for the purposes embraced by this chapter.

Sec. 56. Section 456A.19, unnumbered paragraph 5, Code 2011, is amended to read as follows:

All other expenditures shall be paid from the state conservation fund.

Sec. 57. Section 462A.26, subsection 3, paragraph b, Code 2011, is amended to read as follows:

b. On all inland lakes and federal impoundments under the jurisdiction of the commission~~.~~, a motorboat shall not be operated within three hundred feet of shore at a speed greater than ten miles per hour.

~~A motorboat shall not be operated within three hundred feet of shore at a speed greater~~

~~than ten miles per hour.~~

Sec. 58. Section 463C.17, Code 2011, is amended to read as follows:

463C.17 Exemption from certain laws.

The authority, the department, and their agents and contracts entered into by the authority, the department, and their agents, in carrying out ~~its~~ public and essential governmental functions are exempt from the laws of the state which provide for competitive bids, ~~term-length~~ term length, and hearings in connection with contracts, except as provided in section 12.30. However, the exemption from competitive bid laws in this section shall not be construed to apply to contracts for the development or construction of facilities in the park, including~~,~~ but not limited to~~,~~ lodges, campgrounds, cabins, and golf courses.

Sec. 59. Section 468.586, Code 2011, is amended to read as follows:

468.586 Assessment of costs of drainage improvements.

A county may assess to property within an urban drainage district the cost of a drainage improvement within the county and drainage facilities extending outside the county. A county is empowered to proceed and construct and to assess the cost of a drainage improvement within a district in the same manner as a city may proceed under ~~division IV of~~ chapter 384, division IV, and the provisions of ~~division IV of~~ chapter 384, division IV, apply to counties with respect to drainage improvements, the assessment of their costs and the issuance of bonds for the improvements. A county may contract for a drainage improvement within a district under this part pursuant to ~~part 3 of division III of~~ chapter 331, division III, part 3.

Sec. 60. Section 499B.17, Code 2011, is amended to read as follows:

499B.17 Lien against owner of unit.

All sums assessed by the council of co-owners but unpaid for the share of the common expenses chargeable to any apartment shall constitute a lien on such apartment prior to all other liens except only ~~(1)~~ tax liens on the apartment in favor of any assessing unit and special district~~,~~ and ~~(2)~~ all sums unpaid on a first mortgage of record. Such lien may be foreclosed by suit by the council of co-owners or the representatives thereof, acting on behalf of the apartment owners, in like manner as a mortgage of real property. In the event of any such foreclosure, the apartment owner shall be required to pay a reasonable rental for the apartment if so provided in the bylaws, and the plaintiff in such foreclosure shall be entitled to the appointment of a receiver to collect the same. The council of co-owners or the representatives thereof, acting on behalf of the apartment owners, shall have power, unless prohibited by the declaration, to bid in the apartment at foreclosure sale, and to acquire and hold, lease, mortgage and convey the same. Suit to recover a money judgment for unpaid common expenses shall be maintainable without foreclosing or waiving the lien securing the same.

Sec. 61. Section 505.28, Code 2011, is amended to read as follows:

505.28 Consent to jurisdiction.

A person committing any act governed by chapter 502, 502A, ~~505~~ this chapter, chapters 505A through 523G, or 523I constitutes consent by that person to the jurisdiction of the commissioner of insurance and the district courts of this state.

Sec. 62. Section 505.29, Code 2011, is amended to read as follows:

505.29 Administrative hearings.

The commissioner of insurance shall have the authority to appoint as a hearing officer a designee or an independent administrative law judge. Duties of a hearing officer shall include hearing contested cases arising from conduct governed by chapters 502, 502A, ~~505~~ this chapter, chapters 505A through 523G, and 523I. Sections 10A.801 and 17A.11 do not apply to the appointment of a designee or an administrative law judge pursuant to this section.

Sec. 63. Section 515E.4, subsection 4, Code 2011, is amended to read as follows:

4. *Compliance with unfair ~~claims~~ claim settlement practices law.* A risk retention group, its agents, and representatives, shall comply with the unfair ~~claims~~ claim settlement practices law in section 507B.4, subsection 10.

Sec. 64. Section 533.301, subsection 1, unnumbered paragraph 1, Code 2011, is amended to read as follows:

Receive payments for ownership shares, for other shares, or as deposits from any or all of the following:

Sec. 65. Section 535.2, subsection 6, paragraph a, Code 2011, is amended to read as follows:

a. Notwithstanding the provisions of 1980 Iowa Acts ~~of the Sixty-eighth General Assembly~~, chapter 1156, with respect to any agreement which was executed on or after August 3, 1978, and prior to July 1, 1979, and which contained a provision for the adjustment of the rate of interest specified in the agreement, the maximum lawful rate of interest which may be imposed under that agreement shall be that rate which is two and one-half percentage points above the rate initially to be paid under the agreement, provided that the greatest interest rate adjustment which may be made at any one time shall be one-half of one percent and an interest rate adjustment may not be made until at least one year has passed since the last interest rate adjustment, and any excess charge shall be a violation of section 535.4.

Sec. 66. Section 535A.6, subsection 1, Code 2011, is amended to read as follows:

1. Any person who has been aggrieved as a result of a violation of sections 535A.1 through 535A.3, this section, or sections ~~535A.6~~ 535A.7 through 535A.9 may bring an action in the district court of the county in which the violation occurred or in the county where the financial institution involved is located.

Sec. 67. Section 536.19, Code 2011, is amended to read as follows:

536.19 Violations.

Any person, partnership, association, or corporation and the several members, officers, directors, agents, and employees thereof, who shall violate or participate in the violation of any of the provisions of section 536.1, 536.12, 536.13 or 536.14, which are not also violations of chapter 537, article 5, part 3, of the Iowa consumer credit code~~, chapter 537~~, shall be guilty of a serious misdemeanor. Violations of the Iowa consumer credit code, chapter 537, shall be subject to the penalties provided therein.

Sec. 68. Section 537.3203, Code 2011, is amended to read as follows:

537.3203 Notice to consumer.

The creditor shall give to the consumer a copy of any writing evidencing a consumer credit transaction, other than one pursuant to open end credit, if the writing requires or provides for signature of the consumer. The writing evidencing the consumer's obligation to pay under a consumer credit transaction, other than one pursuant to open end credit, shall contain a clear and conspicuous notice to the consumer that the consumer should not sign it before reading it, that the consumer is entitled to a copy of it, and, except in the case of a consumer lease, that the consumer is entitled to prepay the unpaid balance at any time with such penalty and minimum charges as the agreement and section 537.2510 may permit, and may be entitled to receive a refund of unearned charges in accordance with law. The following notices if clear and conspicuous comply with this section:

1. In all transactions to which this section applies:

NOTICE TO CONSUMER:

1. Do not sign this paper before you read it.
2. You are entitled to a copy of this paper.
3. You may prepay the unpaid balance at any time without penalty and may be entitled to receive a refund of unearned charges in accordance with law.

2. In addition, in a transaction in which a minimum charge will be collected or retained, the notice to consumer shall state:

4. If you prepay the unpaid balance, you may have to pay a minimum charge not greater than seven dollars and fifty cents.

Sec. 69. Section 572.13, subsection 2, Code 2011, is amended to read as follows:

2. *a.* An original contractor who enters into a contract for an owner-occupied dwelling and who has contracted or will contract with a subcontractor to provide labor or furnish material

for the dwelling shall include the following notice in any written contract with the owner and shall provide the owner with a copy of the written contract:
Persons or companies furnishing labor or materials for the improvement of real property may enforce a lien upon the improved property if they are not paid for their contributions, even if the parties have no direct contractual relationship with the owner.

b. If no written contract is entered into between the original contractor and the dwelling owner, the original contractor shall, within ten days of commencement of work on the dwelling, provide written notice to the dwelling owner stating the name and address of all subcontractors that the contractor intends to use for the construction and, that the subcontractors or suppliers may have lien rights in the event they are not paid for their labor or material used on this site; and the notice shall be updated as additional subcontractors and suppliers are used from the names disclosed on earlier notices.

c. An original contractor who fails to provide notice under this section is not entitled to the lien and remedy provided by this chapter.

Sec. 70. Section 617.3, subsection 3, Code 2011, is amended to read as follows:

3. Service of such process or original notice shall be made ~~(1)~~ by filing duplicate copies of said process or original notice with said secretary of state, together with a fee of ten dollars, and ~~(2)~~ by mailing to the defendant and to each of them if more than one, by registered or certified mail, a notification of said filing with the secretary of state, the same to be so mailed within ten days after such filing with the secretary of state. Such notification shall be mailed to each foreign corporation at the address of its principal office in the state or country under the laws of which it is incorporated and to each such nonresident person at an address in the state of residence. The defendant shall have sixty days from the date of such filing with the secretary of state within which to appear. Proof of service shall be made by filing in court the duplicate copy of the process or original notice with the secretary of state's certificate of filing, and the affidavit of the plaintiff or the plaintiff's attorney of compliance herewith.

Sec. 71. Section 622.62, subsection 3, Code 2011, is amended to read as follows:

3. The actions of any court of this state in taking judicial notice of the existence and content of a city ordinance in any proceeding which was commenced between the first day of July, 1973, and April 17, 1976, shall be conclusively presumed to be lawful, and to the extent required by this section, this section is retroactive.

Sec. 72. Section 631.17, subsection 1, paragraph c, Code 2011, is amended to read as follows:

c. A pattern of conduct in violation of ~~article 7 of~~ chapter 537, article 7.

Sec. 73. Section 633.279, subsection 2, Code 2011, is amended to read as follows:

2. *Self-proved will.*

a. An attested will may be made self-proved at the time of its execution, or at any subsequent date, by the acknowledgment thereof by the testator and the affidavits of the witnesses, each made before a person authorized to administer oaths and take acknowledgments under the laws of this state, and evidenced by such person's certificate, under seal, attached or annexed to the will, in form and content substantially as follows:

Affidavit

State of .....)
County of .....) ss

We, the undersigned, ..., ... and ....., the testator and the witnesses, respectively, whose names are signed to the attached or foregoing instrument, being first duly sworn, declare to the undersigned authority that said instrument is the testator's will and that the testator willingly signed and executed such instrument, or expressly directed another to sign the same in the presence of the witnesses, as a free and voluntary act for the purposes therein expressed; that said witnesses, and each of them, declare to the undersigned authority that such will was executed and acknowledged by the testator as the testator's will in their presence and that they, in the testator's presence, at the testator's request, and in the presence of each other, did subscribe their names thereto as attesting witnesses on the date of the date of such will; and that the testator, at the time of the

execution of such instrument, was of full age and of sound mind and that the witnesses were sixteen years of age or older and otherwise competent to be witnesses.

.....
Testator

.....
Witness

.....
Witness

Subscribed, sworn and acknowledged before me by ....., the testator; and subscribed and sworn before me by ..... and ....., witnesses, this ..... day of ..... (month), ... (year)

.....
Notary Public, or other officer
(Seal) authorized to take and certify
acknowledgments and
administer oaths

b. A self-proved will shall constitute proof of due execution of such instrument as required by section 633.293 and may be admitted to probate without testimony of witnesses.

Sec. 74. Section 633.675, Code 2011, is amended to read as follows:

633.675 Cause for termination.

1. A guardianship shall cease, and a conservatorship shall terminate, upon the occurrence of any of the following circumstances:

~~1.~~ *a.* If the ward is a minor, when the ward reaches full age.

~~2.~~ *b.* The death of the ward.

~~3.~~ *c.* A determination by the court that the ward is no longer a person whose decision-making capacity is so impaired as to bring the ward within the categories of section 633.552, subsection 2, paragraph *"a"*, or section 633.566, subsection 2, paragraph *"a"*. In a proceeding to terminate a guardianship or a conservatorship, the ward shall make a prima facie showing that the ward has some decision-making capacity. Once the ward has made that showing, the guardian or conservator has the burden to prove by clear and convincing evidence that the ward's decision-making capacity is so impaired, as provided in section 633.552, subsection 2, paragraph *"a"*, or section 633.566, subsection 2, paragraph *"a"*, that the guardianship or conservatorship should not be terminated.

~~4.~~ *d.* Upon determination by the court that the conservatorship or guardianship is no longer necessary for any other reason.

~~5.~~ 2. Notwithstanding ~~subsections 1~~ subsection 1, paragraphs *"a"* through 4 *"d"*, if the court appointed a guardian for a minor child for whom the court's jurisdiction over the child's guardianship was established pursuant to transfer of the child's case in accordance with section 232.104, the court shall not enter an order terminating the guardianship before the child becomes age eighteen unless the court finds by clear and convincing evidence that the best interests of the child warrant a return of custody to the child's parent.

Sec. 75. Section 633.707, subsection 4, Code 2011, is amended to read as follows:

4. The extent to which the respondent has ties to the state such as ~~voting~~ voter registration, state or local tax return filing, vehicle registration, driver's license, social ~~relationship~~ relationships, and receipt of services.

Sec. 76. Section 642.5, Code 2011, is amended to read as follows:

642.5 Sheriff may take answers.

1. When the plaintiff, in writing, directs the sheriff to take the answer of the garnishee, the sheriff shall put to the garnishee the following questions:

1. Are you in any manner indebted to the defendant in this suit, or do you owe the defendant money or property which is not yet due? If so, state the particulars.

2. Have you in your possession or under your control any property, rights, or credits of the said defendants? If so, what is the value of the same? State all particulars.

3. Do you know of any debts owing the said defendant, whether due or not due, or any property, rights, or credits belonging to the defendant and now in the possession or under the control of others? If so, state the particulars.

4. Do you compensate the defendant in this suit for any personal services whether denominated as wages, salary, commission, bonus or otherwise, including periodic payments pursuant to a pension or retirement program? If so, state the amount of the compensation reasonably anticipated to be paid defendant during the calendar year.

2. The sheriff shall append the examination to the sheriff's return.

Sec. 77. Section 642.21, subsection 1, unnumbered paragraph 1, Code 2011, is amended to read as follows:

The disposable earnings of an individual are exempt from garnishment to the extent provided by the federal Consumer Credit Protection Act, ~~Title~~ Tit. III, 15 U.S.C. § 1671 – 1677 (1982). The maximum amount of an employee's earnings which may be garnished during any one calendar year is two hundred fifty dollars for each judgment creditor, except as provided in chapter 252D and sections 598.22, 598.23, and 627.12, or when those earnings are reasonably expected to be in excess of twelve thousand dollars for that calendar year as determined from the answers taken by the sheriff or by the court pursuant to section 642.5, ~~subsection 4~~ question number four. When the employee's earnings are reasonably expected to be more than twelve thousand dollars the maximum amount of those earnings which may be garnished during a calendar year for each creditor is as follows:

Sec. 78. Section 692A.118, subsection 11, Code 2011, is amended to read as follows:

11. When the department has a reasonable basis to believe that a sex offender has changed residence to an unknown location, has become a fugitive from justice, or ~~who~~ has otherwise taken flight, the department shall make a reasonable effort to ascertain the whereabouts of the offender, and if such effort fails to identify the location of the offender, an appropriate notice shall be made on the sex offender registry internet site of this state and shall be transmitted to the national sex offender registry. The department shall notify other law enforcement agencies as deemed appropriate.

Sec. 79. Section 904.312B, Code 2011, is amended to read as follows:

904.312B Purchase of ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants.

The department when purchasing hydraulic fluids, greases, and other industrial lubricants shall give preference to purchasing ~~bio-based~~ biobased hydraulic fluids, greases, and other industrial lubricants as provided in section 8A.316.

Sec. 80. CODE EDITOR DIRECTIVE. Section 135.80 shall be transferred to new section 135.180.

Sec. 81. 2010 Iowa Acts, chapter 1192, section 78, is amended by striking the section and inserting in lieu thereof the following:

SEC. 78. Section 135N.3, subsection 2, unnumbered paragraph 1, Code 2009, is amended to read as follows:

The committee shall review and make recommendations to the ~~director~~ center for congenital and inherited disorders advisory committee established by rule of the department pursuant to chapter 136A concerning but not limited to the following:

DIVISION II
VOLUME IV RENUMBERINGS

Sec. 82. Section 422.60, subsection 2, Code 2011, is amended to read as follows:

2. *a.* In addition to all taxes imposed under this division, there is imposed upon each financial institution doing business within the state the greater of the tax determined in section 422.63 or the state alternative minimum tax equal to sixty percent of the maximum state franchise tax rate, rounded to the nearest one-tenth of one percent, of the state alternative minimum taxable income of the taxpayer computed under this subsection.

b. The state alternative minimum taxable income of a taxpayer is equal to the taxpayer's state taxable income as computed with the adjustments in section 422.61, subsection 3, and with the following adjustments:

~~a.~~ (1) Add items of tax preference included in federal alternative minimum taxable income under section 57, except subsections (a)(1) and (a)(5), of the Internal Revenue Code, make the adjustments included in federal alternative minimum taxable income under section 56, except subsections (a)(4), (c)(1), (d), and (g), of the Internal Revenue Code, and add losses as required by section 58 of the Internal Revenue Code.

~~b.~~ (2) Make the adjustments provided in section 56(c)(1) of the Internal Revenue Code, except that in making the calculation under section 56(g)(1) of the Internal Revenue Code the state alternative minimum taxable income, computed without regard to the adjustments made by this ~~paragraph~~ subparagraph, the exemption provided for in ~~paragraph "d"~~ subparagraph (4), and the state alternative tax net operating loss described in ~~paragraph "e"~~ subparagraph (5), shall be substituted for the items described in section 56(g)(1)(B) of the Internal Revenue Code.

~~c.~~ (3) Apply the allocation and apportionment provisions of section 422.63.

~~d.~~ (4) Subtract an exemption amount of forty thousand dollars. This exemption amount shall be reduced, but not below zero, by an amount equal to twenty-five percent of the amount by which the alternative minimum taxable income of the taxpayer, computed without regard to the exemption amount in this ~~paragraph~~ subparagraph, exceeds one hundred fifty thousand dollars.

~~e.~~ (5) In the case of a net operating loss beginning after December 31, 1986, which is carried back or carried forward to the current taxable year, the net operating loss shall be reduced by the amount of items of tax preference and adjustments arising in the tax year which was taken into account in computing the net operating loss in section 422.35, subsection 11. The deduction for a net operating loss for a tax year beginning after December 31, 1986, which is carried back or carried forward to the current taxable year shall not exceed ninety percent of the alternative minimum taxable income determined without regard for the net operating loss deduction.

Sec. 83. Section 422D.1, subsections 1 and 2, Code 2011, are amended to read as follows:

1. a. A county board of supervisors may offer for voter approval any of the following taxes or a combination of the following taxes:

~~a.~~ (1) Local option income surtax.

~~b.~~ (2) An ad valorem property tax.

b. Revenues generated from these taxes shall be used for emergency medical services as provided in section 422D.6.

2. a. The taxes for emergency medical services shall only be imposed after an election at which a majority of those voting on the question of imposing the tax or combination of taxes specified in subsection 1, paragraph "a", subparagraph (1) or ~~"b"~~ (2), vote in favor of the question. However, the tax or combination of taxes specified in subsection 1 shall not be imposed on property within or on residents of a benefited emergency medical services district under chapter 357F. The question of imposing the tax or combination of the taxes may be submitted at the regular city election, a special election, or state general election. Notice of the question shall be provided by publication at least sixty days before the time of the election and shall identify the tax or combination of taxes and the rate or rates, as applicable. If a majority of those voting on the question approve the imposition of the tax or combination of taxes, the tax or combination of taxes shall be imposed as follows:

~~a.~~ (1) A local option income surtax shall be imposed for tax years beginning on or after January 1 of the fiscal year in which the favorable election was held.

~~b.~~ (2) An ad valorem property tax shall be imposed for the fiscal year in which the election was held.

b. Before a county imposes an income surtax as specified in subsection 1, paragraph "a", subparagraph (1), a benefited emergency medical services district in the county shall be dissolved, and the county shall be liable for the outstanding obligations of the benefited district. If the benefited district extends into more than one county, the county imposing the

income surtax shall be liable for only that portion of the obligations relating to the portion of the benefited district in the county.

Sec. 84. Section 423.1, subsections 35 and 36, Code 2011, are amended to read as follows:

35. *"Place of business"* means any warehouse, store, place, office, building, or structure where goods, wares, or merchandise are offered for sale at retail or where any taxable amusement is conducted, or each office where gas, water, heat, communication, or electric services are offered for sale at retail. When a retailer or amusement operator sells merchandise by means of vending machines or operates music or amusement devices by coin-operated machines at more than one location within the state, the office, building, or place where the books, papers, and records of the taxpayer are kept shall be deemed to be the taxpayer's place of business.

~~When a retailer or amusement operator sells merchandise by means of vending machines or operates music or amusement devices by coin-operated machines at more than one location within the state, the office, building, or place where the books, papers, and records of the taxpayer are kept shall be deemed to be the taxpayer's place of business.~~

36. *"Prewritten computer software"* includes software designed and developed by the author or other creator to the specifications of a specific purchaser when it is sold to a person other than the purchaser. The combining of two or more prewritten computer software programs or prewritten portions of prewritten programs does not cause the combination to be other than prewritten computer software. *"Prewritten computer software"* also means computer software, including prewritten upgrades, which is not designed and developed by the author or other creator to the specifications of a specific purchaser. When a person modifies or enhances computer software of which the person is not the author or creator, the person shall be deemed to be the author or creator only of such person's modifications or enhancements. Prewritten computer software or a prewritten portion of the prewritten software that is modified or enhanced to any degree, when such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software. However, when there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for such modification or enhancement, such modification or enhancement shall not constitute prewritten computer software.

~~When a person modifies or enhances computer software of which the person is not the author or creator, the person shall be deemed to be the author or creator only of such person's modifications or enhancements. Prewritten computer software or a prewritten portion of the prewritten software that is modified or enhanced to any degree, when such modification or enhancement is designed and developed to the specifications of a specific purchaser, remains prewritten computer software. However, when there is a reasonable, separately stated charge or an invoice or other statement of the price given to the purchaser for such modification or enhancement, such modification or enhancement shall not constitute prewritten computer software.~~

Sec. 85. Section 423.3, subsection 60, unnumbered paragraphs 1 and 2, Code 2011, are amended to read as follows:

The sales price from the sale or rental of prescription drugs, durable medical equipment, mobility enhancing equipment, prosthetic devices, and other medical devices intended for human use or consumption. For the purposes of this subsection:

~~For the purposes of this subsection:~~

Sec. 86. Section 423.3, subsection 68, paragraph c, subparagraph (1), Code 2011, is amended to read as follows:

(1) *"Clothing"* means all human wearing apparel suitable for general use.

(a) *"Clothing"* includes but is not limited to the following: aprons, household and shop; athletic supporters; baby receiving blankets; bathing suits and caps; beach capes and coats; belts and suspenders; boots; coats and jackets; costumes; diapers (children and adults, including disposable diapers); earmuffs; footlets; formal wear; garters and garter belts; girdles; gloves and mittens for general use; hats and caps; hosiery; insoles for shoes; lab

coats; neckties; overshoes; pantyhose; rainwear; rubber pants; sandals; scarves; shoes and shoelaces; slippers; sneakers; socks and stockings; steel-toed shoes; underwear; uniforms, athletic and nonathletic; and wedding apparel.

(b) *"Clothing"* does not include the following: belt buckles sold separately; costume masks sold separately; patches and emblems sold separately; sewing equipment and supplies (including but not limited to knitting needles, patterns, pins, scissors, sewing machines, sewing needles, tape measures, and thimbles); and sewing materials that become part of clothing (including but not limited to buttons, fabric, lace, thread, yarn, and zippers).

Sec. 87. Section 423.3, subsection 77, Code 2011, is amended to read as follows:

77. a. The sales price from the sale of aircraft to an aircraft dealer who in turn rents or leases the aircraft if all of the following apply:

~~a.~~ (1) The aircraft is kept in the inventory of the dealer for sale at all times.

~~b.~~ (2) The dealer reserves the right to immediately take the aircraft from the renter or lessee when a buyer is found.

~~c.~~ (3) The renter or lessee is aware that the dealer will immediately take the aircraft when a buyer is found.

b. If an aircraft exempt under this subsection is used for any purpose other than leasing or renting, or the conditions in ~~paragraphs~~ paragraph *"a"*, ~~*"b", and "c"*~~ subparagraphs (1), (2), and (3), are not continuously met, the dealer claiming the exemption under this subsection is liable for the tax that would have been due except for this subsection. The tax shall be computed upon the original purchase price.

Sec. 88. Section 423.6, subsection 15, Code 2011, is amended to read as follows:

15. a. Aircraft sold to an aircraft dealer who in turn rents or leases the aircraft if all of the following apply:

~~a.~~ (1) The aircraft is kept in the inventory of the dealer for sale at all times.

~~b.~~ (2) The dealer reserves the right to immediately take the aircraft from the renter or lessee when a buyer is found.

~~c.~~ (3) The renter or lessee is aware that the dealer will immediately take the aircraft when a buyer is found.

b. If an aircraft exempt under this subsection is used for any purpose other than leasing or renting, or the conditions in ~~paragraphs~~ paragraph *"a"*, ~~*"b", and "c"*~~ subparagraphs (1), (2), and (3), are not continuously met, the dealer claiming the exemption under this subsection is liable for the tax that would have been due except for this subsection. The tax shall be computed upon the original purchase price.

Sec. 89. Section 425.17, subsection 2, Code 2011, is amended to read as follows:

2. a. *"Claimant"* means either of the following:

~~a.~~ (1) A person filing a claim for credit or reimbursement under this division who has attained the age of sixty-five years on or before December 31 of the base year or who is totally disabled and was totally disabled on or before December 31 of the base year and is domiciled in this state at the time the claim is filed or at the time of the person's death in the case of a claim filed by the executor or administrator of the claimant's estate.

~~b.~~ (2) A person filing a claim for credit or reimbursement under this division who has attained the age of twenty-three years on or before December 31 of the base year or was a head of household on December 31 of the base year, as defined in the Internal Revenue Code, but has not attained the age or disability status described in paragraph *"a"*, subparagraph (1), and is domiciled in this state at the time the claim is filed or at the time of the person's death in the case of a claim filed by the executor or administrator of the claimant's estate, and was not claimed as a dependent on any other person's tax return for the base year.

b. *"Claimant"* under paragraph *"a"*, subparagraph (1) or ~~*"b"*~~ (2), includes a vendee in possession under a contract for deed and may include one or more joint tenants or tenants in common. In the case of a claim for rent constituting property taxes paid, the claimant shall have rented the property during any part of the base year. In the case of a claim for property taxes due, the claimant shall have occupied the property during any part of the fiscal year beginning July 1 of the base year. If a homestead is occupied by two or more persons, and

more than one person is able to qualify as a claimant, the persons may each file a claim based upon each person's income and rent constituting property taxes paid or property taxes due.

Sec. 90. Section 435.22, Code 2011, is amended to read as follows:

435.22 Annual tax — credit.

1. The owner of each mobile home or manufactured home located within a manufactured home community or mobile home park shall pay to the county treasurer an annual tax. However, when the owner is any educational institution and the home is used solely for student housing or when the owner is the state of Iowa or a subdivision of the state, the owner shall be exempt from the tax. The annual tax shall be computed as follows:

~~1.~~ *a.* Multiply the number of square feet of floor space each home contains when parked and in use by twenty cents. In computing floor space, the exterior measurements of the home shall be used as shown on the certificate of title, but not including any area occupied by a hitching device.

~~2.~~ *b.* (1) If the owner of the home is an Iowa resident, has attained the age of twenty-three years on or before December 31 of the base year, and has an income when included with that of a spouse which is less than eight thousand five hundred dollars per year, the annual tax shall not be imposed on the home. If the income is eight thousand five hundred dollars or more but less than sixteen thousand five hundred dollars, the annual tax shall be computed as follows:

If the Household Income is:	Annual Tax Per Square Foot:
$ 8,500 — 9,499.99	3.0 cents
9,500 — 10,499.99	6.0
10,500 — 12,499.99	10.0
12,500 — 14,499.99	13.0
14,500 — 16,499.99	15.0

(2) For purposes of this ~~subsection~~ paragraph *"b"*, *"income"* means income as defined in section 425.17, subsection 7, and *"base year"* means the calendar year preceding the year in which the claim for a reduced rate of tax is filed. The home reduced rate of tax shall only be allowed on the home in which the claimant is residing at the time the claim for a reduced rate of tax is filed or was residing at the time of the claimant's death in the case of a claim filed on behalf of a deceased claimant by the claimant's legal guardian, spouse, or attorney, or by the executor or administrator of the claimant's estate.

(3) Beginning with the 1998 base year, the income dollar amounts set forth in this ~~subsection~~ paragraph *"b"* shall be multiplied by the cumulative adjustment factor for that base year as determined in section 425.23, subsection 4.

~~3.~~ 2. The amount thus computed shall be the annual tax for all homes, except as follows:

a. For the sixth through ninth years after the year of manufacture the annual tax is ninety percent of the tax computed according to subsection 1, paragraph *"a"* or ~~2 of this section~~ *"b"*, whichever is applicable.

b. For all homes ten or more years after the year of manufacture the annual tax is eighty percent of the tax computed according to subsection 1, paragraph *"a"* or ~~2 of this section~~ *"b"*, whichever is applicable.

~~4.~~ 3. The tax shall be figured to the nearest even whole dollar.

~~5.~~ 4. *a.* A claim for credit for manufactured or mobile home tax due shall not be paid or allowed unless the claim is actually filed with the county treasurer between January 1 and June 1, both dates inclusive, immediately preceding the fiscal year during which the home taxes are due. However, in case of sickness, absence, or other disability of the claimant, or if in the judgment of the county treasurer good cause exists, the county treasurer may extend the time for filing a claim for credit through September 30 of the same calendar year. The county treasurer shall certify to the director of revenue on or before November 15 each year the total dollar amount due for claims allowed.

b. The forms for filing the claim shall be provided by the department of revenue. The forms shall require information as determined by the department.

c. In case of sickness, absence, or other disability of the claimant or if, in the judgment of the director of revenue, good cause exists and the claimant requests an extension, the director

may extend the time for filing a claim for credit or reimbursement. However, any further time granted shall not extend beyond December 31 of the year in which the claim was required to be filed. Claims filed as a result of this paragraph shall be filed with the director who shall provide for the reimbursement of the claim to the claimant.

d. The director of revenue shall certify the amount due to each county, which amount shall be the dollar amount which will not be collected due to the granting of the reduced tax rate under subsection ~~2~~ 1, paragraph *"b"*.

e. The amounts due each county shall be paid by the department of revenue on December 15 of each year, drawn upon warrants payable to the respective county treasurers. The county treasurer in each county shall apportion the payment in accordance with section 435.25.

f. There is appropriated annually from the general fund of the state to the department of revenue an amount sufficient to carry out this subsection.

Sec. 91. Section 437A.3, subsection 1, Code 2011, is amended to read as follows:

1. *a. "Assessed value"* means the base year assessed value, as adjusted by section 437A.19, subsection 2.

(1) *"Base year assessed value"*, for a taxpayer other than an electric company, natural gas company, or electric cooperative, means the value attributable to property identified in section 427A.1, subsection 1, paragraph *"h"*, certified by the department of revenue to the county auditors for the assessment date of January 1, 1997, and the value attributable to property identified in section 427A.1 and section 427B.17, subsection 5, as certified by the local assessors to the county auditors for the assessment date of January 1, 1997, provided, that for a taxpayer subject to section 437A.17A, such value shall be the value certified by the department of revenue and local assessors to the county auditors for the assessment date of January 1, 1998.

(2) However, *"base year assessed value"*, for purposes of property of a taxpayer that is a municipal utility, if the property is not a major addition, and the property was initially assessed to the taxpayer as of January 1, 1998, and is not located in a county where the taxpayer had property that was assessed for purposes of this chapter as of January 1, 1997, means the value attributable to such property for the assessment date of January 1, 1998.

(3) For taxpayers that are electric companies, natural gas companies, and electric cooperatives, *"base year assessed value"* means the average of the total of these values for each taxpayer for the assessment dates of January 1, 1993, through January 1, 1997, allocated among taxing districts in proportion to the allocation of the taxpayer's January 1, 1998, assessed value among taxing districts.

(4) *"Base year assessed value"* does not include value attributable to steam-operating property.

b. For new cogeneration facilities, the assessed value shall be determined as provided in section 437A.16A.

Sec. 92. Section 437A.4, subsection 8, Code 2011, is amended to read as follows:

8. *a.* If for any tax year after calendar year 1998, the total taxable kilowatt-hours of electricity required to be reported by taxpayers pursuant to section 437A.8, subsection 1, paragraphs *"a"* and *"b"*, with respect to any electric competitive service area, increases or decreases by more than the threshold percentage from the average of the base year amounts for that electric competitive service area during the immediately preceding five calendar years, the tax rate imposed under subsection 1, paragraph *"a"*, and subsection 2, for that tax year shall be recalculated by the director for that electric competitive service area so that the total of the replacement electric delivery taxes required to be reported pursuant to section 437A.8, subsection 1, paragraph *"e"*, for that electric competitive service area with respect to the tax imposed under subsection 1, paragraph *"a"*, and subsection 2, shall be as follows:

~~*a.*~~ (1) If the number of kilowatt-hours of electricity required to be reported increased by more than the threshold percentage, one hundred two percent of such taxes required to be reported by taxpayers for that electric competitive service area for the immediately preceding tax year.

~~*b.*~~ (2) If the number of kilowatt-hours of electricity required to be reported decreased by more than the threshold percentage, ninety-eight percent of such taxes required to

be reported by taxpayers for that electric competitive service area for the immediately preceding tax year.

b. For purposes of ~~paragraphs "a" and "b"~~ paragraph "*a*", subparagraphs (1) and (2), in computing the tax rate under subsection 1, paragraph "*a*", and subsection 2, for tax year 1999, the director shall use the electric delivery tax component computed for the electric competitive service area pursuant to subsection 3, paragraph "*c*", in lieu of the taxes required to be reported for that electric competitive service area for the immediately preceding tax year.

c. The threshold percentage shall be determined annually and shall be eight percent for any electric competitive service area in which the average of the base year amounts for the preceding five calendar years does not exceed three billion kilowatt-hours, and ten percent for all other electric competitive service areas.

d. Any such recalculation of an electric delivery tax rate, if required, shall be made and the new rate shall be published in the Iowa administrative bulletin by the director by no later than May 31 following the tax year. The director shall adjust the tentative replacement tax imposed by subsection 1, paragraph "*a*", and subsection 2 required to be shown on any affected taxpayer's return pursuant to section 437A.8, subsection 1, paragraph "*e*", to reflect the adjusted delivery tax rate for the tax year, and report such adjustment to the affected taxpayer on or before June 30 following the tax year. The new electric delivery tax rate shall apply prospectively, until such time as further adjustment is required.

e. For purposes of this section, *"base year amount"* means for calendar years prior to tax year 1999, the sum of the kilowatt-hours of electricity delivered to consumers within an electric competitive service area by the taxpayer principally serving such electric competitive service area which would have been subject to taxation under this section had this section been in effect for those years; and for tax years after calendar year 1998, the taxable kilowatt-hours of electricity required to be reported by taxpayers pursuant to section 437A.8, subsection 1, paragraphs "*a*" and "*b*", with respect to any electric competitive service area.

Sec. 93. Section 437A.5, subsection 8, paragraph c, Code 2011, is amended to read as follows:

c. (1) For purposes of paragraphs *"a"* and *"b"*, in computing the tax rate under subsection 1, paragraph "*a*", and subsection 2 for calendar year 1999, the director shall use the average centrally assessed property tax liability allocated to natural gas service computed for the natural gas competitive service area pursuant to subsection 3, paragraph "*a*", in lieu of the taxes required to be reported for that natural gas competitive service area for the immediately preceding tax year.

(2) The threshold percentage shall be determined annually and shall be eight percent for any natural gas competitive service area in which the average of the base year amounts for the preceding five calendar years does not exceed two hundred fifty million therms, and ten percent for all other natural gas competitive service areas.

(3) Recalculation of a natural gas delivery tax rate, if required, shall be made and the new rate published in the Iowa administrative bulletin by the director by no later than May 31 following the tax year. The director shall adjust the tentative replacement tax imposed by subsection 1, paragraph "*a*", and subsection 2 required to be shown on any affected taxpayer's return pursuant to section 437A.8, subsection 1, paragraph "*e*", to reflect the adjusted delivery tax rate for the tax year, and report such adjustment to the affected taxpayer on or before June 30 following the tax year. The new natural gas delivery tax rate shall apply prospectively, until such time as further adjustment is required.

(4) For purposes of this subsection, *"base year amount"* means for calendar years prior to tax year 1999, the sum of the therms of natural gas delivered to consumers within a natural gas competitive service area by the taxpayer principally serving such natural gas competitive service area which would have been subject to taxation under this section had this section been in effect for those years; and for tax years after calendar year 1998, the taxable therms of natural gas required to be reported by taxpayers pursuant to section 437A.8, subsection 1, paragraphs *"a"* and *"b"*, with respect to any natural gas competitive service area.

Sec. 94. Section 437A.14, subsection 3, Code 2011, is amended to read as follows:

3. Unless otherwise expressly permitted by a section referencing this chapter, the kilowatt-hours of electricity or therms of natural gas delivered by a taxpayer in a competitive service area shall not be divulged to any person or entity, other than the taxpayer, the department, or the internal revenue service for use in a matter unrelated to tax administration. This prohibition precludes persons or entities other than the taxpayer, the department, or the internal revenue service from obtaining such information from the department. A subpoena, order, or process which requires the department to produce such information to a person or entity, other than the taxpayer, the department, or internal revenue service, for use in a nontax proceeding is void.

~~This prohibition precludes persons or entities other than the taxpayer, the department, or the internal revenue service from obtaining such information from the department. A subpoena, order, or process which requires the department to produce such information to a person or entity, other than the taxpayer, the department, or internal revenue service, for use in a nontax proceeding is void.~~

Sec. 95. Section 441.5, Code 2011, is amended to read as follows:

441.5 Examination and certification of applicants — incumbents.

1. For the purpose of examining and certifying candidates for the positions of assessor and deputy assessor, the director of revenue shall prepare and administer a written examination. The examinations shall be administered twice each year in the city of Des Moines. Notification of the time, place and date of the examinations shall be mailed to each city and county assessor, county auditor and chairperson of each city and county conference board at least thirty days prior to the date of the examination.

2. These examinations shall be conducted by the director of revenue in the same manner as other similar examinations, including secrecy regarding questions prior to the examination and in accordance with other rules as may be prescribed by the director of revenue. The examination shall cover the following and related subjects:

~~1.~~ *a.* Laws pertaining to the assessment of property for taxation, with emphasis on market value assessment as provided in this chapter.

~~2.~~ *b.* Laws on tax exemption.

~~3.~~ *c.* Assessment of real estate and personal property, including market value assessment in accordance with this chapter and including fundamental principles and practices of property appraisal and valuation which are consistent with market value assessment as provided in this chapter.

~~4.~~ *d.* The rights of taxpayers and property owners related to the assessment of property for taxation.

~~5.~~ *e.* The duties of the assessor.

~~6.~~ *f.* Other items related to the position of assessor.

3. Only individuals who possess a high school diploma or its equivalent are eligible to take the examination. A person desiring to take the examination shall complete an application prior to the administration of the examination.

4. The director of revenue shall grade the examination taken. The director shall notify, in writing, each applicant of the score attained by the applicant on the examination. An individual who attains a score of seventy percent or greater on the examination is eligible to be certified by the director of revenue as a candidate for any assessor position. Any person who passes the examination and who possesses at least two years of appraisal related experience as determined by the director of revenue shall be granted regular certification and become eligible for appointment to a six-year term as assessor. Any person who passes the examination but who lacks such experience shall be granted temporary certification, and shall be eligible for a provisional appointment as assessor.

5. Any person possessing temporary certification who receives a provisional appointment as assessor shall, during the person's first eighteen months in office, be required to complete a course of study prescribed and administered by the director of revenue. Upon the successful completion of this course of study, the assessor shall be granted regular certification and shall be eligible to remain in office for the balance of the assessor's six-year term. All expenses incurred in obtaining regular certification shall be defrayed by the assessment expense fund.

6. Following the administration of the examination, the director of revenue shall establish a register containing the names, in alphabetical order, of all individuals who are eligible for appointment as assessor. The test scores of individuals on the register shall be given to a city or county conference board upon request. All eligible individuals shall remain on the register for a period of two years following the date of certification granted by the director.

7. Incumbent assessors who have served six consecutive years shall be placed on the register of individuals eligible for appointment as assessor. In order to be appointed to the position of assessor, the assessor shall comply with the continuing education requirements. The number of credits required for certification as eligible for appointment as assessor in a jurisdiction other than where the assessor is currently serving shall be prorated according to the percentage of the assessor's term which is covered by the continuing education requirements of section 441.8. The credit necessary for certification for appointment is the product of one hundred fifty multiplied by the quotient of the number of months served of an assessor's term covered by the continuing education requirements of section 441.8 divided by seventy-two. If the number of credits necessary for certification for appointment as determined under this ~~paragraph~~ subsection results in a partial credit hour, the credit hour shall be rounded to the nearest whole number.

Sec. 96. Section 441.16, Code 2011, is amended to read as follows:

441.16 Budget.

1. All expenditures under this chapter shall be paid as hereinafter provided.

2. Not later than January 1 of each year the assessor, the examining board, and the board of review, shall each prepare a proposed budget of all expenses for the ensuing fiscal year. The assessor shall include in the proposed budget the probable expenses for defending assessment appeals. Said budgets shall be combined by the assessor and copies thereof forthwith filed by the assessor in triplicate with the chairperson of the conference board.

3. ~~Such~~ The combined budgets shall contain an itemized list of the proposed salaries of the assessor and each deputy, the amount required for field personnel and other personnel, their number and their compensation; the estimated amount needed for expenses, printing, mileage and other expenses necessary to operate the assessor's office, the estimated expenses of the examining board and the salaries and expenses of the local board of review.

4. Each fiscal year the chairperson of the conference board shall, by written notice, call a meeting of the conference board to consider the proposed budget and to comply with section 24.9.

5. At such meeting the conference board shall authorize:

~~1.~~ *a.* The number of deputies, field personnel, and other personnel of the assessor's office.

~~2.~~ *b.* The salaries and compensation of members of the board of review, the assessor, chief deputy, other deputies, field personnel, and other personnel, and determine the time and manner of payment.

~~3.~~ *c.* The miscellaneous expenses of the assessor's office, the board of review and the examining board, including office equipment, records, supplies, and other required items.

~~4.~~ *d.* The estimated expense of assessment appeals. All such expense items shall be included in the budget adopted for the ensuing year.

6. All tax levies and expenditures provided for herein shall be subject to the provisions of chapter 24 and the conference board is hereby declared to be the certifying board.

7. Any tax for the maintenance of the office of assessor and other assessment procedure shall be levied only upon the property in the area assessed by said assessor and such tax levy shall not exceed forty and one-half cents per thousand dollars of assessed value in assessing areas where the valuation upon which the tax is levied does not exceed ninety-two million, six hundred thousand dollars; thirty-three and three-fourths cents per thousand dollars of assessed value in assessing areas where the valuation upon which the tax is levied exceeds ninety-two million, six hundred thousand dollars and does not exceed one hundred eleven million, one hundred twenty thousand dollars; twenty-seven cents per thousand dollars of assessed value in assessing areas where the valuation upon which the tax is levied exceeds one hundred eleven million, one hundred twenty thousand dollars. The county treasurer shall credit the sums received from such levy to a separate fund to be known as the "assessment expense fund" and from which fund all expenses incurred under this chapter shall be paid.

In the case of a county where there is more than one assessor the treasurer shall maintain separate assessment expense funds for each assessor.

8. The county auditor shall keep a complete record of said funds and shall issue warrants thereon only on requisition of the assessor.

9. The assessor shall not issue requisitions so as to increase the total expenditures budgeted for the operation of the assessor's office. However, for purposes of promoting operational efficiency, the assessor shall have authority to transfer funds budgeted for specific items for the operation of the assessor's office from one unexpended balance to another; such transfer shall not be made so as to increase the total amount budgeted for the operation of the office of assessor, and no funds shall be used to increase the salary of the assessor or the salaries of permanent deputy assessors. The assessor shall issue requisitions for the examining board and for the board of review on order of the chairperson of each board and for costs and expenses incident to assessment appeals, only on order of the city legal department, in the case of cities and of the county attorney in the case of counties.

10. Unexpended funds remaining in the assessment expense fund at the end of a year shall be carried forward into the next year.

Sec. 97. Section 441.21, subsection 1, paragraph b, Code 2011, is amended to read as follows:

b. (1) The actual value of all property subject to assessment and taxation shall be the fair and reasonable market value of such property except as otherwise provided in this section. *"Market value"* is defined as the fair and reasonable exchange in the year in which the property is listed and valued between a willing buyer and a willing seller, neither being under any compulsion to buy or sell and each being familiar with all the facts relating to the particular property. Sale prices of the property or comparable property in normal transactions reflecting market value, and the probable availability or unavailability of persons interested in purchasing the property, shall be taken into consideration in arriving at its market value. In arriving at market value, sale prices of property in abnormal transactions not reflecting market value shall not be taken into account, or shall be adjusted to eliminate the effect of factors which distort market value, including but not limited to sales to immediate family of the seller, foreclosure or other forced sales, contract sales, discounted purchase transactions or purchase of adjoining land or other land to be operated as a unit.

(2) The actual value of special purpose tooling, which is subject to assessment and taxation as real property under section 427A.1, subsection 1, paragraph *"e"*, but which can be used only to manufacture property which is protected by one or more United States or foreign patents, shall not exceed the fair and reasonable exchange value between a willing buyer and a willing seller, assuming that the willing buyer is purchasing only the special purpose tooling and not the patent covering the property which the special purpose tooling is designed to manufacture nor the rights to manufacture the patented property. For purposes of this ~~paragraph~~ subparagraph, special purpose tooling includes dies, jigs, fixtures, molds, patterns, and similar property. The assessor shall not take into consideration the special value or use value to the present owner of the special purpose tooling which is designed and intended solely for the manufacture of property protected by a patent in arriving at the actual value of the special purpose tooling.

Sec. 98. Section 445.5, subsection 2, Code 2011, is amended to read as follows:

2. *a.* The county treasurer shall each year, upon request, deliver to the following persons or entities, or their duly authorized agents, a copy of the tax statement or tax statement information:

~~*a.*~~ (1) Contract purchaser.

~~*b.*~~ (2) Lessee.

~~*c.*~~ (3) Mortgagee.

~~*d.*~~ (4) Financial institution organized or chartered or holding an authorization certificate pursuant to chapter 524, 533, or 534.

~~*e.*~~ (5) Federally chartered financial institution.

b. The treasurer may negotiate and charge a reasonable fee not to exceed the cost of producing the information for a requester described in ~~paragraphs "c" through "e"~~ paragraph

"a", subparagraphs (3) through (5), for a tax statement or tax statement information provided by the treasurer.

Sec. 99. Section 450.94, subsection 5, Code 2011, is amended to read as follows:

5. a. The amount of tax imposed under this chapter shall be assessed according to one of the following:

~~a.~~ (1) Within three years after the return is filed with respect to property reported on the final inheritance tax return.

~~b.~~ (2) At any time after the tax became due with respect to property not reported on the final inheritance tax return, but not later than three years after the omitted property is reported to the department on an amended return or on the final inheritance tax return if one was not previously filed.

~~c.~~ (3) The period for examination and determination of the correct amount of tax to be reported and due under this chapter is unlimited in the case of failure to file a return or the filing of a false or fraudulent return or affidavit.

b. In addition to the applicable periods of limitations for examination and determination specified in ~~paragraphs "a" and "b"~~ paragraph "a", subparagraphs (1) and (2), the department may make an examination and determination at any time within six months from the date of receipt by the department of written notice from the taxpayer of the final disposition of any matter between the taxpayer and the internal revenue service with respect to the federal estate, gift, or generation skipping transfer tax. In order to begin the running of the six months assessment period, the notice shall be in writing in form sufficient to inform the department of the final disposition of any matter with respect to the federal estate, gift, or generation skipping transfer tax, and a copy of the federal document showing the final disposition or final federal adjustments shall be attached to the notice.

Sec. 100. Section 453A.14, subsection 1, unnumbered paragraphs 1 and 2, Code 2011, are amended to read as follows:

No state or manufacturer's permit shall be issued until the applicant files a bond, with good and sufficient surety, to be approved by the director, which bond shall be in favor of the state and conditioned upon the payment of taxes, damages, fines, penalties, and costs adjudged against the permit holder for violation of any of the provisions of this division. The bonds shall be on forms prescribed by the director and in the following amounts:

~~The bonds shall be on forms prescribed by the director and in the following amounts:~~

Sec. 101. Section 453C.1, subsections 4 and 9, Code 2011, are amended to read as follows:

4. a. *"Cigarette"* means any product that contains nicotine, is intended to be burned or heated under ordinary conditions of use, and consists of or contains any of the following:

~~a.~~ (1) Any roll of tobacco wrapped in paper or in any substance not containing tobacco.

~~b.~~ (2) Tobacco, in any form, that is functional in the product, which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette.

~~c.~~ (3) Any roll of tobacco wrapped in any substance containing tobacco which, because of its appearance, the type of tobacco used in the filler, or its packaging and labeling, is likely to be offered to, or purchased by, consumers as a cigarette described in ~~paragraph "a" of this definition~~ subparagraph (1).

b. The term *"cigarette"* includes "roll-your-own" tobacco, meaning tobacco which, because of its appearance, type, packaging, or labeling, is suitable for use and likely to be offered to, or purchased by, consumers as tobacco for making cigarettes. For purposes of this definition of *"cigarette"*, 0.09 ounces of "roll-your-own" tobacco shall constitute one individual "cigarette".

9. a. *"Tobacco product manufacturer"* means an entity that on or after May 20, 1999, directly and not exclusively through any affiliate does any of the following:

~~a.~~ (1) Manufactures cigarettes anywhere that such manufacturer intends to be sold in the United States, including cigarettes intended to be sold in the United States through an importer (except where such importer is an original participating manufacturer, as that term is defined in the master settlement agreement, that will be responsible for the payments under the master settlement agreement with respect to such cigarettes as a result of the

provisions of subsection II(mm) of the master settlement agreement and that pays the taxes specified in subsection II(z) of the master settlement agreement and provided that the manufacturer of such cigarettes does not market or advertise such cigarettes in the United States).

~~*b.*~~ (2) Is the first purchaser anywhere for resale in the United States of cigarettes manufactured anywhere that the manufacturer does not intend to be sold in the United States.

~~*c.*~~ (3) Becomes a successor of an entity described in ~~paragraph "*a*" or "*b*"~~ subparagraph (1) or (2).

b. The term *"tobacco product manufacturer"* shall not include an affiliate of a tobacco product manufacturer unless such affiliate itself falls within any of ~~paragraphs "*a*" through "*c*"~~ paragraph "*a*", subparagraphs (1) through (3).

Sec. 102. Section 455B.173, subsections 2 and 3, Code 2011, are amended to read as follows:

2. Establish, modify, or repeal water quality standards, pretreatment standards, and effluent standards in accordance with the provisions of this chapter.

a. The effluent standards may provide for maintaining the existing quality of the water of the state that is a navigable water of the United States under the federal Water Pollution Control Act where the quality thereof exceeds the requirements of the water quality standards.

b. If the federal environmental protection agency has promulgated an effluent standard or pretreatment standard pursuant to section 301, 306, or 307 of the federal Water Pollution Control Act, a pretreatment or effluent standard adopted pursuant to this section shall not be more stringent than the federal effluent or pretreatment standard for such source. This section may not preclude the establishment of a more restrictive effluent limitation in the permit for a particular point source if the more restrictive effluent limitation is necessary to meet water quality standards, the establishment of an effluent standard for a source or class of sources for which the federal environmental protection agency has not promulgated standards pursuant to section 301, 306, or 307 of the federal Water Pollution Control Act. Except as required by federal law or regulation, the commission shall not adopt an effluent standard more stringent with respect to any pollutant than is necessary to reduce the concentration of that pollutant in the effluent to the level due to natural causes, including the mineral and chemical characteristics of the land, existing in the water of the state to which the effluent is discharged. Notwithstanding any other provision of this part of this division or chapter 459, subchapter III, any new source, the construction of which was commenced after October 18, 1972, and which was constructed as to meet all applicable standards of performance for the new source or any more stringent effluent limitation required to meet water quality standards, shall not be subject to any more stringent effluent limitations during a ten-year period beginning on the date of completion of construction or during the period of depreciation or amortization of the pollution control equipment for the facility for the purposes of section 167 ~~and~~ or 169 or both sections of the Internal Revenue Code, whichever period ends first.

3. Establish, modify, or repeal rules relating to the location, construction, operation, and maintenance of disposal systems and public water supply systems and specifying the conditions, including the viability of a system pursuant to section 455B.174, under which the director shall issue, revoke, suspend, modify, or deny permits for the operation, installation, construction, addition to, or modification of any disposal system or public water supply system, or for the discharge of any pollutant.

a. The rules specifying the conditions under which the director shall issue permits for the construction of an electric power generating facility subject to chapter 476A shall provide for issuing a conditional permit upon the submission of engineering descriptions, flow diagrams and schematics that qualitatively and quantitatively identify effluent streams and alternative disposal systems that will provide compliance with effluent standards or limitations.

b. No rules shall be adopted which regulate the hiring or firing of operators of disposal systems or public water supply systems except rules which regulate the certification of operators as to their technical competency.

c. A publicly owned treatment works whose discharge meets the final effluent limitations which were contained in its discharge permit on the date that construction of the publicly owned treatment works was approved by the department shall not be required to meet more stringent effluent limitations for a period of ten years from the date the construction was completed and accepted but not longer than twelve years from the date that construction was approved by the department.

Sec. 103. Section 455B.213, subsection 4, Code 2011, is amended to read as follows:

4. *Violation.*

a. An employee of the department who willfully communicates or seeks to communicate such information, and a person who willfully requests, obtains, or seeks to obtain such information, is guilty of a simple misdemeanor.

b. A member of the commission who willfully communicates or seeks to communicate such information, and any person who willfully requests, obtains, or seeks to obtain such information, is guilty of a public offense which is punishable by a fine not exceeding one hundred dollars or by imprisonment in the county jail for not more than thirty days.

Sec. 104. Section 455B.312, subsection 2, unnumbered paragraph 2, Code 2011, is amended to read as follows:

3. If an acceptable plan is not prepared, the plan is not implemented, or the problem otherwise continues unabated, the attorney general shall take actions authorized by law to secure compliance.

Sec. 105. Section 455B.423, subsection 2, Code 2011, is amended to read as follows:

2. a. The director may use the fund for any of the following purposes:

~~a.~~ (1) Administrative services for the identification, assessment and cleanup of hazardous waste or hazardous substance disposal sites.

~~b.~~ (2) Payments to other state agencies for services consistent with the management of hazardous waste or hazardous substance disposal sites.

~~c.~~ (3) Emergency response activities as provided in part 4 of this division.

~~d.~~ (4) Financing the nonfederal share of the cost of cleanup and site rehabilitation activities as well as postclosure operation and maintenance costs, pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980.

~~e.~~ (5) Financing the cost of cleanup and site rehabilitation activities as well as postclosure operation and maintenance costs of hazardous waste or hazardous substance disposal sites that do not qualify for federal cost sharing pursuant to the federal Comprehensive Environmental Response, Compensation and Liability Act of 1980.

~~f.~~ (6) Through agreements or contracts with other state agencies, work with private industry to develop alternatives to land disposal of hazardous waste or hazardous substances including~~,~~ but not limited to~~,~~ resource recovery, recycling, neutralization, and reduction.

~~g.~~ (7) For the administration of the waste tire collection or processing site permit program.

b. However, at least seventy-five percent of the fund shall be used for the purposes stated in ~~paragraphs "*d*" and "*e*"~~ paragraph "*a*", subparagraphs (4) and (5).

Sec. 106. Section 455B.471, subsection 11, Code 2011, is amended to read as follows:

11. a. *"Underground storage tank"* means one or a combination of tanks, including underground pipes connected to the tanks which are used to contain an accumulation of regulated substances and the volume of which, including the volume of the underground pipes, is ten percent or more beneath the surface of the ground. Underground storage tank does not include:

~~a.~~ (1) Farm or residential tanks of one thousand one hundred gallons or less capacity used for storing motor fuel for noncommercial purposes.

~~b.~~ (2) Tanks used for storing heating oil for consumptive use on the premises where stored.

~~c.~~ (3) Residential septic tanks.

~~d.~~ (4) Pipeline facilities regulated under the Natural Gas Pipeline Safety Act of 1968, as amended to January 1, 1985 ~~(49,~~ codified at 49 U.S.C. § 1671 et ~~seq.)~~ seq., the Hazardous Liquid Pipeline Safety Act of 1979, as amended to January 1, 1985 ~~(49,~~ codified at 49 U.S.C. § 2001 et ~~seq.)~~ seq., or an intrastate pipeline facility regulated under chapter 479.

~~*e.*~~ (5) A surface impoundment, pit, pond, or lagoon.

~~*f.*~~ (6) A storm water or wastewater collection system.

~~*g.*~~ (7) A flow-through process tank.

~~*h.*~~ (8) A liquid trap or associated gathering lines directly related to oil or gas production and gathering operations.

~~*i.*~~ (9) A storage tank situated in an underground area including~~,~~ but not limited to~~,~~ a basement, cellar, mineworking, drift, shaft, or tunnel if the storage tank is situated upon or above the surface of the floor.

b. Underground storage tank does not include pipes connected to a tank described in ~~paragraphs "*a*" to "*i*"~~ paragraph "*a*", subparagraphs (1) through (9).

Sec. 107. Section 455B.474, subsection 1, Code 2011, is amended to read as follows:

1. *a.* Release detection, prevention, and correction as may be necessary to protect human health and the environment, applicable to all owners and operators of underground storage tanks. The rules shall include~~,~~ but are not limited to~~,~~ requirements for:

~~*a.*~~ (1) Maintaining a leak detection system, an inventory control system with a tank testing, or a comparable system or method designed to identify releases in a manner consistent with the protection of human health and the environment.

~~*b.*~~ (2) Maintaining records of any monitoring or leak detection system, inventory control system, tank testing or comparable system, and periodic underground storage tank facility compliance inspections conducted by inspectors certified by the department.

~~*c.*~~ (3) Reporting of any releases and corrective action taken in response to a release from an underground storage tank.

~~*d.*~~ (4) Establishing criteria for classifying sites according to the release of a regulated substance in connection with an underground storage tank.

~~(1)~~ (a) The classification system shall consider the actual or potential threat to public health and safety and to the environment posed by the contaminated site and shall take into account relevant factors, including the presence of contamination in soils, groundwaters, and surface waters, and the effect of conduits, barriers, and distances on the contamination found in those areas according to the following factors:

~~(a)~~ (i) Soils shall be evaluated based upon the depth of the existing contamination and its distance from the ground surface to the contamination zone and the contamination zone to the groundwater; the soil type and permeability, including whether the contamination exists in clay, till or sand and gravel; and the variability of the soils, whether the contamination exists in soils of natural variability or in a disturbed area.

~~(b)~~ (ii) Groundwaters shall be evaluated based upon the depth of the contamination and its distance from the ground surface to the groundwater and from the contamination zone to the groundwater; the flow pattern of the groundwater, the direction of the flow in relation to the contamination zone and the interconnection of the groundwater with the surface or with surface water and with other groundwater sources; the nature of the groundwater, whether it is located in a high yield aquifer, an isolated, low yield aquifer, or in a transient saturation zone; and use of the groundwater, whether it is used as a drinking water source for public or private drinking water supplies, for livestock watering, or for commercial and industrial processing.

~~(c)~~ (iii) Surface water shall be evaluated based upon its location, its distance in relation to the contamination zone, the groundwater system and flow, and its location in relation to surface drainage.

~~(d)~~ (iv) The effect of conduits, barriers, and distances on the contamination found in soils, groundwaters, and surface waters. Consideration should be given to the following: the effect of contamination on conduits such as wells, utility lines, tile lines and drainage systems; the effect of conduits on the transport of the contamination; whether a well is active or abandoned; what function the utility line serves, whether it is a sewer line, a water distribution line, telephone line, or other line; the existence of barriers such as buildings and other structures, pavement, and natural barriers, including rock formations and ravines; and the distance which separates the contamination found in the soils, groundwaters, or surface waters from the conduits and barriers.

~~(2)~~ (b) A site shall be classified as either high risk, low risk, or no action required, as determined by a certified groundwater professional.

~~(a)~~ (i) A site shall be considered high risk when a certified groundwater professional determines that contamination from the site presents an unreasonable risk to public health and safety or the environment under any of the following conditions:

~~(i)~~ (A) Contamination is affecting or likely to affect groundwater which is used as a source water for public or private water supplies, to a level rendering them unsafe for human consumption.

~~(ii)~~ (B) Contamination is actually affecting or is likely to affect surface water bodies to a level where surface water quality standards, under section 455B.173, will be exceeded.

~~(iii)~~ (C) Harmful or explosive concentrations of petroleum substances or vapors affecting structures or utility installations exist or are likely to occur.

~~(b)~~ (ii) A site shall be considered low risk when a certified groundwater professional determines that low risk conditions exist as follows:

~~(i)~~ (A) Contamination is present and is affecting groundwater, but high risk conditions do not exist and are not likely to occur.

~~(ii)~~ (B) Contamination is above action level standards, but high risk conditions do not exist and are not likely to occur.

~~(c)~~ (iii) A site shall be considered no action required and a no further action certificate shall be issued by the department when a certified groundwater professional determines that contamination is below action level standards and high or low risk conditions do not exist and are not likely to occur.

~~(d)~~ (iv) For purposes of classifying a site as either low risk or no action required, the department shall rely upon the example tier one risk-based screening level look-up table of ASTM (American society for testing and materials) international's emergency standard, ES38-94, or other look-up table as determined by the department by rule.

~~(e)~~ (v) A site cleanup report which classifies a site as either high risk, low risk, or no action required shall be submitted by a groundwater professional to the department with a certification that the report complies with the provisions of this chapter and rules adopted by the department. The report shall be determinative of the appropriate classification of the site and the site shall be classified as indicated by the groundwater professional unless, within ninety days of receipt by the department, the department identifies material information in the report that is inaccurate or incomplete, and based upon inaccurate or incomplete information in the report the risk classification of the site cannot be reasonably determined by the department based upon industry standards. If the department determines that the site cleanup report is inaccurate or incomplete, the department shall notify the groundwater professional of the inaccurate or incomplete information within ninety days of receipt of the report and shall work with the groundwater professional to obtain correct information or additional information necessary to appropriately classify the site. However, from July 1, 2010, through June 30, 2011, the department shall have one hundred twenty days to notify the certified groundwater professional when a report is not accepted based on material information that is found to be inaccurate or incomplete. A groundwater professional who knowingly or intentionally makes a false statement or misrepresentation which results in a mistaken classification of a site shall be guilty of a serious misdemeanor and shall have the groundwater professional's certification revoked under this section.

~~e.~~ (5) The closure of tanks to prevent any future release of a regulated substance into the environment. If consistent with federal environmental protection agency technical standard regulations, state tank closure rules shall include, at the tank owner's election, an option to fill the tank with an inert material. Removal of a tank shall not be required if the tank is filled with an inert material pursuant to department of natural resources rules. A tank closed, or to be closed and which is actually closed, within one year of May 13, 1988, shall be required to complete monitoring or testing as required by the department to ensure that the tank did not leak prior to closure, but shall not be required to have a monitoring system installed.

~~f.~~ (6) Establishing corrective action response requirements for the release of a regulated substance in connection with an underground storage tank. The corrective action response requirements shall include~~,~~ but not be limited to~~,~~ all of the following:

~~(1)~~ (a) A requirement that the site cleanup report do all of the following:

~~(a)~~ (i) Identify the nature and level of contamination resulting from the release.

~~(b)~~ (ii) Provide supporting data and a recommendation of the degree of risk posed by the site relative to the site classification system adopted pursuant to paragraph ~~"d"~~ "a", subparagraph (4).

~~(c)~~ (iii) Provide supporting data and a recommendation of the need for corrective action.

~~(d)~~ (iv) Identify the corrective action options which shall address the practical feasibility of implementation, costs, expected length of time to implement, and environmental benefits.

~~(2)~~ (b) To the fullest extent practicable, allow for the use of generally available hydrological, geological, topographical, and geographical information and minimize site specific testing in preparation of the site cleanup report.

~~(3)~~ (c) Require that at a minimum the source of a release be stopped either by repairing, upgrading, or closing the tank and that free product be removed or contained on site.

~~(4)~~ (d) High risk sites shall be addressed pursuant to a corrective action design report, as submitted by a groundwater professional and as accepted by the department. The corrective action design report shall determine the most appropriate response to the high risk conditions presented. The appropriate corrective action response shall be based upon industry standards and shall take into account the following:

~~(a)~~ (i) The extent of remediation required to reclassify the site as a low risk site.

~~(b)~~ (ii) The most appropriate exposure scenarios based upon residential, commercial, or industrial use or other predefined industry accepted scenarios.

~~(c)~~ (iii) Exposure pathway characterizations including contaminant sources, transport mechanisms, and exposure pathways.

~~(d)~~ (iv) Affected human or environmental receptors and exposure scenarios based on current and projected use scenarios.

~~(e)~~ (v) Risk-based corrective action assessment principles which identify the risks presented to the public health and safety or the environment by each release in a manner that will protect the public health and safety or the environment using a tiered procedure consistent with ASTM (American society for testing and materials) international's emergency standard, ES38-94.

~~(f)~~ (vi) Other relevant site specific factors such as the feasibility of available technologies, existing background contaminant levels, current and planned future uses, ecological, aesthetic, and other relevant criteria, and the applicability and availability of engineering and institutional controls, including an environmental covenant as established by chapter 455I.

~~(g)~~ (vii) Remediation shall not be required on a site that does not present an increased cancer risk at the point of exposure of one in one million for residential areas or one in ten thousand for nonresidential areas.

~~(5)~~ (e) A corrective action design report submitted by a groundwater professional shall be accepted by the department and shall be primarily relied upon by the department to determine the corrective action response requirements of the site. However, if within ninety days of receipt of a corrective action design report, the department identifies material information in the corrective action design report that is inaccurate or incomplete, and if based upon information in the report the appropriate corrective action response cannot be reasonably determined by the department based upon industry standards, the department shall notify the groundwater professional that the corrective action design report is not accepted, and the department shall work with the groundwater professional to correct the material information or to obtain the additional information necessary to appropriately determine the corrective action response requirements as soon as practicable. However, from July 1, 2010, through June 30, 2011, the department shall have one hundred twenty days to notify the certified groundwater professional when a corrective action design report is not accepted based on material information that is found to be inaccurate or incomplete. A groundwater professional who knowingly or intentionally makes a false statement or misrepresentation which results in an improper or incorrect corrective action response shall be guilty of a serious misdemeanor and shall have the groundwater professional's certification revoked under this section.

~~(6)~~ (f) Low risk sites shall be monitored as deemed necessary by the department consistent with industry standards. Monitoring shall not be required on a site which has received a no further action certificate. A site that has maintained less than the applicable target level for

four consecutive sampling events shall be reclassified as a no action required site regardless of exit monitoring criteria and guidance.

~~(7)~~ (g) An owner or operator may elect to proceed with additional corrective action on the site. However, any action taken in addition to that required pursuant to this paragraph ~~*"f"*~~ *"a"*, subparagraph (6), shall be solely at the expense of the owner or operator and shall not be considered corrective action for purposes of section 455G.9, unless otherwise previously agreed to by the board and the owner or operator pursuant to section 455G.9, subsection 7. Corrective action taken by an owner or operator due to the department's failure to meet the time requirements provided in subparagraph ~~(5)~~ division (e) shall be considered corrective action for purposes of section 455G.9.

~~(8)~~ (h) Notwithstanding other provisions to the contrary and to the extent permitted by federal law, the department shall allow for bioremediation of soils and groundwater. For purposes of this subparagraph division, *"bioremediation"* means the use of biological organisms, including microorganisms or plants, to degrade organic pollutants to common natural products.

~~(9)~~ (i) Replacement or upgrade of a tank on a site classified as a high or low risk site shall be equipped with a secondary containment system with monitoring of the space between the primary and secondary containment structures or other board approved tank system or methodology.

~~(10)~~ (j) The commission and the board shall cooperate to ensure that remedial measures required by the corrective action rules adopted pursuant to this ~~paragraph~~ subparagraph (6) are reasonably cost-effective and shall, to the fullest extent possible, avoid duplicating and conflicting requirements.

~~(11)~~ (k) The director may order an owner or operator to immediately take all corrective actions deemed reasonable and necessary by the director if the corrective action is consistent with the prioritization rules adopted under this ~~paragraph~~ subparagraph (6). Any order taken by the director pursuant to this subparagraph division shall be reviewed at the next meeting of the environmental protection commission.

~~*g.*~~ (7) Specifying an adequate monitoring system to detect the presence of a leaking underground storage tank and to provide for protection of the groundwater resources for regulated tanks installed prior to January 14, 1987. The effective date of the rules adopted shall be January 14, 1989. In the event that federal regulations are adopted by the United States environmental protection agency after the commission has adopted state standards pursuant to this subsection, the commission shall immediately proceed to adopt rules consistent with those federal regulations adopted. Unless the federal environmental protection agency adopts final rules to the contrary, rules adopted pursuant to this section shall not apply to hydraulic lift reservoirs, such as for automobile hoists and elevators, containing hydraulic oil.

~~*h.*~~ (8) Issuing a no further action certificate or a monitoring certificate to the owner or operator of an underground storage tank site.

~~(1)~~ (a) A no further action certificate shall be issued by the department for a site which has been classified as a no further action site or which has been reclassified pursuant to completion of a corrective action plan or monitoring plan to be a no further action site by a groundwater professional, unless within ninety days of receipt of the report submitted by the groundwater professional classifying the site, the department notifies the groundwater professional that the report and site classification are not accepted and the department identifies material information in the report that is inaccurate or incomplete which causes the department to be unable to accept the classification of the site. An owner or operator shall not be responsible for additional assessment, monitoring, or corrective action activities at a site that is issued a no further action certificate unless it is determined that the certificate was issued based upon false material statements that were knowingly or intentionally made by a groundwater professional and the false material statements resulted in the incorrect classification of the site.

~~(2)~~ (b) A monitoring certificate shall be issued by the department for a site which does not require remediation, but does require monitoring of the site.

~~(3)~~ (c) A certificate shall be recorded with the county recorder. The owner or operator of a site who has been issued a certificate under this paragraph ~~*"h"*~~ *"a"*, subparagraph (8), or a

subsequent purchaser of the site shall not be required to perform further corrective action because action standards are changed at a later date. A certificate shall not prevent the department from ordering corrective action of a new release.

~~*i.*~~ (9) Establishing a certified compliance inspector program administered by the department for underground storage tank facility compliance inspections.

~~(1)~~ (a) The certified compliance inspector program shall provide for, but not be limited to, all of the following:

~~(a)~~ (i) Mandatory periodic underground storage tank facility compliance inspections by owners and operators using inspectors certified by the department.

~~(b)~~ (ii) Compliance inspector qualifications, certification procedures, certification and renewal fees sufficient to cover administrative costs, continuing education requirements, inspector discipline standards including certification suspension and revocation for good cause, compliance inspection standards, professional liability bonding or insurance requirements, and any other requirements as the commission may deem appropriate. Certification and renewal fees received by the department are appropriated to the department for purposes of the administration of the certified compliance inspector program.

~~(2)~~ (b) The department shall continue to conduct independent inspections as provided in section 455B.475 as deemed appropriate to assure effective compliance and enforcement and for the purpose of auditing the accuracy and completeness of inspections conducted by certified compliance inspectors.

~~(3)~~ (c) Acts or omissions by a certified compliance inspector, the state, or the department regarding certification, renewal, oversight of the certification process, continuing education, discipline, inspection standards, or any other actions, rules, or regulations arising out of the certification, inspections, or duties imposed by this section shall not be cause for a claim against the state or the department within the meaning of chapter 669 or any other provision of the Iowa Code.

b. In adopting the rules under this subsection, the commission may distinguish between types, classes, and ages of underground storage tanks. In making the distinctions, the commission may take into consideration factors including~~,~~ but not limited to~~,~~ location of the tanks, compatibility of a tank material with the soil and climate conditions, uses of the tanks, history of maintenance, age of the tanks, current industry recommended practices, national consensus codes, hydrogeology, water table, size of the tanks, quantity of regulated substances periodically deposited in or dispensed from the tank, the degree of risk presented by the regulated substance, the technical and managerial capability of the owners and operators, and the compatibility of the regulated substance and the materials of which the underground storage tank is fabricated.

c. The department may issue a variance, which includes an enforceable compliance schedule, from the mandatory monitoring requirement for an owner or operator who demonstrates plans for tank removal, replacement, or filling with an inert material pursuant to a department approved variance. A variance may be renewed for just cause.

Sec. 108. Section 455D.3, subsections 1 and 3, Code 2011, are amended to read as follows:

1. *Year 1994 and 2000 goals.*

a. The goal of the state is to reduce the amount of materials in the waste stream, existing as of July 1, 1988, twenty-five percent by July 1, 1994, and fifty percent by July 1, 2000, through the practice of waste volume reduction at the source and through recycling. For the purposes of this section, *"waste stream"* means the disposal of solid waste as *"solid waste"* is defined in section 455B.301.

b. Notwithstanding section 455D.1, subsection 6, facilities which employ combustion of solid waste with energy recovery and refuse-derived fuel, which are included in an approved comprehensive plan, may include these processes in the definition of recycling for the purpose of meeting the state goal if at least thirty-five percent of the waste reduction goal, required to be met by July 1, 2000, pursuant to this section, is met through volume reduction at the source and recycling and reuse, as established pursuant to section 455B.301A, subsection 1, paragraphs *"a"* and *"b"*.

3. *Departmental monitoring.*

a. By October 31, 1994, a planning area shall submit to the department a solid waste abatement table which is updated through June 30, 1994. By April 1, 1995, the department shall report to the general assembly on the progress that has been made by each planning area on attainment of the July 1, 1994, twenty-five percent goal.

(1) If at any time the department determines that a planning area has met or exceeded the twenty-five percent goal, but has not met or exceeded the fifty percent goal, a planning area shall subtract sixty cents from the total amount of the tonnage fee imposed pursuant to section 455B.310. If at any time the department determines that a planning area has met or exceeded the fifty percent goal, a planning area shall subtract fifty cents from the total amount of the tonnage fee imposed pursuant to section 455B.310. The reduction in tonnage fees pursuant to this ~~paragraph~~ subparagraph shall be taken from that portion of the tonnage fees which would have been allocated for funding alternatives to landfills pursuant to section 455E.11, subsection 2, paragraph "*a*", subparagraph (1).

(2) If the department determines that a planning area has failed to meet the July 1, 1994, twenty-five percent goal, the planning area shall, at a minimum, implement the solid waste management techniques as listed in subsection 4. Evidence of implementation of the solid waste management techniques shall be documented in subsequent comprehensive plans submitted to the department.

b. (1) By October 31, 2000, a planning area shall submit to the department, a solid waste abatement table which is updated through June 30, 2000. By April 1, 2001, the department shall report to the general assembly on the progress that has been made by each planning area on attainment of the July 1, 2000, fifty percent goal.

(2) If at any time the department determines that a planning area has met or exceeded the fifty percent goal, the planning area shall subtract fifty cents from the total amount of the tonnage fee imposed pursuant to section 455B.310. This amount shall be in addition to any amount subtracted pursuant to paragraph "*a*" ~~of this subsection~~. The reduction in tonnage fees pursuant to this ~~paragraph~~ subparagraph shall be taken from that portion of the tonnage fees which would have been allocated to funding alternatives to landfills pursuant to section 455E.11, subsection 2, paragraph "*a*", subparagraph (1). Except for fees required under subsection 4, paragraph "*a*", a planning area failing to meet the fifty percent goal is not required to remit any additional tonnage fees to the department.

Sec. 109. Section 455D.10B, subsections 2 and 3, Code 2011, are amended to read as follows:

2. *a.* A rechargeable consumer product manufacturer may apply to the department for exemption from the requirements of subsection 1 if any of the following apply:

~~*a.*~~ (1) The product cannot be redesigned or manufactured to comply with the requirements prior to January 1, 1994.

~~*b.*~~ (2) The redesign of the product to comply with the requirements would result in significant danger to public health and safety.

~~*c.*~~ (3) The battery poses no unreasonable hazard to public health, safety, or the environment when placed in and processed or disposed of as part of mixed municipal solid waste, pursuant to section 455D.10A.

~~*d.*~~ (4) The consumer product manufacturer has in operation a program to recycle used batteries in an environmentally sound manner.

b. A manufacturer of a product that is powered by a battery that cannot be easily removed who has been granted an exemption under this subsection shall label the product as required in subsection 1, paragraph "*b*".

3. An exemption granted by the department under subsection 2, paragraph "*a*", subparagraph (1), is limited to a maximum of two years, but may be renewed.

Sec. 110. Section 455E.11, subsection 2, paragraph c, Code 2011, is amended to read as follows:

c. A household hazardous waste account.

(1) The moneys collected pursuant to section 455F.7 and moneys collected pursuant to section 29C.8A which are designated for deposit, shall be deposited in the household hazardous waste account. Two thousand dollars is appropriated annually to the Iowa

department of public health to carry out departmental duties under section 135.11, subsections 18 and 19, and section 139A.21. The remainder of the account shall be used to fund toxic cleanup days and the efforts of the department to support a collection system for household hazardous materials, including public education programs, training, and consultation of local governments in the establishment and operation of permanent collection systems, and the management of collection sites, education programs, and other activities pursuant to chapter 455F, including the administration of the household hazardous materials permit program by the department of revenue.

(2) The department shall submit to the general assembly, annually on or before January 1, an itemized report which includes but is not limited to the total amount of moneys collected and the sources of the moneys collected, the amount of moneys expended for administration of the programs funded within the account, and an itemization of any other expenditures made within the previous fiscal year.

Sec. 111. Section 455G.9, subsection 1, paragraph g, Code 2011, is amended to read as follows:

g. (1) Corrective action for the costs of a release under all of the following conditions:

~~(1)~~ (a) The property upon which the tank causing the release was situated was transferred by inheritance, devise, or bequest.

~~(2)~~ (b) The property upon which the tank causing the release was situated has not been used to store or dispense petroleum since December 31, 1975.

~~(3)~~ (c) The person who received the property by inheritance, devise, or bequest was not the owner of the property during the period of time when the release which is the subject of the corrective action occurred.

~~(4)~~ (d) The release was reported to the board by October 26, 1991.

(2) Corrective action costs and copayment amounts under this paragraph *"g"* shall be paid in accordance with subsection 4.

(3) A person requesting benefits under this paragraph *"g"* may establish that the conditions of ~~subparagraphs~~ subparagraph (1), ~~(2), and (3)~~ subparagraph divisions (a), (b), and (c), are met through the use of supporting documents, including a personal affidavit.

Sec. 112. Section 455G.9, subsection 5, Code 2011, is amended to read as follows:

5. *Recovery of gain on sale of property.*

a. If an owner or operator ceases to own or operate a tank site for which remedial account benefits were received within ten years of the receipt of any account benefit and sells or transfers a property interest in the tank site for an amount which exceeds one hundred twenty percent of the precorrective action value, adjusted for equipment and capital improvements, the owner or operator shall refund to the remedial account an amount equal to ninety percent of the amount in excess of one hundred twenty percent of the precorrective action value up to a maximum of the expenses incurred by the remedial account associated with the tank site plus interest, equal to the interest for the most recent twelve-month period for the most recent bond issue for the fund, on the expenses incurred, compounded annually. An owner or operator under this subsection shall notify the board of the sale or transfer of the property interest in the tank site. Expenses incurred by the fund are a lien upon the property recordable and collectible in the same manner as the lien provided for in section 424.11 at the time of sale or transfer, subject to the terms of this section.

b. This subsection shall not apply if the sale or transfer is pursuant to a power of eminent domain, or benefits. When federal cleanup funds are recovered, the funds are to be deposited to the remedial account of the fund and used solely for the purpose of future cleanup activities.

Sec. 113. Section 455G.12A, subsections 2 and 3, Code 2011, are amended to read as follows:

2. *Contract approval.*

a. In the course of review and approval of a contract pursuant to this section, the administrator may require an owner or operator to obtain and submit three bids, provided that the administrator coordinates bid submission with the department. The administrator may require specific terms and conditions in a contract subject to approval.

b. The board shall have authority to contract for site cleanup reports. The board's responsibility for site cleanup reports is limited to those site cleanup reports subject to approval by the department of natural resources and required in connection with the remediation of a release which is eligible for benefits under section 455G.9. The site cleanup report shall address existing and available remedial technologies and the costs associated with the use of each technology. The board shall not have the authority to affect a contract which has been given written approval under this section.

3. *Exclusive contracts.*

a. The administrator may enter into a contract or an exclusive contract with the supplier of goods or services required by a class of tank owners or operators in connection with an expense payable or reimbursable from the fund, to supply a specified good or service for a gross maximum price, fixed rate, on an exclusive basis, or subject to another contract term or condition reasonably calculated to obtain goods or services for the fund or for tank owners and operators at a reasonable cost. A contract may provide for direct payment from the fund to a supplier.

b. The administrator may retain, subject to board approval, an independent person to assist in the review of work required in connection with a release or tank system for which fund benefits are sought, and to establish prevailing cost of goods and services needed. Nothing in this section is intended to preempt the regulatory authority of the department.

Sec. 114. Section 455G.13, subsections 4 and 10, Code 2011, are amended to read as follows:

4. *Treble damages for certain violations.*

a. Notwithstanding subsections 2 and 3, the owner or operator, or both, of a tank are liable to the fund for punitive damages in an amount equal to three times the amount of any cost incurred or moneys expended by the fund as a result of a release of petroleum from the tank if the owner or operator did any of the following:

~~a.~~ (1) Failed, without sufficient cause, to respond to a release of petroleum from the tank upon, or in accordance with, a notice issued by the director of the department of natural resources.

~~b.~~ (2) After May 5, 1989, failed to perform any of the following:

~~(1)~~ (a) Failed to register the tank, which was known to exist or reasonably should have been known to exist.

~~(2)~~ (b) Intentionally failed to report a known release.

b. The punitive damages imposed under this subsection are in addition to any costs or expenditures recovered from the owner or operator pursuant to this chapter and in addition to any other penalty or relief provided by this chapter or any other law.

c. However, the state, a city, county, or other political subdivision shall not be liable for punitive damages.

10. *Claims against potentially responsible parties.*

a. Upon payment by the fund for corrective action or third-party liability pursuant to this chapter, the rights of the claimant to recover payment from any potentially responsible party, are assumed by the board to the extent paid by the fund. A claimant is precluded from receiving double compensation for the same injury.

b. In an action brought pursuant to this chapter seeking damages for corrective action or third-party liability, the court shall permit evidence and argument as to the replacement or indemnification of actual economic losses incurred or to be incurred in the future by the claimant by reason of insurance benefits, governmental benefits or programs, or from any other source.

c. A claimant may elect to permit the board to pursue the claimant's cause of action for any injury not compensated by the fund against any potentially responsible party, provided the attorney general determines such representation would not be a conflict of interest. If a claimant so elects, the board's litigation expenses shall be shared on a pro rata basis with the claimant, but the claimant's share of litigation expenses is payable exclusively from any share of the settlement or judgment payable to the claimant.

Sec. 115. Section 456A.36, subsection 2, Code 2011, is amended to read as follows:

2. *a.* (1) A timber buyer shall file with the commission a surety bond signed by the person as principal and a corporate surety authorized to engage in the business of executing surety bonds within the state. In lieu of a corporate surety a timber buyer may, with the approval of the commission, file a bond signed by the timber buyer as principal and accompanied by a bank certificate of deposit in a form approved by the commission showing to the satisfaction of the commission that funds equal to the amount of the required bond are on deposit in a bank to be held by the bank for the period covered by the certificate. The funds shall be made payable upon demand to the director, subject to the provisions of this section, for the use and benefit of the people of the state and for the use and benefit of a timber grower from whom the timber buyer purchased and who is not paid by the timber buyer or for the use and benefit of a timber grower whose timber has been cut by the timber buyer or the timber buyer's agents, and who has not been paid.

(2) The principal amount of the bond shall be ten percent of the total amount paid to timber growers during the preceding year, plus ten percent of the total amount due or delinquent and unpaid to timber growers at the end of the preceding year, and ten percent of the market value of growers' shares of timber harvested during the previous year. However, the total amount of the bond shall be not less than three thousand dollars and not more than fifteen thousand dollars.

(3) The bond or surety shall not be canceled or altered except upon at least sixty days' notice in writing to the commission.

(4) Bonds shall be in the form approved by the director, be conditioned to secure an honest cutting and accounting for timber purchased by the timber buyer, secure payment to the timber growers, and insure the timber growers against all fraudulent acts of the timber buyer in the purchase and cutting of the timber of this state.

b. If a timber buyer fails to pay when due an amount due a timber grower for timber purchased, or fails to pay legally determined damages for timber wrongfully cut by a timber buyer or the buyer's agent, or commits a violation of this section, an action on the bond for forfeiture may be commenced. The action is not exclusive and is in addition to other legal remedies available.

c. The timber grower, the owner of timber cut, or the director may bring action on the bond for payment of the amount due from proceeds of the bond in the district court of the county in which the place of business of the timber buyer is situated or in any other lawful venue.

d. The attorney general, upon request of the commission, shall institute proceedings to have the bond of the timber buyer forfeited for violation of any of the provisions of this section or for noncompliance with a commission rule. A timber buyer whose bond has been forfeited shall not engage in the business of buying timber for one year after the forfeiture.

e. If the commission realizes more than the amount of liability from the security, after deducting expenses incurred in converting the security into money, the commission shall pay the excess to the timber buyer who furnished the security.

Sec. 116. Section 459A.103, subsection 1, paragraph c, Code 2011, is amended to read as follows:

c. (1) For purposes of determining whether two or more open feedlot operations are under common ownership, a person must hold an interest in each of the open feedlot operations as any of the following:

~~(1)~~ (a) A sole proprietor.

~~(2)~~ (b) A joint tenant or tenant in common.

~~(3)~~ (c) A holder of a majority equity interest in a business association as defined in section 202B.102, including but not limited to as a shareholder, partner, member, or beneficiary.

(2) An interest in the open feedlot operation under subparagraph ~~(2) or (3)~~ (1), subparagraph division (b) or (c), which is held directly or indirectly by the person's spouse or dependent child shall be attributed to the person.

Sec. 117. Section 460.304, subsection 3, paragraph b, unnumbered paragraph 2, Code 2011, is amended to read as follows:

c. The department of natural resources shall cooperate with the division by providing information necessary to administer this subsection.

Sec. 118. Section 461A.3A, subsection 2, unnumbered paragraph 2, Code 2011, is amended to read as follows:

3. The department shall provide in its annual budget documentations to the governor and general assembly a report on the use of moneys under the program since the last report and the projected use of future moneys.

Sec. 119. Section 462A.5, subsection 4, Code 2011, is amended to read as follows:

4. *a.* If a person, after registering a vessel, moves from the address shown on the registration certificate, the person shall, within ten days, notify the county recorder in writing of the old and new address. If appropriate, the county recorder shall forward all past records of the vessel to the recorder of the county in which the owner resides.

b. If the name of a person, who has registered a vessel, is changed, the person shall, within ten days, notify the county recorder of the former and new name.

c. No fee shall be paid to the county recorder for making the changes mentioned in this subsection, unless the owner requests a new registration certificate showing the change, in which case a fee of one dollar plus a writing fee shall be paid to the recorder.

d. If a registration certificate is lost, mutilated or becomes illegible, the owner shall immediately make application for and obtain a duplicate registration certificate by furnishing information satisfactory to the county recorder. A fee of one dollar plus a writing fee shall be paid to the county recorder for a duplicate registration certificate.

~~A fee of one dollar plus a writing fee shall be paid to the county recorder for a duplicate registration certificate.~~

e. If a vessel, registered under this chapter, is destroyed or abandoned, the destruction or abandonment shall be reported to the county recorder and the registration certificate shall be forwarded to the office of the county recorder within ten days after the destruction or abandonment.

Sec. 120. Section 465A.1, Code 2011, is amended to read as follows:

465A.1 Statement of purpose — intent.

1. The general assembly finds that:

~~1.~~ *a.* Iowa's most significant open space lands are essential to the well-being and quality of life for Iowans and to the economic viability of the state's recreation and tourism industry.

~~2.~~ *b.* Many areas of high national significance in the state have not received adequate public protection to keep them free of visual blight, resource degradation, and negative impacts from inappropriate land use and surrounding development. Some of these areas include national park service and United States fish and wildlife service properties, national landmarks and trails, the Des Moines river greenbelt, the great river road, areas where interstate highways enter the state, cross major rivers, and pass by other areas of national significance, major state park and recreation areas, unique and protected water areas, and significant natural, geological, scenic, historic, and cultural properties of the state.

~~3.~~ *c.* While state and federal funds are generally available for the acquisition and protection of fish and wildlife areas and habitats as well as boating access to public waters, funding programs for public open space acquisition and protection have not been adequate to meet needs.

~~4.~~ *d.* Relative to other midwestern states, Iowa ranks last in the proportion of land acquired and protected for public open space.

~~5.~~ 2. *a.* A program shall be established to:

~~*a.*~~ (1) Educate the citizens of the state about the needs and urgency of protecting the state's open spaces.

~~*b.*~~ (2) Plan for the protection of the state's significant open space areas.

~~*c.*~~ (3) Acquire and protect those properties on a priority basis through a variety of appropriate means.

b. In addition to other goals for the program, it is intended that a minimum of ten percent of the state's land area be included under some form of public open space protection by the year 2000.

Sec. 121. Section 468.65, Code 2011, is amended to read as follows:

468.65 Reclassification.

1. When, after a drainage or levee district has been established, except districts established by mutual agreement in accordance with section 468.142, and the improvements thereof constructed and put in operation, there has been a material change as to lands occupied by highway or railroad right-of-way or in the character of the lands benefited by the improvement, or when a repair, improvement, or extension has become necessary, the board may consider whether the existing assessments are equitable as a basis for payment of the expense of maintaining the district and of making the repair, improvement or extension. If they find the same to be inequitable in any particular, they shall by resolution express such finding, appoint three commissioners possessing the qualifications prescribed in section 468.38 and order a reclassification as follows:

~~1.~~ *a.* If they find the assessments to be generally inequitable they shall order a reclassification of all property subject to assessment, such as lands, highways, and railroads in said district.

~~2.~~ *b.* If the inequity ascertained by the board is limited to the proportion paid by highways or railroads, a general reclassification of all lands shall not be necessary but the commissioners may evaluate and determine the fair proportion to be paid by such highways or railroads or both as provided in sections 468.42 and 468.43.

~~3.~~ *c.* Any benefits of a character for which levee or drainage districts may be established and which are attributable to or enhanced by the improvement or by the repair, improvement, or extension thereof, shall be a proper subject of consideration in a reclassification notwithstanding the district may have been originally established for a limited purpose.

~~4.~~ *d.* (1) If after a district has been reclassified, the board in its judgment concludes there were errors in the reclassification or there is an inequitable assessment of benefits, the board may on its own motion, after notice to the landowners involved as provided in sections 468.14 through 468.18 and by resolution, order the district or any portion of the district to again be reclassified as prescribed in this section and in section 468.67.

(2) The board may include in its resolution an order to the commissioners that they prepare special common outlet classifications, if needed, in conjunction with the reclassification of the district.

2. Such reclassification when finally adopted shall remain the basis for all future assessments unless revised as provided in this subchapter, parts 1 through 5.

Sec. 122. Section 468.184, subsections 1, 2, 5, 6, and 10, Code 2011, are amended to read as follows:

1. *a.* (1) When a levee district shall have been located and finally established; or

~~*b.*~~ (2) When the required proceedings have been taken to enlarge, extend, strengthen, raise, relocate, reconstruct, or improve any existing levee; or

~~*c.*~~ (3) When the required proceedings have been held to annex additional lands to said levee district or to exclude or eliminate lands from said levee district; or

~~*d.*~~ (4) When a plan of the United States government for the construction of any levee, or a portion of a levee, in said levee district, or for the enlarging, extending, strengthening, raising, relocating, reconstructing, or improving any existing levee, or a portion thereof, in accordance with any such plan in said levee district, has been heretofore or hereafter adopted by such levee district under the provisions of sections 468.201 through 468.216; or

~~*e.*~~ (5) When the board shall, as authorized by section 468.65, determine that the assessments of benefits of said levee district against the lands in said levee district are generally inequitable the board may by resolution, or if a petition is filed by more than one-third of the owners, including corporations, of land within said levee district and who in the aggregate own more than one-third of the value of the land and land improvements in said levee district as the value thereof is then shown by the general tax records of the county or counties in which such land and land improvements are located, requesting the board

to do so, the board shall order the lands in said levee district and the improvements on the land in said levee district classified or reclassified in accordance with the assessed taxable value of said land and land improvements as the same are then shown and as the same may be thereafter shown by the assessment roll of the county or counties in which said land and land improvements are located.

b. The assessed taxable value of any land, including land improvements exempt from general taxation but subject to assessment for levee purposes, shall be determined by the county assessor who shall make such determination in accordance with the rules of assessment applicable to adjacent lands and without any additional compensation therefor.

2. *a.* If the board orders classification or reclassification of lands as authorized in subsection 1 ~~of this section~~, the board shall fix a time and place for a hearing to be held upon the action of the board in ordering such classification or reclassification, which hearing shall be held at the county seat of the county having the largest acreage in said levee district. The board shall cause notice of the time and place of such hearing to be served by the county auditor or auditors upon each person whose name appears as owner of lands or land improvements within the levee district in the transfer books of the auditor's office in the county or counties in which said levee district is located, naming that person, and also upon the person or persons in actual occupancy of any tract of land or land improvements located in said levee district, without naming that person or persons. Such notice shall be for the same time and served in the same manner as is provided for the establishment of a levee district, and such notice shall state:

~~*a.*~~ (1) The aggregate estimated costs and expenses which the board proposes to assess under such classification or reclassification;

~~*b.*~~ (2) The total aggregate assessed taxable value of all lands and land improvements in said levee district;

~~*c.*~~ (3) That the said classification or reclassification of benefits will be based on the assessed taxable value of all lands and improvements to lands located in said levee district;

~~*d.*~~ (4) That each tract of land and each land improvement in said levee district will be assessed for its pro rata share of said costs and expenses based upon the ratio that the assessed value of each tract of land and the assessed value of each land improvement bears to the total assessed taxable value of all lands and all land improvements in said district; and

~~*e.*~~ (5) That all objections to said method of classification or reclassification shall be in writing and filed with the auditor of the county in which said land or land improvements are located before the time set for said hearing or with the board of trustees of said district at or before the time set for such hearing.

b. The notice need not show the amount of such costs and expenses to be apportioned to each such owner or to any particular tract of land or land improvement within such levee district.

5. If the board shall determine that the cost and expenses shall be assessed on the basis of assessed taxable value as ~~hereinabove~~ provided in subsections 1 through 4, then such basis shall be used for all future assessments made for the purposes of said levee district except if said assessed taxable value of lands and land improvements in said levee district may be changed or revised by the county assessor in the county or counties in which the same are located for general tax purposes, then any such revision made in the assessed taxable value by any such county assessor shall automatically constitute a revision of the classification of such land or land improvements for future assessments made by the board for the purpose of said levee district.

6. In lieu of the hearing provided for in ~~the preceding~~ subsections 1 through 5, the board may, and if the petition of owners provided for in ~~the preceding~~ subsections 1 through 5 so asks, the board shall call for an election for the purpose of determining the question of classification on the basis of assessed value of lands and land improvements. The question may be submitted at a regular election of the district or at a special election called for that purpose. It shall not be mandatory for the county commissioner of elections to conduct the elections, however provisions of sections 49.43 through 49.47 and of subchapter III of this chapter, insofar as the same are applicable, shall govern all such elections, and the question to be submitted shall be set forth in the notice of election. If sixty percent of the votes cast be in favor of the proposed change in assessment, it shall become effective for all future

assessments as heretofore provided in this section. If the question should fail, no new election on the subject may be called for a period of one year.

10. a. All proceedings taken prior to July 1, 1968, purporting to establish or reestablish a drainage or levee district or districts, or to enlarge or change the boundaries of any drainage or levee district, and any assessments not heretofore declared invalid by any court, are hereby legalized, validated, and confirmed.

b. The foregoing shall not be construed to affect any litigation that may be pending at the time this section becomes effective involving the establishment, reestablishment, enlargement, or change in boundaries or any assessments of drainage or levee districts.

Sec. 123. Section 468.201, subsection 2, unnumbered paragraph 2, Code 2011, is amended to read as follows:

3. If the federal program divides a project into separate phases, each phase shall be considered a separate program as described in section 468.126, subsection 4, and shall in no event be construed as an unauthorized division into separate programs to avoid the twenty-five percent limitation prescribed for making improvements under said section 468.126, subsection 4, without notice and hearing.

Sec. 124. Section 468.359, subsection 2, unnumbered paragraph 2, Code 2011, is amended to read as follows:

3. For the purpose of this section the word *"improvement"* shall include the construction, reconstruction, enlargement and relocation of levees and acquisition of rights-of-way therefor.

Sec. 125. Section 476.42, subsections 1 and 4, Code 2011, are amended to read as follows:

1. a. *"Alternate energy production facility"* means any or all of the following:

~~a.~~ (1) A solar, wind turbine, waste management, resource recovery, refuse-derived fuel, agricultural crops or residues, or woodburning facility.

~~b.~~ (2) Land, systems, buildings, or improvements that are located at the project site and are necessary or convenient to the construction, completion, or operation of the facility.

~~c.~~ (3) Transmission or distribution facilities necessary to conduct the energy produced by the facility to users located at or near the project site.

b. A facility which is a qualifying facility under 18 C.F.R. pt. 292, subpt. B is not precluded from being an alternate energy production facility under this division.

4. a. *"Small hydro facility"* means any or all of the following:

~~a.~~ (1) A hydroelectric facility at a dam.

~~b.~~ (2) Land, systems, buildings, or improvements that are located at the project site and are necessary or convenient to the construction, completion, or operation of the facility.

~~c.~~ (3) Transmission or distribution facilities necessary to conduct the energy produced by the facility to users located at or near the project site.

b. A facility which is a qualifying facility under 18 C.F.R. pt. 292, subpt. B is not precluded from being a small hydro facility under this division.

DIVISION III
INTERNAL REFERENCE CHANGES

Sec. 126. Section 15.103, subsection 1, paragraph b, subparagraph (7), Code 2011, is amended to read as follows:

(7) Economics or alternative and renewable energy including the alternative and renewable energy sectors listed in section 476.42, subsection 1, paragraph *"a"*, subparagraph (1).

Sec. 127. Section 15E.61, subsection 1, Code 2011, is amended to read as follows:

1. The general assembly finds the following: Fundamental changes have occurred in national and international financial markets and in the financial markets of this state. A critical shortage of seed and venture capital resources exists in the state, and such shortage is impairing the growth of commerce in the state. A need exists to increase the availability of venture equity capital for emerging, expanding, and restructuring enterprises in Iowa,

including, without limitation, enterprises in the life sciences, advanced manufacturing, information technology, alternative and renewable energy including the alternative and renewable energy sectors listed in section 476.42, subsection 1, paragraph *"a"*, subparagraph (1), and value-added agriculture areas. Such investments will create jobs for Iowans and will help to diversify the state's economic base.

Sec. 128. Section 15E.351, subsection 1, Code 2011, is amended to read as follows:

1. The department shall establish and administer a business accelerator program to provide financial assistance for the establishment and operation of a business accelerator for technology-based, value-added agricultural, information solutions, alternative and renewable energy including the alternative and renewable energy sectors listed in section 476.42, subsection 1, paragraph *"a"*, subparagraph (1), or advanced manufacturing start-up businesses or for a satellite of an existing business accelerator. The program shall be designed to foster the accelerated growth of new and existing businesses through the provision of technical assistance. The department, subject to the approval of the economic development board, may provide financial assistance under this section from moneys allocated for regional financial assistance pursuant to section 15G.111, subsection 9.

Sec. 129. Section 135.177, subsection 2, paragraph e, Code 2011, is amended to read as follows:

e. A student participating in the program shall be eligible for a stipend of not more than fifty thousand dollars for the twelve months of the fellowship plus related fringe benefits. In addition, a student who completes the program and practices in Iowa in a mental health professional shortage area, as defined in section ~~135.80~~ 135.180, shall be eligible for up to twenty thousand dollars in loan forgiveness. The stipend and loan forgiveness provisions shall be determined by the department and the college student aid commission, in consultation with the clinical partners.

Sec. 130. Section 260C.18A, subsection 2, unnumbered paragraph 1, Code 2011, is amended to read as follows:

Moneys deposited in the funds and disbursed to community colleges for a fiscal year shall be expended for the following purposes, provided seventy percent of the moneys shall be used on projects in the areas of advanced manufacturing, information technology and insurance, alternative and renewable energy including the alternative and renewable energy sectors listed in section 476.42, subsection 1, paragraph *"a"*, subparagraph (1), and life sciences which include the areas of biotechnology, health care technology, and nursing care technology:

Sec. 131. Section 425.23, subsection 1, paragraph a, Code 2011, is amended to read as follows:

a. The tentative credit or reimbursement for a claimant described in section 425.17, subsection 2, paragraph *"a"* ~~and paragraph *"b"*~~, subparagraphs (1) and (2), if no appropriation is made to the fund created in section 425.40 shall be determined in accordance with the following schedule:

If the household income is:		Percent of property taxes due or rent constituting property taxes paid allowed as a credit or reimbursement:
$ 0 —	8,499.99	100%
8,500 —	9,499.99	85
9,500 —	10,499.99	70
10,500 —	12,499.99	50
12,500 —	14,499.99	35
14,500 —	16,499.99	25

Sec. 132. Section 425.23, subsection 1, paragraph b, unnumbered paragraph 1, Code 2011, is amended to read as follows:

If moneys have been appropriated to the fund created in section 425.40, the tentative credit or reimbursement for a claimant described in section 425.17, subsection 2, paragraph ~~"b",~~ "a", subparagraph (2), shall be determined as follows:

Sec. 133. Section 425.23, subsection 3, paragraph a, Code 2011, is amended to read as follows:

a. A person who is eligible to file a claim for credit for property taxes due and who has a household income of eight thousand five hundred dollars or less and who has an unpaid special assessment levied against the homestead may file a claim for a special assessment credit with the county treasurer. The department shall provide to the respective treasurers the forms necessary for the administration of this subsection. The claim shall be filed not later than September 30 of each year. Upon the filing of the claim, interest for late payment shall not accrue against the amount of the unpaid special assessment due and payable. The claim filed by the claimant constitutes a claim for credit of an amount equal to the actual amount due upon the unpaid special assessment, plus interest, payable during the fiscal year for which the claim is filed against the homestead of the claimant. However, where the claimant is an individual described in section 425.17, subsection 2, paragraph ~~"b",~~ "a", subparagraph (2), and the tentative credit is determined according to the schedule in subsection 1, paragraph "*b*", subparagraph (2), of this section, the claim filed constitutes a claim for credit of an amount equal to one-half of the actual amount due and payable during the fiscal year. The treasurer shall certify to the director of revenue not later than October 15 of each year the total amount of dollars due for claims allowed. The amount of reimbursement due each county shall be certified by the director of revenue and paid by the director of the department of administrative services by November 15 of each year, drawn upon warrants payable to the respective treasurer. There is appropriated annually from the general fund of the state to the department of revenue an amount sufficient to carry out the provisions of this subsection. The treasurer shall credit any moneys received from the department against the amount of the unpaid special assessment due and payable on the homestead of the claimant.

Sec. 134. Section 425.39, Code 2011, is amended to read as follows:

425.39 Fund created — appropriation — priority.

The elderly and disabled property tax credit and reimbursement fund is created. There is appropriated annually from the general fund of the state to the department of revenue to be credited to the elderly and disabled property tax credit and reimbursement fund, from funds not otherwise appropriated, an amount sufficient to implement this division for claimants described in section 425.17, subsection 2, paragraph "*a*", subparagraph (1).

Sec. 135. Section 435.27, subsection 1, Code 2011, is amended to read as follows:

1. A mobile home or manufactured home converted to real estate under section 435.26 may be reconverted to a home as provided in this section when it is moved to a manufactured home community or mobile home park or a manufactured or mobile home retailer's inventory. When the home is located within a manufactured home community or mobile home park, the home shall be taxed pursuant to section 435.22, subsection 1, paragraph "*a*".

Sec. 136. Section 455B.473, subsection 4, Code 2011, is amended to read as follows:

4. An owner or operator of a storage tank described in section 455B.471, subsection 11, paragraph "*a*", subparagraph (1), which brings the tank into use after July 1, 1987, shall notify the department of the existence of the tank within thirty days. The registration of the tank shall be accompanied by a fee of ten dollars to be deposited in the storage tank management account. A tank which is existing before July 1, 1987, shall be reported to the department by July 1, 1989. Tanks under this section installed on or following July 1, 1987, shall comply with underground storage tank regulations adopted by rule by the department.

Sec. 137. Section 455B.474, subsection 8, paragraph c, Code 2011, is amended to read as follows:

c. The commission shall adopt rules applicable to secondary containment requirements consistent with and sufficient to comply with the provisions of Pub. L. No. 109-58, Tit. XV, § 1530(a), as codified at 42 U.S.C. § 6991b(i)(1), and guidance adopted by the administrator

of the United States environmental protection agency pursuant to that provision. Each new underground storage tank or piping connected to any such new tank installed after July 1, 2007, or any existing underground storage tank or existing piping connected to such existing underground storage tank that is replaced after August 1, 2007, shall be secondarily contained if the installation is within one thousand feet of any existing community water system or any existing potable drinking water well as provided in Pub. L. No. 109-58, Tit. XV, § 1530(a), as codified at 42 U.S.C. § 6991b(i)(1), and in guidance adopted by the United States environmental protection agency pursuant to that provision. Rules adopted under this paragraph shall not amend or modify the secondary containment requirements in subsection 1, paragraph ~~"f"~~ "a", subparagraph ~~(9)~~ (6), subparagraph division (i).

Sec. 138. Section 455B.474, subsection 9, paragraph h, Code 2011, is amended to read as follows:

h. Notwithstanding the certification requirements of this subsection, a site cleanup report or corrective action design report submitted by a certified groundwater professional shall be accepted by the department in accordance with subsection 1, paragraph ~~"d"~~ "a", subparagraph ~~(2)~~ (4), subparagraph division ~~(e)~~ (b), subparagraph subdivision (v), and paragraph ~~"f"~~ "a", subparagraph ~~(5)~~ (6), subparagraph division (e).

Sec. 139. Section 455B.474A, Code 2011, is amended to read as follows:

455B.474A Rules consistent with federal regulations.

The rules adopted by the commission under section 455B.474 shall be consistent with and shall not exceed the requirements of federal regulations relating to the regulation of underground storage tanks except as provided in section 455B.474, subsection 1, paragraph ~~"f"~~ "a", subparagraph (6), and subsection 3, paragraph "d". It is the intent of the general assembly that state rules adopted pursuant to section 455B.474, subsection 1, paragraph ~~"f"~~ "a", subparagraph (6), and subsection 3, paragraph "d", be consistent with and not more restrictive than federal regulations adopted by the United States environmental protection agency when those rules are adopted.

Sec. 140. Section 455D.10A, subsection 3, paragraph a, subparagraphs (2) and (3), Code 2011, are amended to read as follows:

(2) Establishment of a comprehensive recycling program for each type of battery listed in subparagraph (1) that is sold, distributed, or offered for sale in this state. An institutional generator shall provide for the on-site source separation and collection of used mercuric oxide batteries, nickel-cadmium rechargeable batteries, and sealed lead acid rechargeable batteries. All participants in the stream of commerce relating to the batteries, which are listed in subparagraph (1) and which are not designated as exempt pursuant to section 455D.10B, subsection 2, paragraph ~~"c" or "d"~~ "a", subparagraph (3) or (4), shall, individually or collectively, be responsible for developing and operating a system for collecting and transporting used batteries to the appropriate dry cell battery manufacturer or to a site or facility designated by a manufacturer. Additionally, dry cell battery manufacturers shall be responsible for the recycling of used batteries in an environmentally sound manner.

(3) Provision for collection, transporting, and proper disposal of used household batteries of the types listed in subparagraph (1) which are distributed, sold, or offered for retail sale in the state. For the purposes of this paragraph, *"proper disposal"* means disposal which complies with all applicable state and federal laws. All participants in the stream of commerce relating to the batteries, which are listed in subparagraph (1) and which are not designated as exempt pursuant to section 455D.10B, subsection 2, paragraph ~~"c" or "d"~~ "a", subparagraph (3) or (4), shall, individually or collectively, be responsible for developing and operating a system for collecting and transporting used batteries to the appropriate dry cell battery manufacturer or to a site or facility designated by a manufacturer. Additionally, dry cell battery manufacturers shall be responsible for proper disposal of the used batteries.

Sec. 141. Section 455G.9, subsection 1, paragraph a, subparagraphs (5) and (6), Code 2011, are amended to read as follows:

(5) For the purposes of calculating corrective action costs under this paragraph, corrective action shall include the cost of a tank system upgrade required by section 455B.474,

subsection 1, paragraph ~~"f"~~ "a", subparagraph ~~(9)~~ (6), subparagraph division (i). Payments under this subparagraph shall be limited to a maximum of ten thousand dollars for any one site.

(6) For the purposes of calculating corrective action costs under this paragraph, corrective action shall include the costs associated with monitoring required by the rules adopted under section 455B.474, subsection 1, paragraph ~~"f"~~ "a", subparagraph (6), but corrective action shall exclude monitoring used for leak detection required by rules adopted under section 455B.474, subsection 1, paragraph "a", subparagraph (1).

Sec. 142. Section 455G.9, subsection 1, paragraph f, Code 2011, is amended to read as follows:

f. One hundred percent of the costs up to twenty thousand dollars incurred by the board under section 455G.12A, subsection 2, ~~unnumbered~~ paragraph ~~2~~ "b", for site cleanup reports. Costs of a site cleanup report which exceed twenty thousand dollars shall be considered a cost of corrective action and the amount shall be included in the calculations for corrective action cost copayments under subsection 4. The board shall have the discretion to authorize a site cleanup report payment in excess of twenty thousand dollars if the site is participating in community remediation.

DIVISION IV
DIRECTIVES

Sec. 143. CODE EDITOR DIRECTIVES.

1. The Code editor is directed to number, renumber, designate, or redesignate to eliminate unnumbered paragraphs within sections 231.4, 261A.42, 423A.2, 423D.1, 425.26, 425.33, 427.12, 441.26, 441.35, 441.45, 450B.2, 452A.19, 452A.21, 452A.62, 455B.193, 455B.243, 455B.444, 455G.12, 456.1, 456B.7, 456B.12, 459.502, 459A.206, 462A.71, 468.12, 468.57, 468.567, and 558A.4, Code 2011, in accordance with established Code section hierarchy and correct internal references in the Code and in any enacted Iowa Acts as necessary.

2. The Code editor is directed to number, renumber, designate, or redesignate to eliminate unnumbered paragraphs within section subunits in sections 390.12, subsection 3; 421.1, subsections 1 and 5; 421.17B, subsection 3, paragraph "a"; 421.17B, subsection 9; 421.47, subsection 2; 421.60, subsection 2, paragraphs "a" and "c"; 421.60, subsection 2, paragraph "m", subparagraph (2); 422.8, subsection 5; 422.11N, subsection 4, paragraph "b", subparagraph (3); 422.60, subsection 3; 422.73, subsection 1; 422.89, subsection 3; 423.2, subsection 6; 423.3, subsections 8, 31, and 86; 423.4, subsection 6, paragraph "c"; 423A.7, subsection 4, paragraphs "d" and "f"; 423B.9, subsection 4, paragraph "a"; 424.6, subsection 1; 424.10, subsection 2; 425.1, subsection 1; 425.7, subsection 3; 435.26A, subsection 2; 435.27, subsection 2; 437A.5, subsection 1, paragraph "c"; 437A.5, subsections 6 and 7; 437A.7, subsection 1; 437A.14, subsection 1, paragraph "b"; 437A.15, subsection 3, paragraph "a"; 437A.15, subsection 4; 441.17, subsection 5; 441.21, subsection 1, paragraph "i"; 441.37, subsections 1 and 2; 446.9, subsection 3; 446.20, subsections 1 and 2; 447.8, subsections 1 and 5; 450.3, subsection 7; 450.22, subsection 3; 452A.15, subsection 1; 453A.2, subsection 8; 453A.8, subsection 3; 453A.44, subsection 4; 453A.45, subsections 1 and 5; 453A.46, subsections 1 and 2; 453B.1, subsection 3; 453D.3, subsection 1, paragraphs "b" and "d"; 455A.18, subsection 3; 455A.19, subsection 1, paragraph "a"; 455A.19, subsection 2; 455B.113, subsection 2; 455B.263, subsection 6; 455B.275, subsection 3; 455B.305A, subsections 1, 3, 4, and 6; 455B.416, subsection 1; 455B.443, subsection 2; 455B.473, subsection 8; 455B.474, subsection 2, paragraph "a"; 455E.11, subsection 1; 455E.11, subsection 2, paragraph "b", subparagraph (3), subparagraph division (b); 455H.201, subsection 1; 455H.204, subsection 4, paragraph "a"; 455H.301, subsection 2; 456A.33B, subsection 1; 459.310, subsection 4, paragraph "b"; 459.312, subsection 4; 459.604, subsection 1; 460.202, subsection 1; 460.302, subsection 3, paragraph "a"; 460.304, subsection 2, paragraph "a"; 462A.5, subsections 1 and 3; 462A.9, subsections 1 and 8; 476.1D, subsection 1, paragraph "c"; 476.1D, subsection 10; 476.3, subsection 2; 476.18, subsection 3; 476.20, subsections 3 and 5; 476.27, subsection 6; 476.55, subsection 2; 476.97, subsection 3, paragraph "a", subparagraph (4); 476.97, subsection 11, paragraphs

"h" and "j"; 476C.4, subsection 4, paragraphs "b" and "c"; 476C.6, subsection 1; 478.3, subsection 2; 479.46, subsections 2 and 3; 479B.30, subsection 3; 481A.38, subsection 1; 481A.56, subsection 1; 481A.62, subsection 3; and 483A.24, subsection 2, paragraph "a", subparagraph (3), Code 2011, in accordance with established Code section hierarchy and correct internal references in the Code and in any enacted Iowa Acts as necessary.

DIVISION V
EFFECTIVE DATE AND
APPLICABILITY PROVISIONS

Sec. 144. EFFECTIVE DATE. The section of this Act amending 2010 Iowa Acts, chapter 1192, section 78, being deemed of immediate importance, takes effect upon enactment.

Sec. 145. RETROACTIVE APPLICABILITY. The section of this Act amending 2010 Iowa Acts, chapter 1192, section 78, applies retroactively to July 1, 2010.

Approved April 6, 2011