

**CHAPTER 140**

**STATE AND LOCAL GOVERNMENT FINANCIAL AND REGULATORY MATTERS —  
APPROPRIATIONS AND MISCELLANEOUS CHANGES**

*S.F. 452*

**AN ACT** relating to state and local finances by making appropriations, providing for fees, providing for legal responsibilities, providing for certain employee benefits, and providing for regulatory, taxation, and properly related matters, and including penalties and effective date and retroactive and other applicability provisions.

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

**DIVISION I  
STANDING APPROPRIATIONS AND RELATED MATTERS**

**Section 1. BUDGET PROCESS FOR FISCAL YEAR 2014-2015.**

1. For the budget process applicable to the fiscal year beginning July 1, 2014, on or before October 1, 2013, in lieu of the information specified in section 8.23, subsection 1, unnumbered paragraph 1, and paragraph “a”, all departments and establishments of the government shall transmit to the director of the department of management, on blanks to be furnished by the director, estimates of their expenditure requirements, including every proposed expenditure, for the ensuing fiscal year, together with supporting data and explanations as called for by the director of the department of management after consultation with the legislative services agency.

2. The estimates of expenditure requirements shall be in a form specified by the director of the department of management, and the expenditure requirements shall include all proposed expenditures and shall be prioritized by program or the results to be achieved. The estimates shall be accompanied by performance measures for evaluating the effectiveness of the programs or results.

**Sec. 2. INSTRUCTIONAL SUPPORT STATE AID — FY 2013-2014 — FY 2014-2015.** In lieu of the appropriation provided in section 257.20, subsection 2, the appropriation for the fiscal years beginning July 1, 2013, and July 1, 2014, for paying instructional support state aid under section 257.20 for fiscal years 2013-2014 and 2014-2015 is zero.

**Sec. 3. GENERAL ASSEMBLY.**

1. The appropriations made pursuant to section 2.12 for the expenses of the general assembly and legislative agencies for the fiscal year beginning July 1, 2013, and ending June 30, 2014, are reduced by the following amount:

..... \$ 3,000,000

2. The budgeted amounts for the general assembly for the fiscal year beginning July 1, 2013, may be adjusted to reflect unexpended budgeted amounts from the previous fiscal year.

**Sec. 4. CLAIMS AGAINST THE STATE.** The appropriations made pursuant to section 25.2 for paying claims against the state for the fiscal year beginning July 1, 2013, and ending June 30, 2014, are reduced by the following amount:

..... \$ 4,086,307

**Sec. 5. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2013-2014.** Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the amounts appropriated from the general fund of the state pursuant to these sections for the following designated purposes shall not exceed the following amounts:

1. For operational support grants and community cultural grants under section 99F.11, subsection 3, paragraph “d”, subparagraph (1):

..... \$ 416,702

2. For payment for nonpublic school transportation under section 285.2:

..... \$ 8,560,931

If total approved claims for reimbursement for nonpublic school pupil transportation exceed the amount appropriated in accordance with this subsection, the department of education shall prorate the amount of each approved claim.

3. For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:

..... \$ 18,416

Sec. 6. LIMITATIONS OF STANDING APPROPRIATIONS — FY 2014-2015. Notwithstanding the standing appropriations in the following designated sections for the fiscal year beginning July 1, 2014, and ending June 30, 2015, the amounts appropriated from the general fund of the state pursuant to these sections for the following designated purposes shall not exceed the following amounts:

1. For operational support grants and community cultural grants under section 99F.11, subsection 3, paragraph “d”, subparagraph (1):

..... \$ 208,351

2. For regional tourism marketing under section 99F.11, subsection 3, paragraph “d”, subparagraph (2):

..... \$ 582,000

3. For payment for nonpublic school transportation under section 285.2:

..... \$ 8,560,931

If total approved claims for reimbursement for nonpublic school pupil transportation exceed the amount appropriated in accordance with this subsection, the department of education shall prorate the amount of each approved claim.

4. For the enforcement of chapter 453D relating to tobacco product manufacturers under section 453D.8:

..... \$ 9,208

Sec. 7. Section 8.8, Code 2013, is amended to read as follows:

**8.8 Special olympics fund — appropriation.**

A special olympics fund is created in the office of the treasurer of state under the control of the department of management. There is appropriated annually from the general fund of the state to the special olympics fund ~~fifty~~ one hundred thousand dollars for distribution to one or more organizations which administer special olympics programs benefiting the citizens of Iowa with disabilities.

Sec. 8. Section 257.35, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 7A. Notwithstanding subsection 1, and in addition to the reduction applicable pursuant to subsection 2, the state aid for area education agencies and the portion of the combined district cost calculated for these agencies for the fiscal year beginning July 1, 2013, and ending June 30, 2014, shall be reduced by the department of management by fifteen million dollars. The reduction for each area education agency shall be prorated based on the reduction that the agency received in the fiscal year beginning July 1, 2003.

DIVISION II  
MISCELLANEOUS PROVISIONS AND APPROPRIATIONS

Sec. 9. IOWA PUBLIC INFORMATION BOARD. There is appropriated from the general fund of the state to the Iowa public information board for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries, support, maintenance, and miscellaneous purposes, and in addition to moneys appropriated to the board in 2013 Iowa Acts, House File 603,<sup>1</sup> if enacted:

..... \$ 75,000

<sup>1</sup> Chapter 135 herein

Sec. 10. IOWA TUITION GRANTS. There is appropriated from the general fund of the state to the college student aid commission for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For Iowa tuition grants under section 261.25:<sup>2</sup>  
..... \$ 500,000

Sec. 11. FTE AUTHORIZATION.

1. For purposes of the offices of the governor and lieutenant governor, there is authorized an additional 3.00 full-time equivalent positions above those otherwise authorized pursuant to 2013 Iowa Acts, House File 603,<sup>3</sup> if enacted.

2. For purposes of the department of management, there is authorized an additional 1.00 full-time equivalent position above those otherwise authorized pursuant to 2013 Iowa Acts, House File 603,<sup>4</sup> if enacted.

Sec. 12. HOME AND COMMUNITY-BASED SERVICES PROVIDERS — REASONABLE COSTS OF STAFF TRAINING — REIMBURSEMENT AS DIRECT COSTS. The department of human services shall adopt rules pursuant to chapter 17A to provide that reasonable costs of staff training incurred by providers of home and community-based services under the medical assistance program are reimbursable as direct costs. Such reimbursement shall include reimbursement of the reasonable costs associated with the learning management system utilized under the college of direct support training program.

Sec. 13. ADMINISTRATIVE RULES REVIEW COMMITTEE. The administrative rules review committee shall consider the scope, impact, and long-term consequences of legislation requiring delegations of authority to state agencies be construed narrowly. The committee shall submit a report of the committee findings to the speaker of the house and the majority leader of the senate by January 12, 2015. The legislative services agency shall provide necessary staff support for the committee consideration.

Sec. 14. Section 49.77, subsection 1, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. c. At the discretion of the commissioner, an electronic election register may be used to produce the declaration required in this subsection. The person desiring to vote shall sign the declaration produced by the electronic election register prior to receiving a ballot.

Sec. 15. NONREVERSION — CONSERVATION RESERVE ENHANCEMENT PROGRAM APPROPRIATIONS.

1. Notwithstanding section 8.33, and if enacted pursuant to 2013 Iowa Acts, Senate File 435,<sup>5</sup> moneys appropriated from the environment first fund to the department of agriculture and land stewardship for purposes of the conservation reserve enhancement program for the fiscal year beginning July 1, 2013, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that begins July 1, 2016.

2. Notwithstanding section 8.33, and if enacted pursuant to 2013 Iowa Acts, Senate File 435,<sup>6</sup> moneys appropriated from the environment first fund to the department of agriculture and land stewardship for purposes of the conservation reserve enhancement program for the fiscal year beginning July 1, 2014, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year that begins July 1, 2017.

<sup>2</sup> See chapter 143, §17, 18 herein  
<sup>3</sup> Chapter 135 herein  
<sup>4</sup> Chapter 135 herein  
<sup>5</sup> Chapter 132 herein  
<sup>6</sup> Chapter 132 herein

Sec. 16. Section 135C.7, Code 2013, is amended by adding the following new unnumbered paragraph:

NEW UNNUMBERED PARAGRAPH. In addition to the license fees listed in this section, there shall be an annual assessment assessed to each licensee in an amount to cover the cost of independent reviewers provided pursuant to section 135C.42. The department shall, in consultation with licensees, establish the assessment amount by rule based on the award of a request for proposals. The assessment shall be retained by the department as a repayment receipt as defined in section 8.2 and used for the purpose of paying the cost of the independent reviewers.

Sec. 17. Section 144.26, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 5. Upon the activation of an electronic death record system, each person with a duty related to death certificates shall participate in the electronic death record system. A person with a duty related to a death certificate includes but is not limited to a physician as defined in section 135.1, a physician assistant, an advanced registered nurse practitioner, a funeral director, and a county recorder.

Sec. 18. Section 216A.3, subsection 3, Code 2013, is amended to read as follows:

3. A majority of the voting members of the board shall constitute a quorum, and the affirmative vote of two-thirds of the voting members present is necessary for any substantive action taken by the board. The board shall select a chairperson from the voting members of the board. The board shall meet not less than four times a year.

Sec. 19. Section 231.64, subsection 1, unnumbered paragraph 1, Code 2013, is amended to read as follows:

The aging and disability resource center program shall be administered by the department consistent with the federal Act. The department shall designate participating entities area agencies on aging to establish, in consultation with other stakeholders including organizations representing the disability community, a coordinated system for providing all of the following:

Sec. 20. Section 257.11, subsection 6A, paragraph a, subparagraph (1), as enacted by 2013 Iowa Acts, House File 472,<sup>7</sup> section 1, is amended to read as follows:

(1) In order to provide additional funding to increase student opportunities and redirect more resources to student programming for school districts that share operational functions, a supplementary weighting of two hundredths per pupil shall be assigned to pupils enrolled in a district that shares with a political subdivision one or more operational functions of a curriculum director, school administration manager, ~~mental health therapist, social worker,~~ school nurse, school counselor, or school librarian, or one or more operational functions in the areas of superintendent management, business management, human resources, transportation, or operation and maintenance for at least twenty percent of the school year. The additional weighting shall be assigned for each discrete operational function shared. The operational function sharing arrangement does not need to be a newly implemented sharing arrangement to receive supplementary weighting under this subsection. However, to receive supplementary weighting under this subsection for an ongoing operational function sharing arrangement that began before July 1, 2014, the district shall submit information to the department documenting the cost savings directly attributable to the shared operational functions and describe the district's consideration of additional shared operational functions.

Sec. 21. Section 261.93, subsection 2, paragraph b, subparagraph (4), Code 2013, is amended to read as follows:

(4) Is the child of a fire fighter or police officer included under section 97B.49B, who was killed in the line of duty as determined by the Iowa public employees' retirement system in accordance with section 97B.52, subsection 2.

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<sup>7</sup> Chapter 65 herein

Sec. 22. Section 306D.4, Code 2013, is amended to read as follows:

**306D.4 Scenic highway advertising.**

1. The state department of transportation shall have the authority to adopt rules to control the erection of new advertising devices on a highway designated as a scenic highway or scenic byway in order to comply with federal requirements concerning the implementation of a scenic byways program.

2. Notwithstanding subsection 1, if an advertising device was lawfully erected along an interstate highway within the corporate limits of a city prior to designation of the highway as a scenic byway and, after such designation occurs, the advertising device is displaced due to the reconstruction, improvement, or relocation of the highway, the advertising device may be relocated to a location determined by the department to be substantially the same location, subject to approval by the federal highway administration, and shall not be considered an erection of a new advertising device, if all of the following apply:

a. The location conforms to the requirements of chapters 306B and 306C.

b. The materials, number and type of supports, lighting, face size, and height of the advertising device remain the same.

Sec. 23. Section 692A.113, subsection 3, Code 2013, is amended by adding the following new paragraph:

**NEW PARAGRAPH. e.** Operate, manage, be employed by, or act as a contractor or volunteer at a business that operates a motor vehicle primarily marketing, from or near the motor vehicle, the sale and dispensing of ice cream or other food products to minors.

Sec. 24. 2008 Iowa Acts, chapter 1189, is amended by adding the following new section:

**NEW SECTION. SEC. 31A. NONREVERSION.** Notwithstanding section 8.33, moneys appropriated in this division of this Act to the department of agriculture and land stewardship to provide financial assistance for the conservation reserve enhancement program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year beginning July 1, 2016.

Sec. 25. 2009 Iowa Acts, chapter 175, is amended by adding the following new section:

**NEW SECTION. SEC. 17A. NONREVERSION.** Notwithstanding section 8.33, moneys appropriated in this division of this Act to the department of agriculture and land stewardship to provide financial assistance for the conservation reserve enhancement program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year beginning July 1, 2016.

Sec. 26. 2010 Iowa Acts, chapter 1191, is amended by adding the following new section:

**NEW SECTION. SEC. 19A. NONREVERSION.** Notwithstanding section 8.33, moneys appropriated in this division of this Act to the department of agriculture and land stewardship to provide financial assistance for the conservation reserve enhancement program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year beginning July 1, 2016.

Sec. 27. 2011 Iowa Acts, chapter 128, is amended by adding the following new section:

**NEW SECTION. SEC. 14A. NONREVERSION.** Notwithstanding section 8.33, moneys appropriated in this division of this Act to the department of agriculture and land stewardship to provide financial assistance for the conservation reserve enhancement program that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year beginning July 1, 2016.

Sec. 28. 2011 Iowa Acts, chapter 128, is amended by adding the following new section:

**NEW SECTION. SEC. 59A. NONREVERSION.** Notwithstanding section 8.33, moneys appropriated in this division of this Act to the department of agriculture and land stewardship

to provide financial assistance for the conservation reserve enhancement program, as amended by 2012 Iowa Acts, chapter 1135, section 18, that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the fiscal year beginning July 1, 2016.

Sec. 29. 2013 Iowa Acts, House File 649,<sup>8</sup> if enacted, is amended by adding the following new section:

**NEW SECTION. SEC. 9. EFFECTIVE UPON ENACTMENT.** This Act, being deemed of immediate importance, takes effect upon enactment of 2013 Iowa Acts, Senate File 452,<sup>9</sup> if enacted.

\*Sec. 30. 2013 Iowa Acts, Senate File 446, if enacted, is amended by adding the following section:

**NEW SECTION. SEC. 11A. CHRONIC CARE CONSORTIUM.** *Of the funds appropriated in this Act from the general fund of the state to the department of human services for the medical assistance program for the fiscal year beginning July 1, 2013, and ending June 30, 2014, \$200,000 shall be used for the Iowa chronic care consortium pursuant to 2003 Iowa Acts, chapter 112, section 12, as amended by 2003 Iowa Acts, chapter 179, section 166 and 167.*

Sec. 31. 2013 Iowa Acts, Senate File 447, the following section subsection relating to the department of public safety, if enacted, is amended to read as follows:

\_\_\_\_. For operations, costs, and miscellaneous purposes:  
..... \$ 1,700,000

As a condition of the appropriation made to the department of public safety in this subsection, the moneys appropriated shall be used to retain nonsupervisory personnel in the department and shall not be used for administrative purposes.

Sec. 32. 2013 Iowa Acts, Senate File 447, the following section subsection relating to the department of public safety, if enacted, is amended to read as follows:

7. For operations, costs, and miscellaneous purposes:  
..... \$ 850,000

As a condition of the appropriation made to the department of public safety in this subsection, the moneys appropriated shall be used to retain nonsupervisory personnel in the department and shall not be used for administrative purposes.

Sec. 33. 2013 Iowa Acts, Senate File 447, the following section subsection relating to the department of corrections, if enacted, is amended to read as follows:

~~6A.~~ 5A. For operations, costs, and miscellaneous purposes:  
..... \$ 2,571,309

As a condition of the appropriation made to the department of corrections in this subsection, the moneys appropriated shall be used to retain nonsupervisory personnel at departmental institutions and shall not be used for administrative purposes.

Sec. 34. 2013 Iowa Acts, Senate File 447, the following section subsection relating to the department of corrections, if enacted, is amended to read as follows:

6. For operations, costs, and miscellaneous purposes:  
..... \$ 1,285,655

As a condition of the appropriation made to the department of corrections in this subsection, the moneys appropriated shall be used to retain nonsupervisory personnel at departmental institutions and shall not be used for administrative purposes.\*

Sec. 35. **RETROACTIVE APPLICABILITY.** The following provision or provisions of this division of this Act apply retroactively to May 13, 2008:

<sup>8</sup> Chapter 128 herein  
<sup>9</sup> Chapter 140 herein  
\* Item veto; see message at end of the Act

1. The section of this Act amending 2008 Iowa Acts, chapter 1189.

Sec. 36. RETROACTIVE APPLICABILITY. The following provision or provisions of this division of this Act apply retroactively to May 26, 2009:

1. The section of this Act amending 2009 Iowa Acts, chapter 175.

Sec. 37. RETROACTIVE APPLICABILITY. The following provision or provisions of this division of this Act apply retroactively to April 29, 2010:

1. The section of this Act amending 2010 Iowa Acts, chapter 1191.

Sec. 38. RETROACTIVE APPLICABILITY. The following provision or provisions of this division of this Act apply retroactively to July 21, 2011:

1. The sections of this Act amending 2011 Iowa Acts, chapter 128.

Sec. 39. RETROACTIVE APPLICABILITY. The following provision or provisions of this division of this Act apply retroactively to the date of enactment of 2013 Iowa Acts, House File 649:<sup>10</sup>

1. The section of this Act amending 2013 Iowa Acts, House File 649.<sup>11</sup>

DIVISION III  
SALARIES, COMPENSATION, AND RELATED MATTERS

Sec. 40. STATE COURT — JUSTICES, JUDGES, AND MAGISTRATES.

1. The salary rates specified in subsection 2 are for the fiscal year beginning July 1, 2013, effective for the pay period beginning January 3, 2014, and for subsequent fiscal years until otherwise provided by the general assembly. The salaries provided for in this section shall be paid from funds allocated to the judicial branch from the salary adjustment fund, or if the allocation is not sufficient, from funds appropriated to the judicial branch pursuant to this Act or any other Act of the general assembly.

2. The following annual salary rates shall be paid to the persons holding the judicial positions indicated during the fiscal year beginning July 1, 2013, effective with the pay period beginning January 3, 2014, and for subsequent pay periods.

a. Chief justice of the supreme court:	\$	178,538
.....		
b. Each justice of the supreme court:	\$	170,544
.....		
c. Chief judge of the court of appeals:	\$	159,885
.....		
d. Each associate judge of the court of appeals:	\$	154,556
.....		
e. Each chief judge of a judicial district:	\$	149,226
.....		
f. Each district judge except the chief judge of a judicial district:	\$	143,897
.....		
g. Each district associate judge:	\$	127,908
.....		
h. Each associate juvenile judge:	\$	127,908
.....		
i. Each associate probate judge:	\$	127,908
.....		
j. Each judicial magistrate:	\$	39,438
.....		
k. Each senior judge:	\$	8,527
.....		

<sup>10</sup> Chapter 128 herein

<sup>11</sup> Chapter 128 herein

3. Persons receiving the salary rates established under this section shall not receive any additional salary adjustments provided by this Act.

Sec. 41. JUDICIAL BRANCH — APPROPRIATION. There is appropriated from the general fund of the state to the judicial branch for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For salaries for justices, judges, and magistrates:  
..... \$ 850,000

Sec. 42. SPECIAL FUNDS. For the fiscal year beginning July 1, 2013, and ending June 30, 2014, and for the fiscal year beginning July 1, 2014, and ending June 30, 2015, salary adjustments may be funded using departmental revolving, trust, or special funds for which the general assembly has established an operating budget, provided doing so does not exceed the operating budget established by the general assembly.

Sec. 43. SALARY MODEL ADMINISTRATOR. The salary model administrator shall work in conjunction with the legislative services agency to maintain the state’s salary model used for analyzing, comparing, and projecting state employee salary and benefit information, including information relating to employees of the state board of regents. The department of revenue, the department of administrative services, the five institutions under the jurisdiction of the state board of regents, the judicial district departments of correctional services, and the state department of transportation shall provide salary data to the department of management and the legislative services agency to operate the state’s salary model. The format and frequency of provision of the salary data shall be determined by the department of management and the legislative services agency. The information shall be used in collective bargaining processes under chapter 20 and in calculating the funding needs contained within the annual salary adjustment legislation. A state employee organization as defined in section 20.3, subsection 4, may request information produced by the model, but the information provided shall not contain information attributable to individual employees.

Sec. 44. 2008 Iowa Acts, chapter 1191, section 14, subsection 4, is amended to read as follows:

4. The following are range 4 positions: director of the department of human rights, director of the Iowa state civil rights commission, executive director of the college student aid commission, director of the department for the blind, executive director of the ethics and campaign disclosure board, executive director of the Iowa public information board, members of the public employment relations board, and chairperson, vice chairperson, and members of the board of parole.

DIVISION IV  
CORRECTIVE PROVISIONS

Sec. 45. Section 2.12, unnumbered paragraph 4, Code 2013, as amended by 2013 Iowa Acts, House File 185,<sup>12</sup> section 1, is amended to read as follows:

There is appropriated out of any funds in the state treasury not otherwise appropriated such sums as may be necessary for the fiscal year budgets of the legislative services agency and the ~~ombudsman~~ office of ombudsman for salaries, support, maintenance, and miscellaneous purposes to carry out their statutory responsibilities. The legislative services agency and the ~~ombudsman~~ office of ombudsman shall submit their proposed budgets to the legislative council not later than September 1 of each year. The legislative council shall review and approve the proposed budgets not later than December 1 of each year. The budget approved by the legislative council for each of its statutory legislative agencies shall be transmitted by the legislative council to the department of management on or before December 1 of each year for the fiscal year beginning July 1 of the following

<sup>12</sup> Chapter 10 herein



year. The department of management shall submit the approved budgets received from the legislative council to the governor for inclusion in the governor's proposed budget for the succeeding fiscal year. The approved budgets shall also be submitted to the chairpersons of the committees on appropriations. The committees on appropriations may allocate from the funds appropriated by this section the funds contained in the approved budgets, or such other amounts as specified, pursuant to a concurrent resolution to be approved by both houses of the general assembly. The director of the department of administrative services shall issue warrants for salaries, support, maintenance, and miscellaneous purposes upon requisition by the administrative head of each statutory legislative agency. If the legislative council elects to change the approved budget for a legislative agency prior to July 1, the legislative council shall transmit the amount of the budget revision to the department of management prior to July 1 of the fiscal year, however, if the general assembly approved the budget it cannot be changed except pursuant to a concurrent resolution approved by the general assembly.

Sec. 46. Section 2.42, subsection 14, Code 2013, as amended by 2013 Iowa Acts, House File 185,<sup>13</sup> section 2, is amended to read as follows:

14. To hear and act upon appeals of aggrieved employees of the legislative services agency and the office of the ombudsman pursuant to rules of procedure established by the council.

Sec. 47. Section 2C.3, subsection 2, Code 2013, as enacted by 2013 Iowa Acts, House File 185,<sup>14</sup> section 4, is amended to read as follows:

2. The ombudsman shall employ and supervise all employees under the ombudsman's direction in such positions and at such salaries as shall be authorized by the legislative council. The legislative council shall hear and act upon appeals of aggrieved employees of the office of the ombudsman.

Sec. 48. Section 2C.9, subsection 6, Code 2013, as amended by 2013 Iowa Acts, House File 185,<sup>15</sup> section 10, is amended to read as follows:

6. Establish rules relating to the operation, organization, and procedure of the office of the ombudsman. The rules are exempt from chapter 17A and shall be published in the Iowa administrative code.

Sec. 49. Section 2C.11, subsection 1, unnumbered paragraph 1, Code 2013, as amended by 2013 Iowa Acts, House File 185,<sup>16</sup> section 12, is amended to read as follows:

An appropriate subject for investigation by the office of the ombudsman is an administrative action that might be:

Sec. 50. Section 2C.18, Code 2013, as amended by 2013 Iowa Acts, House File 185,<sup>17</sup> section 20, is amended to read as follows:

**2C.18 Report to general assembly.**

The ombudsman shall by April 1 of each year submit an economically designed and reproduced report to the general assembly and to the governor concerning the exercise of the ~~ombudsman~~ ombudsman's functions during the preceding calendar year. In discussing matters with which the ombudsman has been concerned, the ombudsman shall not identify specific persons if to do so would cause needless hardship. If the annual report criticizes a named agency or official, it shall also include unedited replies made by the agency or official to the criticism, unless excused by the agency or official affected.

<sup>13</sup> Chapter 10 herein

<sup>14</sup> Chapter 10 herein

<sup>15</sup> Chapter 10 herein

<sup>16</sup> Chapter 10 herein

<sup>17</sup> Chapter 10 herein

Sec. 51. Section 8B.21, subsection 5, paragraph e, if enacted by 2013 Iowa Acts, Senate File 396,<sup>18</sup> section 3,<sup>19</sup> is amended to read as follows:

e. The department of public defense shall not be required to obtain any information technology services pursuant to this chapter for the department of public defense that is are provided by the office pursuant to this chapter without the consent of the adjutant general.

Sec. 52. Section 23A.4, subsection 3, Code 2013, as enacted by 2013 Iowa Acts, House File 185,<sup>20</sup> section 27, is amended to read as follows:

3. Chapter 17A and this section are the exclusive remedy for violations of this chapter. However, the office of the ombudsman may review violations of this chapter and make recommendations as provided in chapter 2C.

Sec. 53. Section 29.1, Code 2013, as amended by 2013 Iowa Acts, House File 307,<sup>21</sup> section 9, is amended to read as follows:

**29.1 Department of public defense.**

The department of public defense is composed of the office of the adjutant general and the military forces of the state of Iowa. The adjutant general is the director of the department of public defense and shall perform all functions, responsibilities, powers, and duties over concerning the military forces of the state of Iowa as provided in the laws of the state.

Sec. 54. Section 35A.13, subsection 6A, paragraph b, subparagraph (1), if enacted by 2013 Iowa Acts, House File 613,<sup>22</sup> section 2, is amended to read as follows:

(1) The commission may provide educational assistance funds to any child who has lived in the state of Iowa for two years preceding application for state educational assistance, and who is the child of a person who died prior to September 11, 2001, during active federal military service while serving in the armed forces or during active federal military service in the Iowa national guard or other military component of the United States, to defray the expenses of tuition, matriculation, laboratory and similar fees, books and supplies, board, lodging, and any other reasonably necessary expense for the child or children incident to attendance in this state at an educational or training institution of college grade, or in a business or vocational training school with standards approved by the department. The commission shall not expend more than six hundred dollars per year for educational assistance for any one child under this paragraph "b".

Sec. 55. Section 70A.28, subsection 6, Code 2013, as amended by 2013 Iowa Acts, House File 185,<sup>23</sup> section 28, is amended to read as follows:

6. Subsection 2 may also be enforced by an employee through an administrative action pursuant to the requirements of this subsection if the employee is not a merit system employee or an employee covered by a collective bargaining agreement. An employee eligible to pursue an administrative action pursuant to this subsection who is discharged, suspended, demoted, or otherwise receives a reduction in pay and who believes the adverse employment action was taken as a result of the employee's disclosure of information that was authorized pursuant to subsection 2, may file an appeal of the adverse employment action with the public employment relations board within thirty calendar days following the later of the effective date of the action or the date a finding is issued to the employee by the office of the ombudsman pursuant to section 2C.11A. The findings issued by the ombudsman may be introduced as evidence before the public employment relations board. The employee has the right to a hearing closed to the public, but may request a public hearing. The hearing shall otherwise be conducted in accordance with the rules of the public employment relations board and the Iowa administrative procedure Act, chapter 17A. If the public employment relations board finds that the action taken in regard to the employee was in violation of subsection 2, the employee may be reinstated without loss of pay or benefits for the elapsed

<sup>18</sup> Chapter 129 herein

<sup>19</sup> According to enrolled Act; a reference to section 18 probably intended

<sup>20</sup> Chapter 10 herein

<sup>21</sup> Chapter 29 herein

<sup>22</sup> Chapter 91 herein

<sup>23</sup> Chapter 10 herein

period, or the public employment relations board may provide other appropriate remedies. Decisions by the public employment relations board constitute final agency action.

Sec. 56. Section 105.10, subsection 3, Code 2013, as amended by 2013 Iowa Acts, Senate File 427,<sup>24</sup> section 10, is amended to read as follows:

3. An individual holding a master mechanical license shall not be required to get an HVAC-refrigeration, sheet metal, or hydronic license in order to design, install, or repair the work defined in this chapter as mechanical, HVAC-refrigeration, sheet metal, or hydronic work. An individual holding a ~~journey~~ journeyperson mechanical license shall not be required to get an HVAC-refrigeration, sheet metal, or hydronic license in order to install and repair the work defined in this chapter as mechanical, HVAC-refrigeration, sheet metal, or hydronic work. An individual holding a master or ~~journey~~ journeyperson mechanical license shall also not be required to obtain a special, restricted license that is designated as a sublicense of the mechanical, HVAC-refrigeration, sheet metal, or hydronic licenses.

Sec. 57. Section 105.32, as enacted by 2013 Iowa Acts, Senate File 427,<sup>25</sup> section 32, Code 2013, is amended to read as follows:

**105.32 Transition provisions.**

A licensee whose license expires between June 30, 2014, and July 1, 2017, may voluntarily renew ~~their~~ the license early so ~~they may have~~ the license has an expiration date of June 30, 2017. This voluntary early renewal may happen at any time on or after July 1, 2014. The department shall promulgate rules that allow for this one-time early renewal process, including fees and continuing education requirements.

Sec. 58. Section 126.11, subsection 3, paragraph b, Code 2013, as amended by 2013 Iowa Acts, House File 417,<sup>26</sup> section 26, is amended to read as follows:

b. A drug dispensed by filling or refilling a written, electronic, facsimile, or oral prescription of a practitioner licensed by law to administer the drug is exempt from section 126.10, except section 126.10, subsection 1, paragraph “a”, section 126.10, subsection 1, paragraph “i”, subparagraphs (2) and (3), and section 126.10, subsection 1, paragraphs “k” and “l”, and the packaging requirements of section 126.10, subsection 1, paragraphs “g”, “h”, and “p”, if the drug bears a label containing the name and address of the dispenser, the date of the prescription or of its filling, the name of the prescriber, and, if stated in the prescription, the name of the patient, and the directions for use and cautionary statements, if any, contained in the prescription. This exemption does not apply to a drug dispensed in the course of the conduct of the business of dispensing drugs pursuant to diagnosis by mail, or to a drug dispensed in violation of paragraph “a” of this subsection.

Sec. 59. Section 249A.43, subsection 3, as enacted by 2013 Iowa Acts, Senate File 357,<sup>27</sup> section 7, is amended to read as follows:

3. An affidavit of service of a notice of entry of judgment shall be made by first class mail at the address where the debtor was served with the notice of overpayment. Service is completed upon mailing as specified in this ~~paragraph~~ subsection.

Sec. 60. Section 252D.17, subsection 1, paragraph m, as enacted by 2013 Iowa Acts, House File 417,<sup>28</sup> section 55, Code 2013, is amended to read as follows:

~~m.~~ 2. The department shall establish criteria and a phased-in schedule to require, no later than June 30, 2015, payors of income to electronically transmit the amounts withheld under an income withholding order. The department shall assist payors of income in complying with the required electronic transmission, and shall adopt rules setting forth procedures for use in electronic transmission of funds, and exemption from use of electronic transmission taking into consideration any undue hardship electronic transmission creates for payors of income.

<sup>24</sup> Chapter 77 herein

<sup>25</sup> Chapter 77 herein

<sup>26</sup> Chapter 30 herein

<sup>27</sup> Chapter 24 herein

<sup>28</sup> Chapter 30 herein

Sec. 61. Section 263B.3, Code 2013, as amended by 2013 Iowa Acts, House File 417,<sup>29</sup> section 63, is amended to read as follows:

**263B.3 Agreements with federal departments.**

The state archaeologist is authorized to enter into agreements and cooperative efforts with the federal highway administrator, the United States departments of commerce, interior, agriculture, and defense, and any other federal or state agencies concerned with archaeological salvage or the preservation of antiquities.

Sec. 62. Section 321.463, subsection 12A, paragraphs a and c, as enacted by 2013 Iowa Acts, House File 14,<sup>30</sup> section 1, are amended to read as follows:

a. A person operating a vehicle or combination of vehicles equipped with a retractable axle may raise the axle when necessary to negotiate a turn, provided that the retractable axle is lowered within one thousand feet following completion of the turn. This paragraph does not apply to a vehicle or combination of vehicles operated on an interstate highway, including a ramp to or from an interstate highway, or on a bridge.

c. This subsection does not prohibit the operation of a vehicle or combination of vehicles equipped with a retractable axle ~~from operating~~ with the retractable axle raised when the vehicle or combination of vehicles is in compliance with the weight limitations of this section with the retractable axle raised.

Sec. 63. Section 321E.9A, subsection 1, Code 2013, as amended by 2013 Iowa Acts, Senate File 355,<sup>31</sup> section 7, is amended to read as follows:

1. Vehicles with indivisible loads having an overall length not to exceed one hundred twenty feet, an overall width not to exceed sixteen feet, and a height not to exceed fifteen feet five inches may be moved on highways specified by the ~~permitting~~ permit-issuing authority, provided the gross weight on any one axle shall not exceed the maximum prescribed in section 321.463 and the total gross weight is not greater than one hundred fifty-six thousand pounds.

Sec. 64. Section 327F.39, subsection 6, paragraph b, if enacted by 2013 Iowa Acts, Senate File 340,<sup>32</sup> section 4, is amended to read as follows:

b. A violation of subsection 4A or rules adopted pursuant to subsection 4A by a railroad worker transportation company or a railroad ~~corporation~~ company is punishable as a schedule "one" penalty under section 327C.5.

Sec. 65. Section 418.5, subsection 1, Code 2013, as amended by 2013 Iowa Acts, House File 307,<sup>33</sup> section 51, is amended to read as follows:

1. The flood mitigation board is established consisting of nine voting members and four ex officio, nonvoting members, and is located for administrative purposes within the ~~division~~ department. The director of the department shall provide office space, staff assistance, and necessary supplies and equipment for the board. The director shall budget funds to pay the necessary expenses of the board. In performing its functions, the board is performing a public function on behalf of the state and is a public instrumentality of the state.

Sec. 66. Section 426A.11, subsection 1, Code 2013, as amended by 2013 Iowa Acts, House File 417,<sup>34</sup> section 97, is amended to read as follows:

1. The property, not to exceed two thousand seven hundred seventy-eight dollars in taxable value of any veteran, as defined in section 35.1, of ~~the~~ World War I.

<sup>29</sup> Chapter 30 herein

<sup>30</sup> Chapter 27 herein

<sup>31</sup> Chapter 49 herein

<sup>32</sup> Chapter 47 herein

<sup>33</sup> Chapter 29 herein

<sup>34</sup> Chapter 30 herein

Sec. 67. Section 437B.2, subsection 8, paragraph a, subparagraph (2), if enacted by 2013 Iowa Acts, Senate File 451,<sup>35</sup> section 11, is amended to read as follows:

(2) A water treatment plant where the acquisition cost of all interests acquired exceeds ten million dollars. For purposes of this ~~paragraph~~ subparagraph, “*water treatment plant*” means buildings and equipment used in that portion of the potable water supply system which in some way alters the physical, chemical, or bacteriological quality of the water.

Sec. 68. Section 437B.2, subsection 10, if enacted by 2013 Iowa Acts, Senate File 451,<sup>36</sup> section 11, is amended to read as follows:

10. “*Operating property*” means all property owned by or leased to a water utility, not otherwise taxed separately, which is necessary to and without which the ~~company~~ water utility could not perform the activities of a water utility.

Sec. 69. Section 437B.10, subsection 2, paragraph b, if enacted by 2013 Iowa Acts, Senate File 451,<sup>37</sup> section 19, is amended to read as follows:

b. Local taxing authority employees are deemed to be officers and employees of the state for purposes ~~this of~~ of this subsection.

Sec. 70. Section 455B.275, subsection 3A, paragraphs a and b, if enacted by 2013 Iowa Acts, House File 541,<sup>38</sup> section 1, are amended to read as follows:

a. The person reconstructing the dam is only required to possess the flooding easements or ownership which ~~were~~ was held prior to the reconstruction as long as the former normal pool elevation is not exceeded and the spillway capacity is increased by at least fifty percent.

b. Flooding easements or ownership ~~are~~ is only required to the top of the reconstructed spillway elevation.

Sec. 71. Section 490.863, subsection 3, paragraph a, as enacted by 2013 Iowa Acts, House File 469,<sup>39</sup> section 43, is amended to read as follows:

a. “*Holder*” means and “*held by*” refers to shares held by both a record shareholder, as defined in section 490.1301, subsection 7, and a beneficial shareholder, as defined in section 490.1301, subsection 2.

Sec. 72. Section 490.1302, subsection 2, paragraph d, Code 2013, as amended by 2013 Iowa Acts, House File 469,<sup>40</sup> section 53, is amended to read as follows:

d. Paragraph “a”; shall not be applicable and appraisal rights shall be available pursuant to subsection 1 for the holders of any class or series of shares where the corporate action is an interested transaction.

Sec. 73. Section 522.6, subsection 2, if enacted by 2013 Iowa Acts, Senate File 189,<sup>41</sup> section 6, is amended to read as follows:

2. If an insurer qualifies for exemption from the requirements of this chapter pursuant to paragraph “a” of subsection 1, but the insurance group of which the insurer is a member does not qualify for exemption pursuant to paragraph “b” of subsection 1, then the own risk and solvency assessment summary report that is required pursuant to section ~~521H.5~~ 522.5 shall include information concerning every insurer in the insurance group. This requirement may be satisfied by the submission of more than one summary report for any combination of insurers in the insurance group provided that the combination of reports submitted includes every insurer in the insurance group.

<sup>35</sup> Chapter 94 herein

<sup>36</sup> Chapter 94 herein

<sup>37</sup> Chapter 94 herein

<sup>38</sup> Chapter 69 herein

<sup>39</sup> Chapter 31 herein

<sup>40</sup> Chapter 31 herein

<sup>41</sup> Chapter 40 herein

Sec. 74. Section 533.405, subsection 4A, paragraph b, subparagraphs (1) and (2), as enacted by 2013 Iowa Acts, Senate File 183,<sup>42</sup> section 8, are amended to read as follows:

(1) State credit unions with assets in excess of \$5 five million dollars as of the month ending immediately prior to the date of the conclusion of the vote by the membership approving the dissolution shall publish the notice once a week for two successive weeks in a newspaper of general circulation in each county in which the state credit union maintains an office or branch for the transaction of business.

(2) State credit unions with assets of \$5 five million dollars or less as of the month ending immediately prior to the date of the conclusion of the vote by the membership approving the dissolution shall publish the notice once in a newspaper of general circulation in each county in which the state credit union maintains an office or branch.

Sec. 75. Section 543C.2, subsection 1, paragraph j, if enacted by 2013 Iowa Acts, House File 556,<sup>43</sup> section 167, is amended to read as follows:

j. The subdivider, if a corporation, must register to do business in the state of Iowa as a foreign corporation with the secretary of state and furnish a copy of the certificate of authority to do business in the state of Iowa. If not a corporation, the subdivider must comply with the provisions of chapter 547, by filing a proper trade name with the Polk county recorder. The provisions of this ~~subsection~~ paragraph shall also apply to any person, partnership, firm, company, corporation, or association, other than the subdivider, which is engaged by or through the subdivider for the purpose of advertising or selling the land involved in the filing.

Sec. 76. Section 556.2, subsection 5, paragraph a, unnumbered paragraph 1, as enacted by 2013 Iowa Acts, House File 417,<sup>44</sup> section 174, is amended to read as follows:

A banking organization or financial organization shall send to the owner of each account, to which none of the actions specified in subsection 2 1, paragraphs “a” through “e” or subsection 2, paragraphs “a” through “e” have occurred during the preceding three calendar years, a notice by certified mail stating in substance the following:

Sec. 77. Section 716.7, subsection 1, as amended by 2013 Iowa Acts, House File 556,<sup>45</sup> section 234, if enacted, is amended to read as follows:

1. For purposes of this section:

a. “*Property*” shall include any land, dwelling, building, conveyance, vehicle, or other temporary or permanent structure whether publicly or privately owned.

b. “*Public utility*” is a public utility as defined in section 476.1 or an electric transmission line as provided in chapter 478.

~~b. c.~~ “*Public utility property*” means any land, dwelling, building, conveyance, vehicle, or other temporary or permanent structure owned, leased, or operated by a public utility and that is completely enclosed by a physical barrier of any kind. ~~For the purposes of this section, a “public utility” is a public utility as defined in section 476.1 or an electric transmission line as provided in chapter 478.~~

e. d. “*Railway corporation*” means a corporation, company, or person owning, leasing, or operating any railroad in whole or in part within this state.

~~d. e.~~ “*Railway property*” means all tangible real and personal property owned, leased, or operated by a railway corporation with the exception of any administrative building or offices of the railway corporation.

Sec. 78. Section 724.2, subsection 1, paragraph i, if enacted by 2013 Iowa Acts, House File 556,<sup>46</sup> section 206, is amended to read as follows:

i. A nonresident who possesses an offensive weapon which is a curio or relic firearm under the Federal Firearms Act, 18 U.S.C. ch. 44, solely for use in official functions in this state of a historical reenactment organization of which the person is a member, if the offensive weapon

<sup>42</sup> Chapter 17 herein

<sup>43</sup> Chapter 90 herein

<sup>44</sup> Chapter 30 herein

<sup>45</sup> Chapter 90 herein

<sup>46</sup> Chapter 90 herein

is legally possessed by the person in the person's state of residence and the offensive weapon is at all times while in this state rendered incapable of firing live ammunition. A nonresident who possesses an offensive weapon under this ~~subsection~~ paragraph while in this state shall not have in the person's possession live ammunition. The offensive weapon may, however, be adapted for the firing of blank ammunition.

Sec. 79. 2013 Iowa Acts, House File 556,<sup>47</sup> section 257, subsection 3,<sup>48</sup> if enacted, is amended by adding the following new subsection:

**NEW SUBSECTION. 12.** The Code editor is directed to change any terminology that references a web site, websites, the internet, and internet site, or internet sites in any Act enacted during the 2013 regular session of the Eighty-fifth General Assembly in the same manner as that terminology is changed in this section of this Act.

Sec. 80. 2013 Iowa Acts, House File 607,<sup>49</sup> section 29, subsection 3, if enacted, is amended to read as follows:

3. The department of agriculture and land stewardship or the office of attorney general acting on behalf of the agricultural development authority in an administrative or judicial proceeding shall not be affected as a result of this Act. Any ~~statue~~ statute of limitation shall apply to the parties as if this Act had not been enacted.

Sec. 81. 2013 Iowa Acts, House File 607,<sup>50</sup> section 34, if enacted, is amended to read as follows:

**SEC. 34. ADMINISTRATION OF ONGOING PROGRAMS.** The Iowa finance authority shall complete the administration of ongoing programs of the agricultural development authority as provided in chapter 175, to the extent that the administration of those programs ~~are~~ is in progress on the effective date of this division of this Act. The Iowa finance authority shall assume all rights and obligations of the agricultural development authority to the extent that moneys have been committed, obligations incurred, or rights accrued prior to the effective date of this division of this Act. Moneys owing due to the rights and obligations of the agricultural development authority and assumed by the Iowa finance authority shall be paid as directed by the Iowa finance authority.

Sec. 82. 2013 Iowa Acts, House File 607,<sup>51</sup> section 35, subsection 1, if enacted, is amended to read as follows:

1. The assets and liabilities of the former Iowa rural rehabilitation corporation assumed by the agricultural development authority pursuant to section 175.28 shall be transferred to the Iowa finance authority on the effective date of this division of this Act. On such effective date, the Iowa finance authority shall be the successor in interest to the agreements in effect between the United States government and the agricultural development authority on behalf of this state.

Sec. 83. 2013 Iowa Acts, Senate File 427,<sup>52</sup> section 35, is amended to read as follows:

**SEC. 35. ADMINISTRATIVE RULES.** The department of public health shall adopt all initial rules, and amendments to existing rules, necessary for the implementation of this Act.

Sec. 84. 2013 Iowa Acts, Senate File 436,<sup>53</sup> section 5, if enacted, is amended to read as follows:

**SEC. 5. APPLICABILITY.** The following provision or provisions of this Act apply to eligible property to be placed in service on or after ~~the effective date of this Act~~ July 1, 2013:

1. The section of this Act amending section 404A.3.

<sup>47</sup> Chapter 90 herein

<sup>48</sup> According to enrolled Act; omission of "subsection 3" probably intended

<sup>49</sup> Chapter 100 herein

<sup>50</sup> Chapter 100 herein

<sup>51</sup> Chapter 100 herein

<sup>52</sup> Chapter 77 herein

<sup>53</sup> Chapter 112 herein

Sec. 85. 2013 Iowa Acts, Senate File 447,<sup>54</sup> the following section, if enacted, is amended to read as follows:

SEC. \_\_\_\_. CRIMINAL AND JUVENILE JUSTICE PLANNING DIVISION. There is appropriated from the general fund of the state to the criminal and juvenile justice planning division of the department of human rights for the fiscal year beginning July 1, ~~2013~~ 2014, and ending June 30, ~~2014~~ 2015, the following amounts, or so much thereof as is necessary, to be used for the purposes designated:

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

.....	\$	630,053
.....	FTEs	10.81

The criminal and juvenile justice planning advisory council and the juvenile justice advisory council shall coordinate their efforts in carrying out their respective duties relative to juvenile justice.

Sec. 86. REPEAL. 2013 Iowa Acts, House File 417,<sup>55</sup> section 34, and 2013 Iowa Acts, House File 556,<sup>56</sup> section 27, if enacted, are repealed.

Sec. 87. REPEAL. 2013 Iowa Acts, House File 469,<sup>57</sup> sections 83 and 84, are repealed.

Sec. 88. CONTINGENT REPEAL. If 2013 Iowa Acts, House File 575,<sup>58</sup> section 12, is enacted, 2013 Iowa Acts, House File 417,<sup>59</sup> section 93, is repealed.

DIVISION V  
SUPPLEMENTARY WEIGHTING FOR LIMITED ENGLISH  
PROFICIENT STUDENTS

Sec. 89. Section 257.31, subsection 5, paragraph j, Code 2013, is amended to read as follows:

j. Unusual need to continue providing a program or other special assistance to non-English speaking pupils after the expiration of the ~~four-year~~ five-year period specified in section 280.4.

Sec. 90. Section 280.4, subsection 3, Code 2013, is amended to read as follows:

3. a. In order to provide funds for the excess costs of instruction of limited English proficient students specified in paragraph "b" above the costs of instruction of pupils in a regular curriculum, students identified as limited English proficient shall be assigned an additional weighting of twenty-two hundredths, and that weighting shall be included in the weighted enrollment of the school district of residence for a period not exceeding ~~four~~ five years. However, the school budget review committee may grant supplemental aid or modified allowable growth to a school district to continue funding a program for students after the expiration of the ~~four-year~~ five-year period.

b. For students first determined to be limited English proficient for a budget year beginning on or after July 1, 2010, the additional weighting provided under paragraph "a" shall be included in the weighted enrollment of the school district of residence for a period not exceeding five years beginning with the budget year for which the student was first determined to be limited English proficient.

DIVISION VI  
NEWBORN CRITICAL CONGENITAL HEART DISEASE SCREENING

Sec. 91. NEW SECTION. 136A.5A **Newborn critical congenital heart disease screening.**

<sup>54</sup> Chapter 139 herein

<sup>55</sup> Chapter 30 herein

<sup>56</sup> Chapter 90 herein

<sup>57</sup> Chapter 31 herein

<sup>58</sup> Chapter 70 herein

<sup>59</sup> Chapter 30 herein



1. Each newborn born in this state shall receive a critical congenital heart disease screening by pulse oximetry or other means as determined by rule, in conjunction with the metabolic screening required pursuant to section 136A.5.

2. An attending health care provider shall ensure that every newborn under the provider's care receives the critical congenital heart disease screening.

3. This section does not apply if a parent objects to the screening. If a parent objects to the screening of a newborn, the attending health care provider shall document the refusal in the newborn's medical record and shall obtain a written refusal from the parent and report the refusal to the department.

4. Notwithstanding any provision to the contrary, the results of each newborn's critical congenital heart disease screening shall only be reported in a manner consistent with the reporting of the results of metabolic screenings pursuant to section 136A.5 if funding is available for implementation of the reporting requirement.

5. This section shall be administered in accordance with rules adopted pursuant to section 136A.8.

Sec. 92. NEWBORN CRITICAL CONGENITAL HEART DISEASE SCREENING. Notwithstanding any provision to the contrary relating to the newborn screening policy pursuant to 641 IAC 4.3(1), critical congenital heart disease screening shall be included in the state's newborn screening panel as included in the recommended uniform screening panel as approved by the United States secretary of health and human services. The center for congenital and inherited disorders advisory committee shall make recommendations regarding implementation of the screening and the center for congenital and inherited disorders shall adopt rules as necessary to implement the screening. However, reporting of the results of each newborn's critical congenital heart disease screening shall not be required unless funding is available for implementation of the reporting requirement.

#### DIVISION VII RIGHT TO CURE — CLOSED CREDIT CARD ACCOUNTS

Sec. 93. Section 537.5110, subsection 4, paragraph c, Code 2013, is amended to read as follows:

c. Until the expiration of the minimum applicable period after the notice is given, the consumer may cure the default by tendering either the amount of all unpaid installments due at the time of the tender, without acceleration, plus any unpaid delinquency or deferral charges, or the amount stated in the notice of right to cure, whichever is less, or by tendering any performance necessary to cure any default other than nonpayment of amounts due, which is described in the notice of right to cure. The act of curing a default restores to the consumer the consumer's rights under the agreement as though no default had occurred, except as provided in subsection 3. However, where the obligation in default is a credit card account that has been closed, the act of curing a default does not restore to the consumer the consumer's rights under the agreement as though no default had occurred.

Sec. 94. Section 537.5111, Code 2013, is amended by adding the following new subsection:

NEW SUBSECTION. 4A. If the consumer credit transaction is a credit card account that has been closed, the notice shall conform to the requirements of subsection 2, and a notice in substantially the form specified in that subsection complies with this subsection except that the statement relating to continuation of the contract upon correction of the default as though the consumer did not default shall not be contained in the notice.

#### DIVISION VIII NOTARY PUBLIC

Sec. 95. Section 9B.15, subsection 3, unnumbered paragraph 1, Code 2013, is amended to read as follows:

A certificate of a notarial act is sufficient if it meets the requirements of subsections 1 and 2 and all any of the following apply:

Sec. 96. Section 9B.17, subsection 1, paragraph a, Code 2013, is amended to read as follows:

a. Include the notary public's name, the words "Notarial Seal" and "Iowa", the words "Commission Number" followed by a number assigned to the notary public by the secretary of state, the words "My Commission Expires" followed either by the date that the notary public's term would ordinarily expire as provided in section 9B.21 or a blank line on which the notary public shall indicate the date of expiration, if any, of the notary public's commission, as required by and in satisfaction of section 9B.15, subsection 1, paragraph "e", and other information required by the secretary of state.

Sec. 97. Section 321I.31, subsection 3, Code 2013, is amended to read as follows:

3. An owner of an all-terrain vehicle shall apply to the county recorder for issuance of a certificate of title within thirty days after acquisition. The application shall be on forms the department prescribes and accompanied by the required fee. The application shall be signed and sworn to before a ~~notary public~~ notarial officer as provided in chapter 9B or other person who administers oaths, or shall include a certification signed in writing containing substantially the representation that statements made are true and correct to the best of the applicant's knowledge, information, and belief, under penalty of perjury. The application shall contain the date of sale and gross price of the all-terrain vehicle or the fair market value if no sale immediately preceded the transfer and any additional information the department requires. If the application is made for an all-terrain vehicle last previously registered or titled in another state or foreign country, the application shall contain this information and any other information the department requires.

Sec. 98. Section 462A.77, subsection 4, Code 2013, is amended to read as follows:

4. Every owner of a vessel subject to titling under this chapter shall apply to the county recorder for issuance of a certificate of title for the vessel within thirty days after acquisition. The application shall be on forms the department prescribes, and accompanied by the required fee. The application shall be signed and sworn to before a ~~notary public~~ notarial officer as provided in chapter 9B or other person who administers oaths, or shall include a certification signed in writing containing substantially the representation that statements made are true and correct to the best of the applicant's knowledge, information, and belief, under penalty of perjury. The application shall contain the date of sale and gross price of the vessel or the fair market value if no sale immediately preceded the transfer, and any additional information the department requires. If the application is made for a vessel last previously registered or titled in another state or foreign country, it shall contain this information and any other information the department requires.

Sec. 99. Section 554.3505, subsection 2, Code 2013, is amended to read as follows:

2. A protest is a certificate of dishonor made by a United States consul or vice consul, or a ~~notary public~~ notarial officer as provided in chapter 9B or other person authorized to administer oaths by the law of the place where dishonor occurs. It may be made upon information satisfactory to that person. The protest must identify the instrument and certify either that presentment has been made or, if not made, the reason why it was not made, and that the instrument has been dishonored by nonacceptance or nonpayment. The protest may also certify that notice of dishonor has been given to some or all parties.

Sec. 100. Section 589.4, Code 2013, is amended to read as follows:

**589.4 Acknowledgments by corporation officers.**

The acknowledgments of all deeds, mortgages, or other instruments in writing taken or certified more than ten years earlier, which instruments have been recorded in the recorder's office of any county of this state, including acknowledgments of instruments made by a corporation, or to which the corporation was a party, or under which the corporation was a beneficiary, and which have been acknowledged before or certified by a ~~notary public~~ notarial officer as provided in chapter 9B who was at the time of the acknowledgment or certifying a stockholder or officer in the corporation, are legal and valid official acts of the notaries public, and entitle the instruments to be recorded, anything in the laws of the state of Iowa in regard to acknowledgments to the contrary notwithstanding. This section does

not affect pending litigation.

Sec. 101. Section 589.5, Code 2013, is amended to read as follows:

**589.5 Acknowledgments by stockholders.**

All deeds and conveyances of lands within this state executed more than ten years earlier, but which have been acknowledged or proved according to and in compliance with the laws of this state before a ~~notary public~~ notarial officer as provided in chapter 9B or other official authorized by law to take acknowledgments who was, at the time of the acknowledgment, an officer or stockholder of a corporation interested in the deed or conveyance, or otherwise interested in the deeds or conveyances, are, if otherwise valid, valid in law as though acknowledged or proved before an officer not interested in the deeds or conveyances; and if recorded more than ten years earlier, in the respective counties in which the lands are, the records are valid in law as though the deeds and conveyances, so acknowledged or proved and recorded, had, prior to being recorded, been acknowledged or proved before an officer having no interest in the deeds or conveyances.

Sec. 102. Section 622.86, Code 2013, is amended to read as follows:

**622.86 Foreign affidavits.**

Those taken out of the state before any judge or clerk of a court of record, or before a ~~notary public~~ notarial officer as provided in chapter 9B, or a commissioner appointed by the governor of this state to take acknowledgment of deeds in the state where such affidavit is taken, are of the same credibility as if taken within the state.

DIVISION IX  
CORN PROMOTION BOARD

Sec. 103. Section 185C.1, Code 2013, is amended by adding the following new subsection: NEW SUBSECTION. 4A. “*Director*” means a district elected director or a board elected director as provided in section 185C.6.

Sec. 104. Section 185C.1, subsection 5, Code 2013, is amended to read as follows:

5. “*District*” means an official crop reporting district formed by the United States department of agriculture for use on January 1, 2013, and set out in the annual farm census published in that year by the Iowa department of agriculture and land stewardship.

Sec. 105. Section 185C.3, Code 2013, is amended to read as follows:

**185C.3 Establishment of corn promotion board.**

If a majority of the producers voting in the referendum election approve the passage of the promotional order, an Iowa corn promotion board shall be established. ~~The board shall consist of one director elected from each district in the state, except that a district producing more than an average of one hundred million bushels of corn in the three previous marketing years is entitled to two directors.~~

Sec. 106. Section 185C.6, Code 2013, is amended by striking the section and inserting in lieu thereof the following:

**185C.6 Number and election of directors.**

The Iowa corn promotion board established pursuant to section 185C.3 shall be composed of directors elected as provided in this chapter. The directors shall include all of the following:

1. Nine district elected directors. Each such director shall be elected from a district as provided in section 185C.5, this section, and sections 185C.7 and 185C.8. A candidate receiving the highest number of votes in each district shall be elected to represent that district.

2. Three board elected directors. Each such director shall be elected by the board. The candidate receiving the highest number of votes by the board shall be elected to represent the state on at-large basis.

Sec. 107. Section 185C.7, Code 2013, is amended to read as follows:

**185C.7 Terms of directors.**

1. Director terms A director's term of office shall be for three years ~~and no~~. A district elected director of the board shall not serve for more than three complete consecutive terms. A board elected director shall not serve for more than one complete term of office. A district elected director who is elected as board elected director shall not serve more than a total of four terms of office, regardless of whether any of the terms of office are complete or consecutive.

2. If the board is reconstituted pursuant to section 185C.8, the terms of the directors shall be controlled by this section. However, the initial terms of the reconstituted board shall be staggered. To the extent practicable, one-third of the elected directors shall serve an initial term of one year, one-third of the elected directors shall serve an initial term of two years, and one-third of the elected directors shall serve an initial term of three years. The initial terms of board elected directors shall be determined by board ~~members~~ directors drawing lots. ~~The board elected under this paragraph shall not contain two directors from the same district serving the same term.~~

Sec. 108. Section 185C.8, Code 2013, is amended to read as follows:

**185C.8 Elections Administration of elections for directors.**

1. The Iowa corn promotion board shall administer elections for district elected directors of the board with the assistance of the secretary. Prior to the expiration of a director's term of office, the board shall appoint a nominating committee for the district represented by that director. The nominating committee shall consist of five producers who are residents of the district from which a director must be elected. The nominating committee shall nominate two resident producers as candidates for each director position for which an election is to be held. Additional candidates may be nominated by a written petition of twenty-five producers. Procedures governing the time and place of filing shall be adopted and publicized by the board.

Following recommencement of the promotional order, or termination of the promotional order's suspension as provided in section 185C.24, the secretary shall order the reconstitution of the board. An election of district elected directors shall be held within thirty days from the date of the order. The secretary shall call for, provide for notice of, conduct, and certify the results of the election in a manner consistent with section 185C.5 through 185C.7. Directors shall serve terms as provided in section 185C.7. Rules or procedures adopted by the board and in effect at the date of suspension shall continue in effect upon reconstitution of the board. The Iowa corn growers association may nominate two resident producers as candidates for each director position. Additional candidates may be nominated by a written petition of at least twenty-five producers.

2. The Iowa corn promotion board shall administer elections for board elected directors. Prior to the expiration of a board elected director's term of office, the board may appoint a nominating committee. In order to be eligible for nomination and election, a candidate must have previously served on the board as an elected director. An officer of the board shall certify the results of the election.

Sec. 109. Section 185C.10, subsection 3, Code 2013, is amended by striking the subsection.

Sec. 110. Section 185C.14, subsection 3, Code 2013, is amended to read as follows:

3. The board shall meet at least ~~once every three months~~ times each year, and at such other times as deemed necessary by the board.

Sec. 111. IMPLEMENTATION. The Iowa corn promotion board established pursuant to section 185C.3 shall implement this division of this Act.

1. During the implementation period all of the following shall apply:

a. The board shall provide for staggered terms of directors in the same manner as required for the initial terms of office of a reconstituted board pursuant to section 185C.7. However, the board is not required to draw lots as otherwise provided in that section.

b. The board is not required to fill a vacancy for an unexpired term as required in section 185C.9.

c. The board may reduce the number of years of a director's term in order to comply with this section.

2. The board shall complete implementation of this Act not later than July 1, 2014.

Sec. 112. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION X  
APPORTIONMENT OF TRANSPORTATION FUNDS — APPROPRIATION

Sec. 113. Section 312.3, subsection 2, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. *d.* For purposes of apportioning among the cities of the state the percentage of the road use tax fund to be credited to the street construction fund of the cities for each month beginning March 2011 and ending March 2021 pursuant to this subsection, the population of each city shall be determined by the greater of the population of the city as of the last preceding certified federal census or as of the April 1, 2010, population estimates base as determined by the United States census bureau.

Sec. 114. STREET CONSTRUCTION FUND — APPROPRIATION.

1. In a written application to the treasurer of state submitted by October 1, 2013, a city may request an additional distribution of moneys to be credited to the street construction fund of the city equal to that additional amount, calculated by the treasurer, that the city would have received if the funds were apportioned based upon the population of the city as determined by section 312.3, subsection 2, paragraph "d", as enacted in this division of this Act, for the months prior to the effective date of this division of this Act.

2. Upon determination by the treasurer of state that an additional amount should be credited to a city as provided by this section, there is appropriated from the general fund of the state to the department of transportation, for the fiscal year beginning July 1, 2013, and ending June 30, 2014, an amount sufficient to pay the additional amount which shall be distributed to the city for deposit in the street construction fund of the city.

Sec. 115. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 116. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to March 2011.

\*DIVISION XI  
HISTORIC PRESERVATION AND CULTURAL AND ENTERTAINMENT DISTRICT TAX  
CREDITS

Sec. 117. Section 404A.4, subsection 2, paragraph d, Code 2013, is amended to read as follows:

*d.* ~~For the a fiscal year beginning on or after July 1, 2012, and for each fiscal year thereafter but before July 1, 2014, the office shall reserve not more than forty-five million dollars worth of tax credits for any one taxable year.~~

Sec. 118. Section 404A.4, subsection 2, Code 2013, is amended by adding the following new paragraphs:

NEW PARAGRAPH. *e.* For the fiscal years beginning July 1, 2014, July 1, 2015, and July 1, 2016, the office shall reserve not more than fifty-five million dollars of tax credits for any one taxable year.

NEW PARAGRAPH. *f.* For the fiscal year beginning July 1, 2017, and for each fiscal year thereafter, the office shall reserve not more than fifty million dollars of tax credits for any one taxable year.

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\* Item veto; see message at end of the Act

Sec. 119. Section 404A.4, subsection 4, paragraph a, Code 2013, is amended to read as follows:

a. The total amount of tax credits that may be approved for a fiscal year prior to the fiscal year beginning July 1, 2012, under this chapter shall not exceed fifty million dollars. The total amount of tax credits that may be approved for a fiscal year beginning on or after July 1, 2012, but before July 1, 2014, shall not exceed forty-five million dollars. The total amount of tax credits that may be approved for a fiscal year beginning on or after July 1, 2014, but before July 1, 2017, shall not exceed fifty-five million dollars. The total amount of tax credits that may be approved for a fiscal year beginning on or after July 1, 2017, shall not exceed fifty million dollars.\*

## DIVISION XII INCOME TAXES

Sec. 120. Section 422.5, subsection 1, paragraph j, subparagraph (2), subparagraph division (a), Code 2013, is amended to read as follows:

(a) The tax imposed upon the taxable income of a resident shareholder in an S corporation or of an estate or trust with a situs in Iowa that is a shareholder in an S corporation, which S corporation has in effect for the tax year an election under subchapter S of the Internal Revenue Code and carries on business within and without the state, may be computed by reducing the amount determined pursuant to paragraphs "a" through "i" by the amounts of nonrefundable credits under this division and by multiplying this resulting amount by a fraction of which the resident's or estate's or trust's net income allocated to Iowa, as determined in section 422.8, subsection 2, paragraph "b", is the numerator and the resident's or estate's or trust's total net income computed under section 422.7 is the denominator. If a resident shareholder, or an estate or trust with a situs in Iowa that is a shareholder, has elected to take advantage of this subparagraph (2), and for the next tax year elects not to take advantage of this subparagraph, the resident or estate or trust shareholder shall not reelect to take advantage of this subparagraph for the three tax years immediately following the first tax year for which the shareholder elected not to take advantage of this subparagraph, unless the director consents to the reelection. This subparagraph also applies to individuals who are residents of Iowa for less than the entire tax year.

Sec. 121. Section 422.8, subsection 2, paragraph b, unnumbered paragraph 1, Code 2013, is amended to read as follows:

A resident's income, or the income of an estate or trust with a situs in Iowa, allocable to Iowa is the income determined under section 422.7 reduced by items of income and expenses from an S corporation that carries on business within and without the state when those items of income and expenses pass directly to the shareholders under provisions of the Internal Revenue Code. These items of income and expenses are increased by the greater of the following:

Sec. 122. Section 422.15, subsection 2, Code 2013, is amended to read as follows:

2. Every partnership, including limited partnerships ~~organized under chapter 488, having a place of business in the state, doing business in this state, or deriving income from sources within this state as defined in section 422.33, subsection 1,~~ shall make a return, stating specifically the net income and capital gains (or losses) reported on the federal partnership return, the names and addresses of the partners, and their respective shares in said amounts.

Sec. 123. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

Sec. 124. RETROACTIVE APPLICABILITY. The following provision or provisions of this division of this Act apply retroactively to January 1, 2013, for tax years beginning on or after that date:

1. The section amending section 422.5.

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\* Item veto; see message at end of the Act

2. The section amending section 422.8.
3. The section amending section 422.15.

DIVISION XIII  
SALES AND USE TAXES

Sec. 125. Section 423.1, subsection 5, Code 2013, is amended to read as follows:

5. "Agricultural production" includes the production of flowering, ornamental, or vegetable plants in commercial greenhouses or otherwise, and production from aquaculture, and production from silvicultural activities. "Agricultural products" includes flowering, ornamental, or vegetable plants and those products of aquaculture and silviculture.

Sec. 126. Section 423.2, subsection 6, paragraph a, Code 2013, is amended to read as follows:

a. The sales price of any of the following enumerated services is subject to the tax imposed by subsection 5: alteration and garment repair; armored car; vehicle repair; battery, tire, and allied; investment counseling; service charges of all financial institutions; barber and beauty; boat repair; vehicle wash and wax; campgrounds; carpentry; roof, shingle, and glass repair; dance schools and dance studios; dating services; dry cleaning, pressing, dyeing, and laundering; electrical and electronic repair and installation; excavating and grading; farm implement repair of all kinds; flying service; furniture, rug, carpet, and upholstery repair and cleaning; fur storage and repair; golf and country clubs and all commercial recreation; gun and camera repair; house and building moving; household appliance, television, and radio repair; janitorial and building maintenance or cleaning; jewelry and watch repair; lawn care, landscaping, and tree trimming and removal; limousine service, including driver; machine operator; machine repair of all kinds; motor repair; motorcycle, scooter, and bicycle repair; oilers and lubricators; office and business machine repair; painting, papering, and interior decorating; parking facilities; pay television; pet grooming; pipe fitting and plumbing; wood preparation; executive search agencies; private employment agencies, excluding services for placing a person in employment where the principal place of employment of that person is to be located outside of the state; reflexology; security and detective services, excluding private security and detective services furnished by a peace officer with the knowledge and consent of the chief executive officer of the peace officer's law enforcement agency; sewage services for nonresidential commercial operations; sewing and stitching; shoe repair and shoeshine; sign construction and installation; storage of household goods, mini-storage, and warehousing of raw agricultural products; swimming pool cleaning and maintenance; tanning beds or salons; taxidermy services; telephone answering service; test laboratories, including mobile testing laboratories and field testing by testing laboratories, and excluding tests on humans or animals; termite, bug, roach, and pest eradicators; tin and sheet metal repair; transportation service consisting of the rental of recreational vehicles or recreational boats, or the rental of motor vehicles subject to registration which are registered for a gross weight of thirteen tons or less for a period of sixty days or less, or the rental of aircraft for a period of sixty days or less; Turkish baths, massage, and reducing salons, excluding services provided by massage therapists licensed under chapter 152C; water conditioning and softening; weighing; welding; well drilling; wrapping, packing, and packaging of merchandise other than processed meat, fish, fowl, and vegetables; wrecking service; wrecker and towing.

Sec. 127. Section 423.3, subsection 47, paragraph d, subparagraph (4), Code 2013, is amended to read as follows:

(4) "Manufacturer" means ~~as defined in section 428.20~~ a person who purchases, receives, or holds personal property of any description for the purpose of adding to its value by a process of manufacturing, refining, purifying, combining of different materials, or by the packing of meats, with a view to selling the property for gain or profit, but also includes contract manufacturers. A contract manufacturer is a manufacturer that otherwise falls within the definition of manufacturer ~~under section 428.20~~, except that a contract manufacturer does not sell the tangible personal property the contract manufacturer processes on behalf of other manufacturers. A business engaged in activities subsequent to the extractive process of quarrying or mining, such as crushing, washing, sizing, or blending

of aggregate materials, is a manufacturer with respect to these activities. This subparagraph (4) shall not be construed to require that a person be primarily engaged in an activity listed in this subparagraph in order to qualify as a manufacturer for purposes of this subsection.

Sec. 128. Section 423.3, Code 2013, is amended by adding the following new subsection:  
NEW SUBSECTION. 99. The sales price from services furnished by forestry consultants and forestry vendors engaged in forestry practices on private or public land.

DIVISION XIV  
IOWA FUND OF FUNDS

Sec. 129. Section 15E.62, Code 2013, is amended by adding the following new subsections:

NEW SUBSECTION. 03. “*Creditor*” means a person, including an assignee of or successor to such person, who extends credit or makes a loan to the Iowa fund of funds or to a designated investor, and includes any person who refinances such credit or loan.

NEW SUBSECTION. 04. “*Fund documents*” means all agreements relating to matters under the purview of this division VII entered into prior to the effective date of this division of this Act between or among the state, the Iowa fund of funds, a fund allocation manager or similar manager, the Iowa capital investment corporation, the board, a creditor, a designated investor, and a private seed or venture capital partnership, and includes other documents having the same force and effect between or among such parties, as any of the foregoing may be amended, modified, restated, or replaced from time to time.

Sec. 130. Section 15E.65, subsection 2, paragraph h, Code 2013, is amended to read as follows:

h. ~~Fifty years after the organization of the Iowa fund of funds~~ As soon as practicable after the effective date of this division of this Act, the Iowa capital investment corporation, in conjunction with the department of revenue, the board, and the attorney general, shall wind up the Iowa fund of funds pursuant to section 15E.72 and shall cause the Iowa fund of funds to be liquidated with all of its assets distributed to its owners in accordance with the provisions of its organizational documents and in accordance with the fund documents. In liquidating such assets, the capital investment corporation, the department of revenue, the board, and the attorney general shall act with prudence and caution in order to minimize costs and fees and to preserve investment assets to the extent reasonably possible.

Sec. 131. NEW SECTION. 15E.72 Program wind-up and future repeal.

1. *Organization of additional funds prohibited.* Notwithstanding section 15E.65, an Iowa fund of funds shall not be organized on or after the effective date of this division of this Act.

2. *New investments by the fund of funds prohibited.* Notwithstanding section 15E.65, the Iowa fund of funds shall not make new investments in private seed and venture capital partnerships or entities on or after the effective date of this division of this Act except as required by the fund documents.

3. *New investments by designated investors prohibited.*

a. Except as provided in paragraph “b”, and notwithstanding any other provision in this division VII, a designated investor shall not invest in the Iowa fund of funds on or after the effective date of this division of this Act.

b. Notwithstanding the prohibition in paragraph “a”, a designated investor may invest in the Iowa fund of funds on or after the effective date of this division of this Act to the extent such investment is required by the fund documents. In addition, the director of revenue, with the approval of the attorney general, may authorize additional investment in the Iowa fund of funds but only if such an investment is necessary to preserve fund assets, repay creditors, pay taxes, or otherwise effectuate an orderly wind-up of the program pursuant to this section.

4. *Issuance, verification, and redemption of new certificates prohibited.*

a. Except as provided in paragraph “b”, and notwithstanding any other provision in this division VII, the board shall not issue, verify, or redeem a certificate or a related tax credit on or after the effective date of this division of this Act.



b. Notwithstanding the prohibition in paragraph “a”, the board may issue, redeem, or verify a certificate or a related tax credit under any of the following conditions:

(1) The board is required to do so under the terms of the fund documents.

(2) The issuance, redemption, or verification is deemed necessary by the director of revenue and the attorney general in order to arrange new financing terms with a creditor.

(3) The issuance, redemption, or verification is deemed necessary by the director of revenue and the attorney general to preserve fund assets, repay creditors, or otherwise effectuate an orderly wind-up of the program pursuant to this section.

5. *New fund allocation managers prohibited.*

a. Notwithstanding any other provision in this division VII, the Iowa capital investment corporation shall not have authority to solicit, select, terminate, or change a fund allocation manager or similar manager on or after the effective date of this division of this Act.

b. On or after the effective date of this division of this Act, all decisions pertaining to relationships with a fund allocation manager or similar manager selected prior to the effective date of this division of this Act shall be made by the director of revenue with the approval of the attorney general. This subsection shall not be construed to impair the terms of the fund documents.

6. *Pledging of certificates prohibited.*

a. Except as provided in paragraph “b”, and notwithstanding any other provision of law to the contrary, a certificate and a related tax credit or verified tax credit issued by the board shall not be pledged by a designated investor as security for a loan or an extension of credit on or after the effective date of this division of this Act.

b. Notwithstanding the prohibition in paragraph “a”, a certificate and related tax credit or verified tax credit issued by the board may be pledged by a designated investor as security for a loan or an extension of credit to the extent such pledge is required by the fund documents. In addition, the board, with the approval of the director of revenue and the attorney general, may authorize a certificate and related tax credit to be pledged as security for a loan or an extension of credit, but only if such a pledge is necessary to arrange new financing terms with a creditor or to repay creditors for moneys loaned or credit extended to a designated investor.

7. *Rural and small business loan guarantees prohibited.* Notwithstanding any other provision in this division VII to the contrary, the Iowa capital investment corporation shall not make rural and small business loan guarantees or otherwise administer a program to provide loan guarantees and other related credit enhancements on loans to rural and small business borrowers within the state of Iowa on or after the effective date of this division of this Act.

8. *Iowa capital investment corporation purposes amended.* Notwithstanding section 15E.64, on or after the effective date of this division of this Act, the purposes of the Iowa capital investment corporation shall be to comply with its obligations under the fund documents and to assist the board, the director of revenue, and the attorney general in effectuating the orderly wind-up of the Iowa fund of funds. In effectuating such a wind-up, the Iowa capital investment corporation shall comply with all reasonable requests by the board, the director of revenue, the attorney general, or the auditor of state.

9. *Use of revolving fund prohibited.*

a. Notwithstanding section 15E.65, subsection 2, paragraph “a”, on or after the effective date of this division of this Act, all investment returns received by the Iowa capital investment corporation that are in excess of those payable to designated investors shall be deposited in the general fund of the state.

b. This subsection shall not be construed to impair the terms of the fund documents. It is the intent of the general assembly that this subsection only applies in the event that there are investment returns in excess of those necessary to repay creditors and designated investors under the terms of the fund documents.

10. *Preservation of existing rights.* This section is not intended to and shall not limit, modify, or otherwise adversely affect the fund documents, including any certificate, verified tax credit, or related tax credit issued before the effective date of this division of this Act or limit, modify, or otherwise adversely affect the redemption of any tax credit, verified tax credit, or certificate.

11. *Future repeal.* This division VII is repealed upon the occurrence of one of the following, whichever is earlier:

- a. The expiration or termination of all fund documents. The director of revenue shall notify the Iowa Code editor upon the occurrence of this condition.
- b. December 31, 2027.

Sec. 132. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

#### DIVISION XV STUDY REPORT

Sec. 133. ADMINISTRATIVE APPEALS PROCESS FOR TAX MATTERS AND NEW TAX APPEAL BOARD — REPORT. The department of revenue, in consultation with the department of management and other interested stakeholders, shall study the independence, effectiveness, and fairness of the state's current administrative appeals processes for tax matters and shall make recommendations for changes, if necessary, and shall additionally study the desirability, practicality, and feasibility of replacing components of these processes with a new consolidated and independent administrative appeals board for tax matters within the executive branch to resolve disputes between the department of revenue and taxpayers. The department of revenue shall prepare and file a report detailing its findings and recommendations with the chairpersons and ranking members of the ways and means committees of the senate and the house of representatives and with the legislative services agency by January 8, 2014. This section of this Act shall not be construed to provide the department of revenue with the power or authority to eliminate or in any way modify the property assessment appeals board created pursuant to section 421.1A.

#### DIVISION XVI SECURE AN ADVANCED VISION FOR EDUCATION FUND

Sec. 134. Section 423F.2, subsection 1, paragraph b, Code 2013, is amended to read as follows:

b. The increase in the state sales, services, and use taxes under chapter 423, subchapters II and III, from five percent to six percent shall replace the repeal of the county's local sales and services tax for school infrastructure purposes. The distribution of moneys in the secure an advanced vision for education fund and the use of the moneys for infrastructure purposes or property tax relief shall be as provided in this chapter. ~~However, the formula for the distribution of the moneys in the fund shall be based upon amounts that would have been received if the local sales and services taxes under former chapter 423E, Code and Code Supplement 2007, continued in existence.~~

Sec. 135. Section 423F.2, subsection 3, Code 2013, is amended to read as follows:

3. The moneys available in a fiscal year in the secure an advanced vision for education fund shall be distributed by the department of revenue to each school district ~~in an amount equal to the amount the school district would have received pursuant to the formula in section 423E.4 as if the local sales and services tax for school infrastructure purposes was imposed on a per pupil basis calculated using each school district's budget enrollment, as defined in section 257.6, for that fiscal year. Moneys in a fiscal year that are in excess of that needed to provide each school district with its formula amount~~ Prior to distribution of moneys in the secure an advanced vision for education fund to school districts, two and one-tenths percent of the moneys available in a fiscal year shall be distributed and credited to the property tax equity and relief fund created in section 257.16A.

Sec. 136. APPLICABILITY. This division of this Act applies to fiscal years beginning on or after July 1, 2014.

DIVISION XVII  
SCHOOL EMPLOYEES — BACKGROUND INVESTIGATIONS

Sec. 137. **NEW SECTION. 279.69 School employees — background investigations.**

1. Prior to hiring an applicant for a school employee position, a school district shall have access to and shall review the information in the Iowa court information system available to the general public, the sex offender registry information under section 692A.121 available to the general public, the central registry for child abuse information established under section 235A.14, and the central registry for dependent adult abuse information established under section 235B.5 for information regarding the applicant. A school district shall follow the same procedure by June 30, 2014, for each school employee employed by the school district as of July 1, 2013. A school district shall implement a consistent policy to follow the same procedure for each school employee employed by the school district on or after July 1, 2013, at least every five years after the school employee's initial date of hire. A school district shall not charge an employee for the cost of the registry checks conducted pursuant to this subsection. A school district shall maintain documentation demonstrating compliance with this subsection.

2. Being listed in the sex offender registry established under chapter 692A, the central registry for child abuse information established under section 235A.14, or the central registry for dependent adult abuse information established under section 235B.5 shall constitute grounds for the immediate suspension from duties of a school employee, pending a termination hearing by the board of directors of a school district. A termination hearing conducted pursuant to this subsection shall be limited to the question of whether the school employee was incorrectly listed in the registry.

3. For purposes of this section, “*school employee*” means an individual employed by a school district, including a part-time, substitute, or contract employee. “*School employee*” does not include an individual subject to a background investigation pursuant to section 272.2, subsection 17, section 279.13, subsection 1, paragraph “b”, or section 321.375, subsection 2.

Sec. 138. **STATE MANDATE FUNDING SPECIFIED.** In accordance with section 25B.2, subsection 3, the state cost of requiring compliance with any state mandate included in this division of this Act shall be paid by a school district from state school foundation aid received by the school district under section 257.16. This specification of the payment of the state cost shall be deemed to meet all of the state funding-related requirements of section 25B.2, subsection 3, and no additional state funding shall be necessary for the full implementation of this division of this Act by and enforcement of this division of this Act against all affected school districts.

DIVISION XVIII  
FROM FARM TO FOOD DONATION TAX CREDIT

Sec. 139. **NEW SECTION. 190B.301 Definitions.**

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

1. “*Department*” means the department of revenue.
2. “*Tax credit*” means the from farm to food donation tax credit as established in this chapter.

Sec. 140. **NEW SECTION. 190B.302 Department of revenue — cooperation with other departments.**

1. This chapter shall be administered by the department of revenue.
2. The department shall adopt all rules necessary to administer this chapter.
3. The department of agriculture and land stewardship, the department of public health, the department of human services, and the department of inspections and appeals shall cooperate with the department of revenue to administer this chapter.

Sec. 141. **NEW SECTION. 190B.303 From farm to food donation tax credit.**

A from farm to food donation tax credit is allowed against the taxes imposed in chapter

422, divisions II and III, as provided in this chapter.

**Sec. 142. NEW SECTION. 190B.304 From farm to food donation tax credit — eligibility.**

In order to qualify for a from farm to food donation tax credit, all of the following must apply:

1. The taxpayer must produce the donated food commodity.
2. The taxpayer must transfer title to the donated food commodity to an Iowa food bank, or an Iowa emergency feeding organization, recognized by the department. The taxpayer shall not receive remuneration for the transfer.
3. The donated food commodity cannot be damaged or out-of-condition and declared to be unfit for human consumption by a federal, state, or local health official. A food commodity that meets the requirements for donated foods pursuant to the federal emergency food assistance program satisfies this requirement.
4. A taxpayer claiming the tax credit shall provide documentation supporting the tax credit claim in a form and manner prescribed by the department by rule.

**Sec. 143. NEW SECTION. 190B.305 From farm to food donation tax credit — claims filed by individuals who belong to business entities.**

An individual may claim a from farm to food donation tax credit of a partnership, limited liability company, S corporation, estate, or trust electing to have income taxed directly to the individual. The amount claimed by the individual shall be based upon the pro rata share of the individual's earnings from the partnership, limited liability company, S corporation, estate, or trust.

**Sec. 144. NEW SECTION. 190B.306 From farm to food donation tax credit — limits on claims.**

A from farm to food donation tax credit is subject to all of the following limitations:

1. The tax credit shall not exceed a qualifying amount for the tax year that the tax credit is claimed. The qualifying amount is the lesser of the following:
  - a. Fifteen percent of the value of the commodities donated during the tax year for which the credit is claimed. The value of the commodities shall be determined in the same manner as a charitable contribution of food for federal tax purposes under section 170(e)(3)(C) of the Internal Revenue Code.
  - b. Five thousand dollars.
2. A tax credit in excess of the taxpayer's liability for the tax year is not refundable but may be credited to the tax liability for the following five years or until depleted, whichever is earlier.
3. If a tax credit is allowed, the amount of the contribution for which the tax credit is claimed shall not be deductible in determining taxable income for state tax purposes.
4. A tax credit shall not be carried back to a tax year prior to the tax year in which the taxpayer claims the tax credit.

**Sec. 145. NEW SECTION. 422.11E From farm to food donation tax credit.**

The taxes imposed under this division, less the credits allowed under section 422.12, shall be reduced by a from farm to food donation tax credit as allowed under chapter 190B.

Sec. 146. Section 422.33, Code 2013, is amended by adding the following new subsection: NEW SUBSECTION. 30. The taxes imposed under this division shall be reduced by a from farm to food donation tax credit as allowed under chapter 190B.

Sec. 147. **APPLICABILITY.** The provisions of this division of this Act providing for a from farm to food donation tax credit applies to tax years beginning on or after January 1, 2014.

DIVISION XIX  
CITY FRANCHISE FEES

Sec. 148. Section 364.2, subsection 4, paragraph f, Code 2013, is amended to read as follows:

f. (1) (a) A franchise fee assessed by a city may be based upon a percentage of gross revenues generated from sales of the franchisee within the city not to exceed five percent except as provided in subparagraph division (b), without regard to the city's cost of inspecting, supervising, and otherwise regulating the franchise.

(b) For franchise fees assessed and collected during fiscal years beginning on or after July 1, 2013, but before July 1, 2030, by a city that is the subject of a judgment, court-approved settlement, or court-approved compromise providing for payment of restitution, a refund, or a return described in section 384.3A, subsection 3, paragraph "j", the rate of the franchise fee shall not exceed seven and one-half percent of gross revenues generated from sales of the franchisee in the city, and franchise fee amounts assessed and collected during such fiscal years in excess of five percent of gross revenues generated from sales shall be used solely for the purpose specified in section 384.3A, subsection 3, paragraph "j". A city may assess and collect a franchise fee in excess of five percent of gross revenues generated from the sales of the franchisee pursuant to this subparagraph division (b) for a period not to exceed seven consecutive fiscal years once the franchise fee is first imposed at a rate in excess of five percent. An ordinance increasing the franchise fee rate to greater than five percent pursuant to this subparagraph division (b) shall not become effective unless approved at an election. After passage of the ordinance, the council shall submit the proposal at a special election held on a date specified in section 39.2, subsection 4, paragraph "b". If a majority of those voting on the proposal approves the proposal, the city may proceed as proposed. The complete text of the ordinance shall be included on the ballot and the full text of the ordinance posted for the voters pursuant to section 52.25. All absentee voters shall receive the full text of the ordinance along with the absentee ballot. This subparagraph division (b) is repealed July 1, 2030.

(2) Franchise fees collected pursuant to an ordinance in effect on May 26, 2009, shall be deposited in the city's general fund and such fees collected in excess of the amounts necessary to inspect, supervise, and otherwise regulate the franchise may be used by the city for any other purpose authorized by law. Franchise fees collected pursuant to an ordinance that is adopted or amended on or after May 26, 2009, to increase the percentage rate at which franchise fees are assessed shall be credited to the franchise fee account within the city's general fund and used pursuant to section 384.3A. If a city franchise fee is assessed to customers of a franchise, the fee shall not be assessed to the city as a customer. Before a city adopts or amends a franchise fee rate ordinance or franchise ordinance to increase the percentage rate at which franchise fees are assessed, a revenue purpose statement shall be prepared specifying the purpose or purposes for which the revenue collected from the increased rate will be expended. If property tax relief is listed as a purpose, the revenue purpose statement shall also include information regarding the amount of the property tax relief to be provided with revenue collected from the increased rate. The revenue purpose statement shall be published as provided in section 362.3.

~~(2)~~ (3) If a city adopts, amends, or repeals an ordinance imposing a franchise fee, the city shall promptly notify the director of revenue of such action.

Sec. 149. Section 384.3A, subsection 3, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. j. For franchise fees assessed and collected by a city in excess of five percent of gross revenues generated from sales of the franchisee within the city pursuant to section 364.2, subsection 4, paragraph "f", subparagraph (1), subparagraph division (b), during fiscal years beginning on or after July 1, 2013, but before July 1, 2030, the adjustment, renewal, or extension of any part or all of the legal indebtedness of a city, whether evidenced by bonds, warrants, court-approved settlements, court-approved compromises, or judgments, or the funding or refunding of the same, if such legal indebtedness relates to restitution, a refund, or a return ordered by a court of competent jurisdiction for franchise fees assessed

and collected by the city before the effective date of this division of this Act. This paragraph “j” is repealed July 1, 2030.

Sec. 150. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XX  
TUITION GRANT AMOUNTS

Sec. 151. Section 261.12, subsection 1, paragraph b, Code 2013, is amended by striking the paragraph and inserting in lieu thereof the following:

b. For the fiscal year beginning July 1, 2013, and for each following fiscal year, five thousand dollars.

\*DIVISION XXI  
GENERAL AND SPECIAL EDUCATION

Sec. 152. GENERAL AND SPECIAL EDUCATION INSTRUCTIONAL PROGRAMS — PRIVATE AGENCY RESIDENTIAL SERVICES.

1. For purposes of this section, “private agency” means a residential facility licensed under chapter 135H or 237. “Private agency” does not include an institution listed in section 218.1.

2. If a private agency contracted with a school district on or before July 1, 2010, to provide general education or special education instructional programs, for the school years beginning July 1, 2012, and July 1, 2013, the private agency may bill the school district for the subsequent costs of such programs, in accordance with billing practices in place on July 1, 2010. Such school district may in turn bill a child’s school district of residence for such costs. Such costs include, if necessary to meet the special needs of children requiring general education or special education, the costs of general administration, health service, attendance officers, plant operation, and plant maintenance, instructional costs, and the costs of purchase of equipment, transportation, and property, casualty, and liability insurance. Such costs do not include the costs of services otherwise funded pursuant to chapter 135H or 237.

3. An auditor conducting an annual audit of a school district pursuant to section 11.6 shall review and verify the information contained in any cost reports submitted to the school district by a private agency contracting with the school district as described in this section.

Sec. 153. GENERAL AND SPECIAL EDUCATION COSTS — LEGISLATIVE STUDY.

1. For purposes of this section, “private agency” means a residential facility licensed under chapter 135H or 237. “Private agency” does not include an institution listed in section 218.1.

2. The legislative council is requested to establish an interim study committee during the 2013 interim to examine the payment of general education and special education costs associated with student services provided by private agencies and whether the planning for and costs of such services would be more appropriately administered by the department of education or the department of human services. The study committee shall consist of legislator members of both political parties from both houses of the general assembly and representatives of the office of the governor, the department of education, the department of human services, and private agencies.

Sec. 154. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.\*

DIVISION XXII  
PRACTICE BY BUSINESS ENTITIES

Sec. 155. REPEAL. 2013 Iowa Acts, Senate File 181,<sup>60</sup> section 29, is repealed.

\* Item veto; see message at end of the Act

<sup>60</sup> Chapter 5 herein

Sec. 156. RETROACTIVE APPLICABILITY. This division of this Act applies retroactively to March 28, 2013.

Sec. 157. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XXIII  
SPEED DETECTION JAMMING DEVICES

Sec. 158. Section 321.232, Code 2013, is amended to read as follows:

**321.232 Radar Speed detection jamming devices — penalty.**

1. A person shall not sell, operate, or possess a radar speed detection jamming device, except as otherwise provided in this section, when the device is in a vehicle operated on the highways of this state or the device is held for sale in this state.

2. This section does not apply to ~~radar~~ speed measuring devices purchased by, held for purchase for, or operated by peace officers using the devices in performance of their official duties.

3. A radar speed detection jamming device sold, operated, or possessed in violation of subsection 1 may be seized by a peace officer and is subject to forfeiture as provided by chapter 809 or 809A.

4. For the purposes of this section "~~radar jamming device~~":

*a.* "Speed detection jamming device" means any ~~mechanism designed or used to transmit radio waves in the electromagnetic wave spectrum to interfere with the reception of those emitted from a device used by peace officers of this state to measure the speed of motor vehicles on the highways of this state and which is not designed for two-way transmission and cannot transmit in plain language~~ active or passive device, instrument, mechanism, or equipment that is designed or intended to interfere with, disrupt, or scramble the radar or laser that is used by a peace officer to measure the speed of motor vehicles. "Speed detection jamming device" does not include equipment that is legal under federal communications commission regulations, such as a citizens' band radio, a ham radio, or other similar electronic equipment.

*b.* "Speed measuring device" includes but is not limited to devices commonly known as radar speed meters or laser speed meters.

Sec. 159. Section 805.8A, subsection 14, paragraph g, Code 2013, is amended to read as follows:

*g.* ~~Radar jamming~~ Speed detection jamming devices. For a violation under section 321.232, the scheduled fine is one hundred dollars.

DIVISION XXIV  
MOTOR VEHICLE REGISTRATION FEE EQUITY

Sec. 160. Section 321.55, Code 2013, is amended to read as follows:

**321.55 Registration and financial liability coverage required for certain vehicles owned or operated by nonresidents.**

1. A nonresident owner or operator engaged in remunerative employment within ~~the~~ this state or carrying on business within ~~the~~ this state and owning or operating a motor vehicle, trailer, or semitrailer within ~~the~~ this state shall register and maintain financial liability coverage as required under section 321.20B for each vehicle and pay the same fees for registration as are paid for like vehicles owned by residents of this state. However, ~~this paragraph subsection~~ does not apply to a person commuting from the person's residence in another state or whose employment is seasonal or temporary, not exceeding ninety days.

2. *a.* A nonresident owner of a motor vehicle operated within ~~the~~ this state by a resident of ~~the~~ this state shall register the vehicle and shall maintain financial liability coverage as required under section 321.20B for the vehicle. The nonresident owner shall pay the same fees for registration as are paid for like vehicles owned by residents of this state. However, registration under this paragraph is not required for vehicles being operated by residents temporarily, ~~not exceeding for not more than~~ for not more than ninety days. For purposes of this paragraph, a

vehicle is not operated in the state temporarily, and is therefore subject to registration and the owner is required to pay the applicable fees, if the vehicle is located in Iowa for more than ninety consecutive or nonconsecutive days and is operated on an Iowa highway by an Iowa resident during that time. It is unlawful for a resident to operate within the state an unregistered motor vehicle required to be registered under this paragraph. The ninety-day temporary period of operation provided for under this paragraph does not apply to a vehicle owned by a shell business as provided in paragraph "b".

b. On or after July 1, 2013, if the department, in consultation with the department of revenue, determines that the nonresident owner of a vehicle is a partnership, limited liability company, or corporation that is a shell business, it shall be rebuttably presumed that the Iowa resident in control of the vehicle is the actual owner of the vehicle, that the vehicle is subject to registration in this state, and that payment of the fee for new registration for the vehicle is owed by the Iowa resident.

(1) Factors which indicate that a partnership, limited liability company, or corporation is a shell business include but are not limited to the following:

(a) The partnership, limited liability company, or corporation lacks a specific business activity or purpose.

(b) The partnership, limited liability company, or corporation fails to maintain a physical location in the foreign state.

(c) The partnership, limited liability company, or corporation fails to employ individual persons and provide those persons with internal revenue service form W-2 wage and tax statements.

(d) The partnership, limited liability company, or corporation fails to file federal tax returns, or fails to file a required state tax return in the foreign state.

(2) Factors which indicate that a person is in control of a vehicle include but are not limited to the following:

(a) The person was the initial purchaser of the vehicle.

(b) The person operated or stored the vehicle in Iowa for any period of time.

(c) The person is a partner, member, or shareholder of the nonresident partnership, limited liability company, or corporation that purports to be the owner of the vehicle.

(d) The person is insured to drive the vehicle.

(3) If the department determines that the nonresident owner of a vehicle is a shell business, the department shall notify the Iowa resident in control of the vehicle in writing that the Iowa resident is required to obtain an Iowa certificate of title and registration for the vehicle and pay the fee for new registration owed for the vehicle not later than thirty days from the date of the notice.

Sec. 161. Section 321.105A, subsection 7, Code 2013, is amended to read as follows:

*7. Penalty for false statement or evasion of fee.*

a. A person who willfully makes a false statement in regard to the purchase price of a vehicle subject to a fee for new registration or willfully attempts in any manner to evade payment of the fee required by this section is guilty of a fraudulent practice. A person who willfully makes a false statement in regard to the purchase price of such a vehicle with the intent to evade payment of the fee for new registration or willfully attempts in any manner to evade payment of the fee required by this section shall be assessed a penalty of seventy-five percent of the amount of the fee unpaid and required to be paid on the actual purchase price less trade-in allowance.

b. An Iowa resident found to be in control of a vehicle which is owned by a shell business and for which the fee for new registration has not been paid, as provided in section 321.55, subsection 2, is guilty of a fraudulent practice. An Iowa resident found to be in control of a vehicle which is owned by a shell business and for which the fee for new registration has not been paid, as provided in section 321.55, subsection 2, shall be assessed a penalty of seventy-five percent of the amount of the fee unpaid and required to be paid on the actual purchase price less trade-in allowance.

Sec. 162. REPEAL. Section 321.116, Code 2013, is repealed.



Sec. 163. APPLICABILITY — PRIOR ELECTRIC VEHICLE REGISTRATIONS.

1. Except as provided in subsection 2, the section of this division of this Act that repeals section 321.116 applies to the registration of electric motor vehicles for registration years beginning on or after January 1, 2014.

2. For an annual renewal of registration for an electric motor vehicle which was registered to the same owner for a registration year beginning prior to January 1, 2014, the annual registration fee shall be according to the terms of section 321.116, Code 2013.

DIVISION XXV  
IOWACARE

IOWACARE ACCOUNT APPROPRIATIONS —  
UNIVERSITY OF IOWA HOSPITALS AND CLINICS

Sec. 164. 2011 Iowa Acts, chapter 129, section 146, subsection 1, paragraph c, as amended by 2012 Iowa Acts, chapter 1133, section 40, is amended to read as follows:

c. The university of Iowa hospitals and clinics shall certify public expenditures in an amount equal to provide the nonfederal share on total expenditures not to exceed ~~\$32,000,000~~ \$26,000,000.

Sec. 165. 2011 Iowa Acts, chapter 129, section 146, subsection 2, unnumbered paragraph 2, as amended by 2012 Iowa Acts, chapter 1133, section 41, is amended to read as follows:

For salaries, support, maintenance, equipment, and miscellaneous purposes, for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ 45,654,133  
52,569,199

Sec. 166. 2011 Iowa Acts, chapter 129, section 146, subsection 3, is amended to read as follows:

3. There is appropriated from the IowaCare account created in section 249J.24, to the state board of regents for distribution to university of Iowa physicians for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary to be used for the purposes designated:

For salaries, support, maintenance, equipment, and miscellaneous purposes for the provision of medical and surgical treatment of indigent patients, for provision of services to members of the expansion population pursuant to chapter 249J, and for medical education:

..... \$ 16,277,753  
19,806,365

Notwithstanding any provision of law to the contrary, the amount appropriated in this subsection shall be distributed based on claims submitted, adjudicated, and paid by the Iowa Medicaid enterprise. Once the entire amount appropriated in this subsection has been distributed, claims shall continue to be submitted and adjudicated by the Iowa Medicaid enterprise; however, no payment shall be made based upon such claims.

Sec. 167. 2011 Iowa Acts, chapter 129, section 146, subsection 6, unnumbered paragraphs 1 and 2, are amended to read as follows:

There is appropriated from the IowaCare account created in section 249J.24 to the department of human services for the fiscal year beginning July 1, 2012, and ending June 30, 2013, the following amount, or so much thereof as is necessary to be used for the purposes designated:

For a care coordination pool to pay the expansion population providers consisting of the university of Iowa hospitals and clinics, the publicly owned acute care teaching hospital as specified in section 249J.7, and current medical assistance program providers that are not expansion population network providers pursuant to section 249J.7, for services covered by the full benefit medical assistance program but not under the IowaCare program pursuant to section 249J.6, that are provided to expansion population members:

..... \$ 1,500,000

2,500,000

Sec. 168. 2011 Iowa Acts, chapter 129, section 146, is amended by adding the following new subsection:

NEW SUBSECTION. 8. For the fiscal year beginning July 1, 2012, and ending June 30, 2013, the state board of regents shall transfer \$1,275,577 to the IowaCare account created in section 249J.24, to provide the nonfederal share for distribution to university of Iowa physicians under the IowaCare program.

Sec. 169. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

DIVISION XXVI  
MH/DS SYSTEM REDESIGN — IMPLEMENTATION  
REGIONAL FORMATION REQUIREMENTS

Sec. 170. Section 331.389, subsection 3, paragraph a, Code 2013, is amended to read as follows:

a. The counties comprising the region are contiguous except that a region may include a county that is not contiguous with any of the other counties in the region, if the county that is not contiguous has had a formal relationship for two years or longer with one or more of the other counties in the region for the provision of mental health and disability services.

ELIGIBILITY MAINTENANCE

Sec. 171. Section 331.396, subsection 1, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. 0d. Notwithstanding paragraphs “a” through “c”, if funds are available without limiting or reducing core services and it is approved as part of the regional service system management plan, eligibility may be provided for a person who is less than eighteen years of age and a resident of this state for those mental health services made available to all or a portion of the residents of the region of the same age and eligibility class under the county management plan of one or more counties of the region applicable prior to formation of the region.

Sec. 172. Section 331.396, subsection 2, Code 2013, is amended by adding the following new paragraph:

NEW PARAGRAPH. 0d. Notwithstanding paragraphs “a” through “c”, if funds are available without limiting or reducing core services and it is approved as part of the regional service system management plan, eligibility may be provided for a person who is less than eighteen years of age and a resident of this state for those intellectual disability services made available to all or a portion of the residents of the region of the same age and eligibility class under the county management plan of one or more counties of the region applicable prior to formation of the region.

Sec. 173. Section 331.397, subsection 2, paragraph b, Code 2013, is amended to read as follows:

b. Until funding is designated for other service populations, eligibility for the service domains listed in this section shall be limited to such persons who are in need of mental health or intellectual disability services. However, if a county in a region was providing services to an ~~individual person~~ eligibility class of persons with a developmental disability other than intellectual disability or a brain injury prior to formation of the region, the ~~individual person~~ class of persons shall remain eligible for the services provided when the region is formed, provided that funds are available to continue such services without limiting or reducing core services.

RESEARCH-BASED PRACTICES

Sec. 174. Section 331.397, subsection 7, unnumbered paragraph 1, Code 2013, is amended to read as follows:

A regional service system may provide funding for other appropriate services or other support and may implement demonstration projects for an initial period of up to three years to model the use of research-based practices. In considering whether to provide such funding, a region may consider the following criteria for research-based practices:

CRISIS STABILIZATION PILOT

Sec. 175. 2012 Iowa Acts, chapter 1120, section 60, is amended to read as follows:  
SEC. 60. CRISIS STABILIZATION PROGRAM PILOT PROJECT.

1. The department of human services shall authorize a facility-based, crisis stabilization program pilot project implemented by the regional service network initiated pursuant to 2008 Iowa Acts, chapter 1187, section 59, subsection 9. The facility operated by the program shall not be required to be licensed under chapter 135B, 135C, or 231C. The purpose of the pilot project is to provide a prototype for the departments of human services, inspections and appeals, and public health to develop regulatory standards for such programs and facilities. The pilot project shall comply with appropriate standards associated with funding of the services provided by the project that are identified by the department of human services. The facility shall be limited to not more than 10 beds and shall be authorized to operate through June 30, 2013 2014.

2. The network, in cooperation with the departments of human services, inspections and appeals, and public health, shall report to the governor, the general assembly, and the legislative services agency concerning the pilot project on or before December 14, 2012, and shall submit a report update on or before December 16, 2013, providing findings and recommendations. The report and report update shall include recommendations for criteria concerning admissions, staff qualifications, staffing levels, exclusion and inclusion of service recipients, lengths of stays, transition between services, and facility requirements, and for goals and objectives for such programs and facilities.

REDESIGN TECHNICAL ASSISTANCE CARRYFORWARD

Sec. 176. 2012 Iowa Acts, chapter 1133, section 50, subsection 1, is amended to read as follows:

1. For mental health and disability services redesign technical assistance services:  
..... \$ 500,000

Notwithstanding section 8.33, moneys appropriated in this subsection that remain unencumbered or unobligated at the close of the fiscal year shall not revert but shall remain available for expenditure for the purposes designated until the close of the succeeding fiscal year.

STATE PAYMENTS TO REGION

Sec. 177. Section 426B.3, subsection 4, as enacted by 2012 Iowa Acts, chapter 1120, section 137, is amended to read as follows:

4. a. For the fiscal years beginning July 1, 2013, and July 1, 2014, a county with a county population expenditure target amount that exceeds the amount of the county's base year expenditures for mental health and disabilities services shall receive an equalization payment for the difference.

b. The equalization payments determined in accordance with this subsection shall be made by the department of human services for each fiscal year as provided in appropriations made from the property tax relief fund for this purpose. If the county is part of a region that has been approved by the department in accordance with section 331.389, to commence partial or full operations, the county's equalization payment shall be remitted to the region or the county, as appropriate, for expenditure as approved by the region's governing board or in accordance with the county's service management plan, as appropriate. The payment

for a county that has been approved by the department to operate as an individual county region shall be remitted to the county for expenditure as approved by the county board of supervisors. For the fiscal year beginning July 1, 2013, and succeeding fiscal years, the payment shall be remitted on or before December 31 only for those counties approved to operate as an individual county region or to be part of a region. Remittance of the payment for a county without such approval shall be deferred until such approval is granted.

STRATEGIC PLAN REQUIREMENT FOR FY 2013-2014

Sec. 178. 2012 Iowa Acts, chapter 1128, section 8, is amended to read as follows:

SEC. 8. COUNTY MENTAL HEALTH, MENTAL RETARDATION INTELLECTUAL DISABILITY, AND DEVELOPMENTAL DISABILITIES SERVICES MANAGEMENT PLAN — STRATEGIC PLAN. Notwithstanding section 331.439, subsection 1, paragraph “b”, subparagraph (3), counties are not required to submit a three-year strategic plan by April 1, 2012, to the department of human services. A county’s strategic plan in effect as of the effective date of this section shall remain in effect until the regional service system management plan for the region to which the county belongs is approved in accordance with section 331.393, subject to modification before that date as necessary to conform with statutory changes affecting the plan and any amendments to the plan that are adopted in accordance with law.

TRANSITION FUND — SERVICES MAINTENANCE

Sec. 179. TRANSITION FUND — SERVICES MAINTENANCE. A county receiving an allocation of funding from the mental health and disability services redesign transition fund created in 2012 Iowa Acts, chapter 1120, section 23, shall utilize the funding received by the county as necessary for the services covered in accordance with the county’s approved management plan in effect as of June 30, 2012, for the fiscal year beginning July 1, 2012, and ending June 30, 2013.

REDESIGN EQUALIZATION PAYMENT APPROPRIATION

Sec. 180. MENTAL HEALTH AND DISABILITY SERVICES — EQUALIZATION PAYMENTS TRANSFER AND APPROPRIATION.

1. There is transferred from the general fund of the state to the department of human services for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the following amount, or so much thereof as is necessary, to be used for the purposes designated:

For deposit in the property tax relief fund created in section 426B.1, for distribution as provided in this section:

..... \$ 29,820,478

2. The moneys credited to the property tax relief fund in accordance with this section are appropriated to the department of human services for distribution of equalization payments for counties in the amounts specified in section 426B.3, subsection 4, as enacted by 2012 Iowa Acts, chapter 1120, section 137, for the fiscal year beginning July 1, 2013. If the county is part of a region that has been approved by the department in accordance with section 331.389, to commence partial or full operations, the county’s equalization payment shall be remitted to the region for expenditure as approved by the region’s governing board.

3. a. For the purposes of this subsection, “payment obligation” means an outstanding obligation for payment to the department of human services for the undisputed cost of services provided under the medical assistance program prior to July 1, 2012, or for the undisputed cost of non-Medicaid services provided prior to July 1, 2013.

b. Unless a county has entered into an agreement as provided in paragraph “c”, if a county receiving an equalization payment under this section has a payment obligation, the county shall remit to the department any unpaid portion of the payment obligation prior to June 30, 2013, from moneys available to the county that meet federal match requirements for the medical assistance program and for the child enrollment contingency fund under the federal Children’s Health Insurance Program Reauthorization Act of 2009.

c. A county that has not paid the county's payment obligation in full as provided in paragraph "b" shall enter into an agreement with the department for remittance of any unpaid portion of the county's payment obligation. An agreement entered into under this lettered paragraph shall provide for remittance of any unpaid portion by the end of the fiscal year beginning July 1, 2013. The equalization payment for a county subject to this lettered paragraph shall be remitted as provided by the county's agreement with the department.

d. The equalization payment for a county that is not subject to paragraph "c" shall be remitted on or before July 15, 2013.

#### MEDICAID OBLIGATION COST SETTLEMENT

Sec. 181. COUNTY MEDICAL ASSISTANCE NONFEDERAL SHARE — COST SETTLEMENT. Any county obligation for payment to the department of human services of the nonfederal share of the cost of services provided under the medical assistance program prior to July 1, 2012, pursuant to sections 249A.12 and 249A.26, shall remain at the amount billed through the period ending June 30, 2013. The final monthly billings for the obligations shall be remitted to counties on or before August 1, 2013. Any adjustments to the final amounts billed for such services that occur on or after July 1, 2013, shall be applied to the appropriation made to the department of human services from the general fund of the state for the medical assistance program for the fiscal year beginning July 1, 2013.

#### STATE PAYMENT PROGRAM

Sec. 182. STATE PAYMENT PROGRAM REMITTANCE. The moneys transferred to the property tax relief fund for the fiscal year beginning July 1, 2013, from the federal social services block grant pursuant to 2013 Iowa Acts, House File 614,<sup>61</sup> or any other 2013 Iowa Acts, if enacted, and from the federal temporary assistance for needy families block grant, totaling at least \$11,774,275, are appropriated to the department of human services for the fiscal year beginning July 1, 2013, to be used for distribution of state payment program remittances to counties for the fiscal year in accordance with this section. The state payment program remittance shall be an amount equal to the amount paid to a county of residence under the program for state case services known as the state payment program, implemented pursuant to section 331.440, subsection 5, during the most recently available twelve-month period. The department shall draw upon the appropriation made from the general fund of the state for the medical assistance program for the fiscal year as necessary for cash flow purposes in order to distribute the state payment program remittances to counties on or before July 15, 2013, and to distribute at least the amount specified in this section.\* *If the procedure for reduced federal funds specified in 2013 Iowa Acts, House File 614, or any other 2013 Iowa Acts, if enacted, reduces the amount of block grant funding available for the purposes of this section, the amount drawn from the medical assistance appropriation shall be increased to replace the amount of the reduction.\**

#### COUNTY MENTAL HEALTH AND DISABILITY SERVICES FUND — FY 2013-2014

Sec. 183. SERVICES FUND — MANAGEMENT PLAN. For the fiscal year beginning July 1, 2013, and ending June 30, 2014, the appropriations made by the county board of supervisors for payment for mental health and disability services pursuant to section 331.424A, subsection 3, as enacted by 2012 Iowa Acts, chapter 1120, section 132, shall be made in accordance with the county's service management plan approved under section 331.439, Code 2013, until the county management plan is replaced by a regional service system management plan approved under section 331.393.

<sup>61</sup> Chapter 136 herein

\* Item veto; see message at end of the Act

Sec. 184. CONTINUATION OF MENTAL HEALTH AND DISABILITY SERVICES REDESIGN FISCAL VIABILITY STUDY COMMITTEE. The legislative council is requested to continue for the 2013 legislative interim the mental health and disability services redesign fiscal viability study committee initially created by the legislative council in 2012. In addition to monitoring implementation of the mental health and disability services redesign and receiving reports from stakeholder groups engaged in implementation of the redesign, the study committee shall be directed to propose a permanent approach for state, county, and regional financing of the redesign and to identify potential cost savings and service improvements that may be realized by working with community-based corrections services and other programs and services that address common needs or populations.

#### CHILDREN'S SERVICES

Sec. 185. CHILDREN'S SERVICES. The department of human services shall reconvene the children's services workgroup initially created by the department of human services pursuant to 2011 Iowa Acts, chapter 121, section 1, and continued pursuant to 2012 Iowa Acts, chapter 1120, section 26. The workgroup shall complete its deliberations to develop a proposal for publicly funded children's disability services and make a report with recommendations and findings to the general assembly on or before November 15, 2013. The workgroup, in consultation with affected stakeholders, shall consider options for appropriately consolidating or eliminating state councils or bodies that oversee, monitor, or provide input into policy involving publicly funded children's services.

Sec. 186. EFFECTIVE UPON ENACTMENT. This division of this Act, being deemed of immediate importance, takes effect upon enactment.

#### DIVISION XXVII

#### DATA AND STATISTICAL INFORMATION AND OUTCOME AND PERFORMANCE MEASURES

Sec. 187. Section 225C.4, subsection 1, paragraph j, Code 2013, is amended to read as follows:

j. Establish and maintain a data collection and management information system oriented to the needs of patients, providers, the department, and other programs or facilities in accordance with section 225C.6A. The system shall be used to identify, collect, and analyze service outcome and performance measures data in order to assess the effects of the services on the persons utilizing the services. The administrator shall annually submit to the commission information collected by the department indicating the changes and trends in the disability services system. The administrator shall make the outcome data available to the public.

Sec. 188. Section 225C.6A, Code 2013, is amended to read as follows:

#### **225C.6A Disability services system ~~redesign~~ central data repository.**

1. The commission department shall do the following relating to redesign of data concerning the disability services system in the state:

1. Identify sources of revenue to support statewide delivery of core disability services to eligible disability populations.

2. Ensure there is a continuous improvement process for development and maintenance of the disability services system for adults and children. The process shall include but is not limited to data collection and reporting provisions.

3. a. Plan, collect, and analyze data as necessary to issue cost estimates for serving additional populations and providing core disability services statewide. The department shall maintain compliance with applicable federal and state privacy laws to ensure the confidentiality and integrity of individually identifiable disability services data. The department shall regularly may periodically assess the status of the compliance in order to assure that data security is protected.

b. In implementing Implement a system central data repository under this subsection section for collecting and analyzing state, county and region, and private contractor data,

~~the. The department shall establish a client identifier for the individuals receiving services. The client identifier shall be used in lieu of the individual's name or social security number. The client identifier shall consist of the last four digits of an individual's social security number, the first three letters of the individual's last name, the individual's date of birth, and the individual's gender in an order determined by the department.~~

~~c. Consult on an ongoing basis with regional administrators, service providers, and other stakeholders in implementing the central data repository and operations of the repository. The consultation shall focus on minimizing the state and local costs associated with operating the repository.~~

~~d. Engage with other state and local government and nongovernmental entities operating the Iowa health information network under chapter 135 and other data systems that maintain information relating to individuals with information in the central data repository in order to integrate data concerning individuals.~~

~~e. 2. A county or region shall not be required to utilize a uniform data operational or transactional system. However, the system utilized shall have the capacity to exchange information with the department, counties and regions, contractors, and others involved with services to persons with a disability who have authorized access to the central data repository. The information exchanged shall be labeled consistently and share the same definitions. Each county regional administrator shall regularly report to the department annually on or before December 1, for the preceding fiscal year the following information for each individual served: demographic information, expenditure data, and data concerning the services and other support provided to each individual, as specified in administrative rule adopted by the commission by the department.~~

~~4. Work with county representatives and other qualified persons to develop an implementation plan for replacing the county of legal settlement approach to determining service system funding responsibilities with an approach based upon residency. The plan shall address a statewide standard for proof of residency, outline a plan for establishing a data system for identifying residency of eligible individuals, address residency issues for individuals who began residing in a county due to a court order or criminal sentence or to obtain services in that county, recommend an approach for contesting a residency determination, and address other implementation issues.~~

~~3. The outcome and performance measures applied to the regional service system shall utilize measurement domains. The department may identify other measurement domains in consultation with system stakeholders to be utilized in addition to the following initial set of measurement domains:~~

- ~~a. Access to services.~~
- ~~b. Life in the community.~~
- ~~c. Person-centeredness.~~
- ~~d. Health and wellness.~~
- ~~e. Quality of life and safety.~~
- ~~f. Family and natural supports.~~

~~4. a. The processes used for collecting outcome and performance measures data shall include but are not limited to direct surveys of the individuals and families receiving services and the providers of the services. The department shall involve a workgroup of persons who are knowledgeable about both the regional service system and survey techniques to implement and maintain the processes. The workgroup shall conduct an ongoing evaluation for the purpose of eliminating the collection of information that is not utilized. The surveys shall be conducted with a conflict-free approach in which someone other than a provider of services surveys an individual receiving the services.~~

~~b. The outcome and performance measures data shall encompass and provide a means to evaluate both the regional services and the services funded by the medical assistance program provided to the same service populations.~~

~~c. The department shall develop and implement an internet-based approach with graphical display of information to provide outcome and performance measures data to the public and those engaged with the regional service system.~~

~~d. The department shall include any significant costs for collecting and interpreting outcome and performance measures and other data in the department's operating budget.~~

Sec. 189. REPEAL. The amendment to section 225C.4, subsection 1, paragraph j, in 2012 Iowa Acts, chapter 1120, section 2, is repealed.

Sec. 190. REPEAL. The amendments to section 225C.6A, in 2012 Iowa Acts, chapter 1120, sections 6, 7, and 95, are repealed.

*Approved June 20, 2013, with exceptions noted.*

TERRY E. BRANSTAD, *Governor*

Dear Mr. Secretary:

I hereby transmit Senate File 452, an Act relating to state and local finances by making appropriations, providing for fees, providing for legal responsibilities, providing for certain employee benefits, and providing for properly related matters, and including penalties and effective date and retroactive and other applicability provisions.

Senate File 452 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve the item designated as Section 30 in its entirety. This item allocates \$200,000 for the chronic care consortium. The strategic planning work is duplicative of efforts already taking place within Medicaid. Additionally, the revenue from the Clinical Health Coach training program will eventually allow the Iowa Chronic Care Consortium Board to become a self-sustaining enterprise.

I am unable to approve the item designated as Section 31 in its entirety. This language restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$1.7 million appropriation approved in Senate File 447.

I am unable to approve the item designated as Section 32 in its entirety. This language unnecessarily restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$850,000 approved in Senate File 447.

I am unable to approve the item designated as Section 33 in its entirety. This language unnecessarily restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$2,571,309 approved in Senate File 447.

I am unable to approve the item designated as Section 34 in its entirety. This language unnecessarily restricts the Department from fulfilling its mission. It is not appropriate to direct departments to treat employees differently solely based on an employee's classification. Additionally, departments are best equipped to manage their own budgets. This does not affect the \$1,285,655 approved in Senate File 447.

I am unable to approve the item designated as Division XI in its entirety. This item increases the annual tax credit cap on the Historical Preservation and Cultural and Entertainment District Tax Credits. Currently, there is an Executive Order 80 Stakeholder group reviewing this tax credit program. It is my plan to approach Historical Preservation tax credits in a comprehensive and thoughtful manner. As such, I look forward to continuing to work with members of the House and Senate as this program is reviewed.



I am unable to approve the item designated as Division XXI in its entirety. This language is an attempt to provide financial relief to certain private providers of services to students related to compliance with special and general education billing requirements. The nature of the issue centers on what is and is not allowable as an educational expense in these facilities. This item would legalize what are currently non-permissive expenditures for educational funding to include a long list of expenditures that are non-educational, including expenditures related to administration, facilities, and mental health costs. This would cause an expansion of allowable expenditures and many of these facilities were complying with current law and therefore not billing for these expenses; therefore, the State would see an increase in spending as a result of these provisions. Due to the fact many school districts already operate at a deficit related to education expenditures, this increase would be directly passed on to local property taxes.

I am unable to approve the designated portion of the item designated as Section 182. Currently, the State passes federal funds through to the counties. This item requires the State to cover any reduction of funds for the counties should the federal government fail to live up to its funding promises. The federal government has not passed a budget in more than four years and has amassed more than \$16 trillion in debt. I believe the federal financial picture is unsustainable in the long-term, and, therefore, obligating State taxpayer funds in such an unpredictable manner is not in the best interest of hardworking Iowa taxpayers.

For the above reasons, I respectfully disapprove the designated items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 452 are hereby approved as of this date.

Sincerely,  
TERRY E. BRANSTAD, *Governor*