

PROOF

STATE OF IOWA

House Journal

WEDNESDAY, APRIL 9, 2008

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JOURNAL OF THE HOUSE

Eighty-seventh Calendar Day - Sixtieth Session Day

Hall of the House of Representatives
Des Moines, Iowa, Wednesday, April 9, 2008

The House met pursuant to adjournment at 9:08 a.m., Speaker pro tempore Bukta in the chair.

Prayer was offered by Reverend Les Borsay, pastor of Central Christian Church, Jefferson. He was the guest of Representative Dave Tjepkes of Webster County.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance was led by Natalie Bunnell, Page for the Legislative Service Agency.

The Journal of Tuesday, April 8, 2008 was approved.

ADOPTION OF [HOUSE RESOLUTION 144](#)

Speaker Murphy, Heddens of Story and Upmeyer of Hancock, called up for consideration [House Resolution 144](#), a resolution to honor Tyler Joseph Steinke as the youngest Global Messenger for Special Olympics Iowa, and moved its adoption.

The motion prevailed and the resolution was adopted.

Murphy of Dubuque introduced to the House, Tyler Joseph Steinke and presented him with a certificate of honor.

The House rose and expressed its welcome.

The House stood at ease at 9:18 a.m., until the fall of the gavel.

The House resumed session at 9:28 a.m., Speaker Murphy in the chair.

The House stood at ease at 9:29 a.m., until the fall of the gavel.

The House resumed session at 10:39 a.m., Speaker Murphy in the chair.

CONSIDERATION OF BILLS
Ways and Means Calendar

[House File 2663](#), a bill for an act relating to the repeal of the local option sales and services tax for school infrastructure purposes by using the revenues from the increase in the state sales and use taxes for replacing lost school district revenues resulting from the repeal, providing property tax relief, providing for the reduction in the state sales and use tax, providing a penalty, and including an effective date provision, was taken up for consideration.

T. Taylor of Linn asked and received unanimous consent to withdraw amendment [H-8380](#) filed by him and D. Taylor of Linn on April 2, 2008, placing out of order amendment [H-8410](#) filed by T. Taylor and D. Taylor of Linn on April 3, 2008.

The following amendments were deferred by unanimous consent:

- Amendment [H-8457](#) filed by Rants of Woodbury.
- Amendment [H-8412](#) filed by Tymeson of Madison.
- Amendment [H-8413](#) filed by Tymeson of Madison.
- Amendment [H-8459](#) filed by Van Fossen of Scott.
- Amendment [H-8462](#) filed by Paulsen of Linn.

Forristall of Pottawattamie offered the following amendment [H-8458](#) filed by him from the floor and moved its adoption:

[H-8458](#)

- 1 Amend [House File 2663](#) as follows:
- 2 1. Page 10, lines 3 and 4, by striking the words
- 3 and figure ", as computed in subsection 8,".
- 4 2. Page 10, by inserting after line 7 the
- 5 following:
- 6 "Sec.____. Section 423E.4, subsection 3, paragraph
- 7 b, subparagraph (3), Code 2007, as amended by this
- 8 Act, is amended to read as follows:
- 9 (3) "Statewide tax revenues per student" means the
- 10 amount determined by estimating the total revenues
- 11 that would be generated by a one percent local option
- 12 sales and services tax for school infrastructure

13 purposes if imposed by all the counties during the
 14 entire fiscal year, as computed in subsection 8, and
 15 dividing this estimated revenue amount by the sum of
 16 the combined actual enrollment for all counties as
 17 determined in section 423E.3, subsection 5, paragraph
 18 "d", subparagraph (2)."

19 3. Page 38, by inserting after line 23 the
 20 following:

21 "Sec. ___. EFFECTIVE, CONTINGENT EFFECTIVE, AND
 22 APPLICABILITY DATE PROVISIONS.

23 1. Except as provided in subsection 3, this Act
 24 takes effect July 1 following ratification of an
 25 amendment to the Constitution of the State of Iowa
 26 that provides the following:

27 All revenue derived from the increase in the state
 28 sales and use tax rates from five percent to six
 29 percent shall be distributed to the school districts
 30 of the state to be used exclusively for school
 31 infrastructure purposes or school property tax relief,
 32 including the payment of principal and interest on
 33 bonds issued for school infrastructure purposes.

34 2. If sections of this Act take effect as provided
 35 in subsection 1, those sections of this Act apply to
 36 fiscal years beginning on or after the effective date
 37 of those sections of this Act.

38 3. Sections 20 and 22 of this Act amending section
 39 423E.4, subsection 3, paragraph "a", and section
 40 423E.4, subsection 3, paragraph "b", subparagraph (3),
 41 take effect July 1, 2008."

42 4. Title page, line 7, by striking the words "an
 43 effective date provision" and inserting the following:
 44 "effective, contingent effective, and applicability
 45 date provisions."

D. Olson of Boone in the chair at 11:05 a.m.

Speaker Murphy in the chair at 11:52 a.m.

Roll call was requested by Pettengill of Benton and Tymeson of Madison.

On the question "Shall amendment [H-8458](#) be adopted?" ([H.F. 2663](#))

The ayes were, 44:

Alons	Anderson	Arnold	Boal
Chambers	Clute	Dandekar	De Boef
Deyoe	Drake	Forristall	Gipp

Granzow	Grassley	Heaton	Horbach
Huseman	Huser	Jacobs	Lukan
May	Mertz	Miller, L.	Olson, S.
Paulsen	Pettengill	Raecker	Rants
Rasmussen	Rayhons	Reichert	Roberts
Sands	Schickel	Soderberg	Struyk
Tymeson	Upmeyer	Van Engelenhoven	Van Fossen
Watts	Wienczek	Windschitl	Worthan

The nays were, 55:

Abdul-Samad	Bailey	Baudler	Bell
Berry	Bukta	Cohoon	Davitt
Dolecheck	Foege	Ford	Frevet
Gaskill	Gayman	Heddens	Hoffman
Hunter	Jacoby	Jochum	Kaufmann
Kelley	Kressig	Kuhn	Lensing
Lykam	Mascher	McCarthy	Miller, H.
Oldson	Olson, D.	Olson, R.	Olson, T.
Palmer	Petersen	Quirk	Reasoner
Schueller	Shomshor	Smith	Staed
Swaim	Taylor, D.	Taylor, T.	Thomas
Tjepkes	Tomenga	Wendt	Wenthe
Wessel-Kroeschell	Whitaker	Whitead	Winckler
Wise	Zirkelbach	Mr. Speaker	
		Murphy	

Absent or not voting, 1:

Greiner

Amendment [H-8458](#) lost.

Mascher of Johnson offered the following amendment [H-8363](#) filed by her and moved its adoption:

[H-8363](#)

1 Amend [House File 2663](#) as follows:
 2 1. Page 11, line 5, by striking the word
 3 "one-half" and inserting the following: "~~one-half~~".
 4 2. Page 11, by striking lines 6 through 9 and
 5 inserting the following: "authorized by the voters.
 6 ~~For the second half of the duration of the tax~~
 7 ~~authorized by the voters, local sales and services tax~~
 8 ~~receipts shall be distributed as otherwise applicable~~
 9 ~~pursuant to subsection 2 of this section."~~

A non-record roll call was requested.

The ayes were 28, nays 50.

Amendment [H-8363](#) lost.

Tymeson of Madison offered the following amendment [H-8461](#) filed by her from the floor and moved its adoption:

[H-8461](#)

- 1 Amend [House File 2663](#) as follows:
- 2 1. Page 15, line 28, by inserting after the word
- 3 "relief." the following: "Notwithstanding section
- 4 12C.7, interest or earnings on moneys in the fund
- 5 shall be credited to the property tax equity and
- 6 relief fund created in section 257.16A."

Roll call was requested by Tymeson of Madison and Van Fossen of Scott.

On the question "Shall amendment [H-8461](#) be adopted?" ([H.F. 2663](#))

The ayes were, 39:

Alons	Anderson	Arnold	Boal
Chambers	Clute	De Boef	Deyoe
Drake	Forristall	Gipp	Granzow
Grassley	Horbach	Huseman	Jacobs
Lukan	May	Mertz	Miller, L.
Olson, S.	Paulsen	Pettengill	Raecker
Rants	Rasmussen	Rayhons	Roberts
Sands	Schickel	Soderberg	Struyk
Tymeson	Van Engelenhoven	Van Fossen	Watts
Wienczek	Windschitl	Worthan	

The nays were, 58:

Abdul-Samad	Bailey	Baudler	Bell
Berry	Bukta	Cohoon	Dandekar
Davitt	Dolecheck	Foege	Ford
Frevert	Gaskill	Gayman	Heddens
Hoffman	Hunter	Huser	Jacoby
Jochum	Kaufmann	Kelley	Kressig
Kuhn	Lensing	Lykam	Mascher
McCarthy	Miller, H.	Oldson	Olson, D.
Olson, R.	Olson, T.	Palmer	Petersen
Quirk	Reasoner	Reichert	Schueller
Shomshor	Smith	Staed	Swaim

Taylor, D.	Taylor, T.	Thomas	Tjepkes
Tomenga	Wendt	Wenthe	Wessel-Kroeschell
Whitaker	Whitead	Winckler	Wise
Zirkelbach	Mr. Speaker Murphy		

Absent or not voting, 3:

Greiner	Heaton	Upmeyer
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Amendment [H-8461](#) lost.

Struyk of Pottawattamie offered the following amendment [H-8450](#) filed by him and Paulsen of Linn and moved its adoption:

[H-8450](#)

- 1 Amend [House File 2663](#) as follows:
- 2 1. Page 18, line 3, by inserting after the word
- 3 "board." the following: "The election ballot shall be
- 4 designed so that the voter may approve either the
- 5 question of the approval of the revenue purpose
- 6 statement or the question of the approval of the use
- 7 of the moneys for property tax relief. The voter
- 8 shall only vote to approve one question."

A non-record roll call was requested.

The ayes were 34, nays 57.

Amendment [H-8450](#) lost.

Mascher of Johnson offered the following amendment [H-8362](#) filed by her and moved its adoption:

[H-8362](#)

- 1 Amend [House File 2663](#) as follows:
- 2 1. Page 18, line 24, by striking the words "two
- 3 hundred fifty" and inserting the following: "four
- 4 hundred".
- 5 2. Page 18, line 25, by striking the word "one"
- 6 and inserting the following: "two".

Amendment [H-8362](#) lost.

Mascher of Johnson offered the following amendment [H-8364](#) filed by her and moved its adoption:

[H-8364](#)

- 1 Amend [House File 2663](#) as follows:
- 2 1. Page 18, line 26, by inserting after the word
- 3 "school" the following: "or a school district that
- 4 exceeds its authorized budget or carries a negative
- 5 unspent balance for two or more consecutive years, as
- 6 described in section 257.31, subsection 18,".

Amendment [H-8364](#) lost.

SPECIAL PRESENTATIONS

Zirkelbach of Jones introduced to the House, his daughter Claire whom is celebrating her 2nd birthday. Representative Zirkelbach missed her birth and 1st birthday while serving in Iraq.

The House rose and expressed its welcome.

May of Dickinson introduced to the House his father Charles, visiting from Arizona.

The House rose and expressed its welcome.

Paulsen of Linn asked and received unanimous consent that amendment [H-8466](#) be deferred.

Rants of Woodbury offered the following amendment [H-8457](#), previously deferred, filed by him from the floor and moved its adoption:

[H-8457](#)

- 1 Amend [House File 2663](#) as follows:
- 2 1. Page 1, by inserting before line 1 the
- 3 following:
- 4 "Section 1. Section 8.54, Code 2007, is amended by
- 5 adding the following new subsection:
- 6 NEW SUBSECTION. 8. If the revenue estimating
- 7 conference's estimate of state general fund revenues
- 8 made at a later meeting, as defined in section 8.22A,
- 9 subsection 3, exceeds the estimate of state general

10 fund revenues made at the meeting held prior to
 11 December 15, pursuant to section 8.22A, an amount
 12 equal to such excess amount shall be transferred from
 13 the general fund of the state to the property tax
 14 equity and relief fund created in section 257.16A.
 15 The amount transferred under this subsection shall not
 16 be deemed an appropriation for purposes of the general
 17 fund expenditure limitation and shall be made prior to
 18 any appropriation or transfer of the surplus in the
 19 general fund of the state pursuant to section 8.57."

A non-record roll call was requested.

The ayes were 38, nays 53.

Amendment [H-8457](#) lost.

Tymeson of Madison asked and received unanimous consent that amendment [H-8412](#), previously deferred, be deferred.

Tymeson of Madison offered the following amendment [H-8413](#), previously deferred, filed by her and moved its adoption:

[H-8413](#)

1 Amend [House File 2663](#) as follows:
 2 1. Page 3, by inserting after line 13 the
 3 following:
 4 "Sec.____. Section 300.3, Code 2007, is amended by
 5 adding the following new unnumbered paragraph:
 6 NEW UNNUMBERED PARAGRAPH. Notwithstanding section
 7 300.2 or any other provision of this chapter, the
 8 public educational and recreational levy shall no
 9 longer be levied for school budget years beginning on
 10 or after July 1, 2009."

Roll call was requested by Tymeson of Madison and De Boef of Keokuk.

On the question "Shall amendment [H-8413](#) be adopted?" ([H.F. 2663](#))

The ayes were, 39:

Alons	Anderson	Arnold	Boal
Chambers	Clute	De Boef	Deyoe
Drake	Forristall	Gipp	Granzow

Grassley	Heaton	Horbach	Huseman
Jacobs	Lukan	May	Miller, L.
Olson, S.	Paulsen	Pettengill	Raecker
Rants	Rasmussen	Rayhons	Sands
Schickel	Soderberg	Struyk	Tymeson
Upmeyer	Van Engelenhoven	Van Fossen	Watts
Wienczek	Windschitl	Worthan	

The nays were, 60:

Abdul-Samad	Bailey	Baudler	Bell
Berry	Bukta	Cphoon	Dandekar
Davitt	Dolecheck	Foege	Ford
Frevert	Gaskill	Gayman	Heddens
Hoffman	Hunter	Huser	Jacoby
Jochum	Kaufmann	Kelley	Kressig
Kuhn	Lensing	Lykam	Mascher
McCarthy	Mertz	Miller, H.	Oldson
Olson, D.	Olson, R.	Olson, T.	Palmer
Petersen	Quirk	Reasoner	Reichert
Roberts	Schueller	Shomshor	Smith
Staed	Swaim	Taylor, D.	Taylor, T.
Thomas	Tjepkes	Tomenga	Wendt
Wenthe	Wessel-Kroeschell	Whitaker	Whitead
Winckler	Wise	Zirkelbach	Mr. Speaker Murphy

Absent or not voting, 1:

Greiner

Amendment [H-8413](#) lost.

Van Fossen of Scott offered amendment [H-8459](#), previously deferred, filed by him from the floor as follows:

[H-8459](#)

1 Amend [House File 2663](#) as follows:
 2 1. Page 3, by inserting after line 13 the
 3 following:
 4 "Sec. ___. Section 422.11S, subsection 7,
 5 paragraph a, subparagraph (2), Code Supplement 2007,
 6 is amended to read as follows:
 7 (2) "Total approved tax credits" means for the tax
 8 year beginning in the 2006 calendar year, two million
 9 five hundred thousand dollars, for the tax year
 10 beginning in the 2007 calendar year, five million
 11 dollars, ~~and for tax years beginning on or after~~
 12 ~~January 1, 2008 for the tax year beginning in the 2008~~
 13 ~~calendar year~~, seven million five hundred thousand

14 dollars, and for tax years beginning on or after
15 January 1, 2009, ten million dollars."

Reasoner of Union rose on a point of order that amendment [H-8459](#) was not germane.

The Speaker ruled the point well taken and amendment [H-8459](#) not germane.

Van Fossen of Scott asked for unanimous consent to suspend the rules to consider amendment [H-8459](#).

Objection was raised.

Paulsen of Linn offered the following amendment [H-8462](#), previously deferred, filed by him from the floor and moved its adoption:

[H-8462](#)

1 Amend [House File 2663](#) as follows:
2 1. Page 6, by striking lines 21 and 22 and
3 inserting the following: "remaining revenues as
4 follows:
5 (1) Ninety-nine percent to the secure an advanced
6 vision for education fund created in section 423F.2.
7 (2) One percent to an area education agency
8 infrastructure and maintenance fund created in the
9 state treasury under the control of the department of
10 education. Moneys in this fund shall be allocated by
11 the department, pursuant to a formula adopted by rule
12 pursuant to chapter 17A, to area education agencies
13 for repairing, remodeling, reconstructing, improving
14 or expanding facilities.
15 This paragraph is".
16 2. Page 7, by striking lines 19 and 20 and
17 inserting the following: "remaining revenues as
18 follows:
19 (1) Ninety-nine percent to the secure an advanced
20 vision for education fund created in section 423F.2.
21 (2) One percent to the area education agency
22 infrastructure and maintenance fund created in and to
23 be used as provided in section 423.2, subsection 11,
24 paragraph "b".
25 This paragraph is".

Amendment [H-8462](#) lost.

Paulsen of Linn asked and received unanimous consent to withdraw amendment [H-8466](#), previously deferred, filed by him from the floor.

Tymeson of Madison asked and received unanimous consent to withdraw amendment [H-8412](#), previously deferred, filed by her on April 3, 2008.

Reasoner of Union moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([H.F. 2663](#))

The ayes were, 59:

Abdul-Samad	Arnold	Bailey	Baudler
Bell	Berry	Bukta	Chambers
Cohoon	Davitt	Deyoe	Dolecheck
Drake	Foege	Ford	Forristall
Frevert	Gaskill	Granzow	Grassley
Heaton	Heddens	Hoffman	Huseman
Huser	Jochum	Kaufmann	Kelley
Kressig	Kuhn	Lykam	McCarthy
Mertz	Miller, H.	Oldson	Olson, D.
Olson, R.	Palmer	Petersen	Quirk
Rayhons	Reasoner	Reichert	Schueller
Shomshor	Swaim	Thomas	Tjepkes
Tomenga	Wendt	Wenthe	Wessel-Kroeschell
Whitaker	Whitead	Wiencek	Winckler
Wise	Zirkelbach	Mr. Speaker	
		Murphy	

The nays were, 41:

Alons	Anderson	Boal	Clute
Dandekar	De Boef	Gayman	Gipp
Greiner	Horbach	Hunter	Jacobs
Jacoby	Lensing	Lukan	Mascher
May	Miller, L.	Olson, S.	Olson, T.
Paulsen	Pettengill	Raecker	Rants
Rasmussen	Roberts	Sands	Schickel
Smith	Soderberg	Staed	Struyk
Taylor, D.	Taylor, T.	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen	Watts	Windschitl
Worthan			

Absent or not voting, none.

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

MESSAGES FROM THE SENATE

The following messages were received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 9, 2008, passed the following bill in which the concurrence of the Senate was asked:

[House File 2103](#), a bill for an act relating to appointments to the college student aid commission and including an effective date and applicability provision.

Also: That the Senate has on April 9, 2008, passed the following bill in which the concurrence of the Senate was asked:

[House File 2338](#), a bill for an act relating to attendance at child in need of assistance proceedings.

Also: That the Senate has on April 9, 2008, amended and passed the following bill in which the concurrence of the House is asked:

[House File 2558](#), a bill for an act relating to economic development by providing for the confidentiality of certain details contained in contracts and applications for financial assistance.

Also: That the Senate has on April 9, 2008, passed the following bill in which the concurrence of the Senate was asked:

[House File 2653](#), a bill for an act relating to foreclosure consultants and foreclosure reconveyances, providing for criminal and civil penalties, and providing an effective date.

Also: That the Senate has on April 9, 2008, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

[Senate File 2124](#), a bill for an act relating to authorized expenditures from the veterans trust fund and providing for emergency rulemaking authority.

Also: That the Senate has on April 9, 2008, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

[Senate File 2161](#), a bill for an act providing for the establishment of a council on homelessness.

Also: That the Senate has on April 9, 2008, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

[Senate File 2212](#), a bill for an act relating to determinations in child in need of assistance proceedings, and modifying circumstances for termination of parental rights.

Also: That the Senate has on April 9, 2008, amended the House amendment, concurred in the House amendment as amended, and passed the following bill in which the concurrence of the House is asked:

[Senate File 2308](#), a bill for an act relating to identity theft by providing for the notification of a breach in the security of personal information, and providing penalties.

Also: That the Senate has on April 9, 2008, passed the following bill in which the concurrence of the House is asked:

[Senate File 2404](#), a bill for an act relating to state agency reporting of the receipt of gifts, bequests, and grants.

MICHAEL E. MARSHALL, Secretary

INTRODUCTION OF BILLS

[House File 2680](#), by committee on appropriations, a bill for an act relating to student achievement and teacher quality program definitions and requirements and extending or changing program allocations.

Read first time and referred to committee on **appropriations calendar**.

[House File 2681](#), by committee on ways and means, a bill for an act relating to the compulsory school attendance age and providing effective dates.

Read first time and referred to committee on **ways and means calendar**.

[House File 2682](#), by committee on ways and means, a bill for an act relating to the funding of school district programs for returning dropouts and dropout prevention.

Read first time and referred to committee on **ways and means calendar**.

[House File 2683](#), by committee on ways and means, a bill for an act relating to the meetings of and appeals from the property

assessment appeal board and including effective and applicability date provisions.

Read first time and referred to committee on **ways and means calendar**.

[House File 2684](#), by committee on ways and means, a bill for an act creating an insurance industry new jobs tax credit.

Read first time and referred to committee on **ways and means calendar**.

IMMEDIATE MESSAGE

McCarthy of Polk asked and received unanimous consent that [House File 2663](#) be immediately messaged to the Senate.

Unfinished Business Calendar

[Senate File 2133](#), a bill for an act relating to the Iowa crop improvement association, with report of committee recommending passage, was taken up for consideration.

Greiner of Washington in the chair at 2:58 p.m.

Frevert of Palo Alto moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2133](#))

The ayes were, 99:

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Boal
Bukta	Chambers	Clute	Cohoon
Dandekar	Davitt	De Boef	Deyoe
Dolecheck	Drake	Foege	Ford
Forristall	Frevert	Gaskill	Gayman
Gipp	Granzow	Grassley	Heaton
Heddens	Hoffman	Horbach	Hunter
Huseman	Huser	Jacobs	Jacoby
Jochum	Kaufmann	Kelley	Kressig
Kuhn	Lensing	Lukan	Lykam

Mascher	May	McCarthy	Mertz
Miller, H.	Miller, L.	Murphy, Spkr.	Oldson
Olson, D.	Olson, R.	Olson, S.	Olson, T.
Palmer	Paulsen	Petersen	Pettengill
Quirk	Raecker	Rants	Rasmussen
Rayhons	Reasoner	Reichert	Roberts
Sands	Schickel	Schueller	Shomshor
Smith	Soderberg	Staed	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas
Tjepkes	Tomenga	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen	Watts	Wendt
Wenthe	Wessel-Kroeschell	Whitaker	Whitead
Wiencak	Winckler	Windschitl	Wise
Worthan	Zirkelbach	Greiner, Presiding	

The nays were, none.

Absent or not voting, 1:

Abdul-Samad

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

[House File 2552](#), a bill for an act relating to the management of cooperative associations, was taken up for consideration.

[SENATE FILE 2348](#) SUBSTITUTED FOR [HOUSE FILE 2552](#)

Drake of Pottawattamie asked and received unanimous consent to substitute [Senate File 2348](#) for [House File 2552](#).

[Senate File 2348](#), a bill for an act relating to the management of cooperative associations, was taken up for consideration.

Drake of Pottawattamie offered the following amendment [H-8265](#) filed by him and Mertz of Kossuth and moved its adoption:

[H-8265](#)

- 1 Amend [Senate File 2348](#), as passed by the Senate, as
- 2 follows:
- 3 1. Page 1, by striking lines 6 and 7 and
- 4 inserting the following: "with the care that a person
- 5 in a like position would reasonably believe
- 6 appropriate under similar circumstances. A person who
- 7 so".

- 8 2. Page 3, by inserting after line 15 the
 9 following:
 10 "Sec. . NEW SECTION. 499.41A GREATER VOTING
 11 REQUIREMENTS.
 12 An amendment to the articles of incorporation of an
 13 association that adds, changes, or deletes a greater
 14 voting or quorum requirement by the members than
 15 required by this chapter must be adopted by the voting
 16 or quorum requirements then in effect or proposed to
 17 be adopted, whichever is greater."
 18 3. By renumbering as necessary.

Amendment [H-8265](#) was adopted.

Drake of Pottawattamie moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2348](#))

The ayes were, 98:

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Boal
Bukta	Chambers	Clute	Cohoon
Dandekar	Davitt	De Boef	Deyoe
Dolecheck	Drake	Foege	Ford
Forristall	Frevert	Gaskill	Gayman
Gipp	Granzow	Grassley	Heaton
Heddens	Hoffman	Horbach	Hunter
Huseman	Huser	Jacobs	Jacoby
Jochum	Kaufmann	Kelley	Kressig
Kuhn	Lensing	Lukan	Lykam
Mascher	May	McCarthy	Mertz
Miller, H.	Miller, L.	Murphy, Spkr.	Oldson
Olson, D.	Olson, R.	Olson, S.	Olson, T.
Palmer	Paulsen	Petersen	Pettengill
Quirk	Raecker	Rants	Rasmussen
Rayhons	Reasoner	Reichert	Roberts
Sands	Schickel	Schueller	Shomshor
Smith	Soderberg	Staed	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas
Tjepkes	Tomenga	Tymeson	Van Engelenhoven
Van Fossen	Watts	Wendt	Wenthe
Wessel-Kroeschell	Whitaker	Whitead	Wiencek
Winckler	Windschitl	Wise	Worthan
Zirkelbach	Greiner,		
	Presiding		

The nays were, none.

Absent or not voting, 2:

Abdul-Samad Upmeyer

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

IMMEDIATE MESSAGES

McCarthy of Polk asked and received unanimous consent that the following bills be immediately messaged to the Senate: **Senate Files 2133** and **2348**.

The House stood at ease at 3:10 p.m., until the fall of the gavel.

The House resumed session at 4:06 p.m., Boal of Polk in the chair.

MESSAGE FROM THE SENATE

The following message was received from the Senate:

Mr. Speaker: I am directed to inform your honorable body that the Senate has on April 9, 2008, concurred in the House amendment and passed the following bill in which the concurrence of the Senate was asked:

[Senate File 2251](#), a bill for an act relating to student eye care and including applicability date provision.

MICHAEL E. MARSHALL, Secretary

[House File 2594](#), a bill for an act relating to required disclosures in real estate transactions, was taken up for consideration.

[SENATE FILE 2246](#) SUBSTITUTED FOR [HOUSE FILE 2594](#)

Kressig of Black Hawk asked and received unanimous consent to substitute [Senate File 2246](#) for [House File 2594](#).

[Senate File 2246](#), a bill for an act relating to required disclosures in real estate transactions, was taken up for consideration.

Ford of Polk offered the following amendment [H-8235](#) filed by him and moved its adoption:

[H-8235](#)

1 Amend [Senate File 2246](#), as passed by the Senate, as
 2 follows:
 3 1. Page 1, line 12, by inserting after the figure
 4 "~~358C~~," the following: "The disclosure statement
 5 shall also include information regarding the presence
 6 of lead contamination on the property, including
 7 whether the owner has any knowledge of lead
 8 contamination due to statements made by a previous
 9 owner, personal discovery, an examination by a lead
 10 inspector or lead abater, any renovation or
 11 remodeling, or from any other source, as provided in
 12 rules which shall be adopted by the real estate
 13 commission pursuant to section 543B.9, which shall
 14 include disclosure of the person who performed any
 15 lead inspection, lead abatement, renovation, or
 16 remodeling."

Amendment [H-8235](#) lost.

Kressig of Black Hawk moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2246](#))

The ayes were, 98:

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Bukta
Chambers	Clute	Cphoon	Dandekar
Davitt	De Boef	Deyoe	Dolecheck
Drake	Foege	Forristall	Frevert
Gaskill	Gayman	Gipp	Granzow
Grassley	Greiner	Heaton	Heddens
Hoffman	Horbach	Hunter	Huseman
Huser	Jacobs	Jacoby	Jochum
Kaufmann	Kelley	Kressig	Kuhn
Lensing	Lukan	Lykam	Mascher
May	McCarthy	Mertz	Miller, H.
Miller, L.	Murphy, Spkr.	Oldson	Olson, D.
Olson, R.	Olson, S.	Olson, T.	Palmer
Paulsen	Petersen	Pettengill	Quirk
Raecker	Rants	Rasmussen	Rayhons
Reasoner	Reichert	Roberts	Sands
Schickel	Schueller	Shomshor	Smith
Soderberg	Staed	Struyk	Swaim
Taylor, D.	Taylor, T.	Thomas	Tjepkes

Tomenga	Tymeson	Upmeyer	Van Engelenhoven
Van Fossen	Watts	Wendt	Wenthe
Wessel-Kroeschell	Whitaker	Whitead	Wienczek
Winckler	Windschitl	Wise	Worthan
Zirkelbach	Boal, Presiding		

The nays were, 1:

Ford

Absent or not voting, 1:

Abdul-Samad

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

House File 2602, a bill for an act relating to the licensure of real estate brokers and salespersons, was taken up for consideration.

Kressig of Black Hawk offered the following amendment [H-8442](#) filed by him and moved its adoption:

[H-8442](#)

1 Amend [House File 2602](#) as follows:
2 1. Page 3, by inserting after line 13 the
3 following:
4 "Sec. ____ Section 543B.54, subsection 2, Code
5 Supplement 2007, is amended to read as follows:
6 2. Twenty-five dollars per license from fees
7 deposited for each real estate salesperson's license
8 and each broker's license shall be distributed and are
9 appropriated to the real estate commission for the
10 purpose of establishing and maintaining a program to
11 provide grants to community colleges and other
12 colleges and universities in the state providing
13 programs under this section and using the curriculum
14 maintained by the commission. Grants shall be awarded
15 by a grant committee established by the real estate
16 commission. The committee shall consist of seven
17 members: two members of the commission, four members
18 ~~of~~ appointed by the Iowa association of realtors, and
19 one member of the general public. The commission
20 shall promulgate rules, in consultation with the Iowa
21 association of realtors, relating to the organization
22 and operation of the committee, which shall include
23 the term of membership, and establishing standards for
24 awarding grants. The members of the committee may be

25 reimbursed for actual and necessary expenses incurred
 26 in the performance of their duties but shall not
 27 receive a per diem payment."
 28 2. By renumbering as necessary.

Amendment [H-8442](#) was adopted.

[SENATE FILE 2250](#) SUBSTITUTED FOR [HOUSE FILE 2602](#)

Kressig of Black Hawk asked and received unanimous consent to substitute [Senate File 2250](#) for [House File 2602](#).

[Senate File 2250](#), a bill for an act relating to the licensure of real estate brokers and salespersons, was taken up for consideration.

Kressig of Black Hawk moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2250](#))

The ayes were, 99:

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Bukta
Chambers	Clute	Cohoon	Dandekar
Davitt	De Boef	Deyoe	Dolecheck
Drake	Foege	Ford	Forristall
Frevert	Gaskill	Gayman	Gipp
Granzow	Grassley	Greiner	Heaton
Heddens	Hoffman	Horbach	Hunter
Huseman	Huser	Jacobs	Jacoby
Jochum	Kaufmann	Kelley	Kressig
Kuhn	Lensing	Lukan	Lykam
Mascher	May	McCarthy	Mertz
Miller, H.	Miller, L.	Murphy, Spkr.	Oldson
Olson, D.	Olson, R.	Olson, S.	Olson, T.
Palmer	Paulsen	Petersen	Pettengill
Quirk	Raecker	Rants	Rasmussen
Rayhons	Reasoner	Reichert	Roberts
Sands	Schickel	Schueller	Shomshor
Smith	Soderberg	Staed	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas
Tjepkes	Tomenga	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen	Watts	Wendt
Wenthe	Wessel-Kroeschell	Whitaker	Whitead
Wiencek	Winckler	Windschitl	Wise
Worthan	Zirkelbach	Boal,	
		Presiding	

The nays were, none.

Absent or not voting, 1:

Abdul-Samad

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

House File 2582, a bill for an act relating to trusts and estates including the administration of small estates, and including retroactive and other applicability provisions, was taken up for consideration.

SENATE FILE 2350 SUBSTITUTED FOR **HOUSE FILE 2582**

Huser of Polk asked and received unanimous consent to substitute **Senate File 2350** for **House File 2582**.

Senate File 2350, a bill for an act relating to trusts and estates including the administration of small estates, and including retroactive and other applicability provisions, was taken up for consideration.

Huser of Polk offered the following amendment **H-8415** filed by her and moved its adoption:

H-8415

1 Amend **Senate File 2350**, as passed by the Senate, as
2 follows:

3 1. Page 4, by inserting after line 17 the
4 following:

5 "Sec. __. Section 463C.12, subsection 8, Code
6 2007, is amended to read as follows:

7 8. Tax-exempt bonds issued by the authority in
8 connection with the program, which are exempt from
9 taxation for federal tax purposes, are also exempt
10 from taxation by the state of Iowa and the interest on
11 these bonds is exempt from state income taxes and
12 state inheritance ~~and estate~~ taxes."

13 2. Page 5, by inserting after line 32 the
14 following:

15 "Sec. __. Section 633.3, subsection 4, Code 2007,
16 is amended to read as follows:

17 4. Charges – includes costs of administration,
18 funeral expenses, cost of monument, and federal ~~and~~

19 ~~state~~ estate taxes."

20 3. Page 8, by inserting after line 1 the
21 following:

22 "Sec.____. Section 633.436, unnumbered paragraph
23 1, Code 2007, is amended to read as follows:

24 Except as provided in sections 633.211 and 633.212,
25 shares of the distributees shall abate, for the
26 payment of debts and charges, federal ~~and state~~ estate
27 taxes, legacies, the shares of children born or
28 adopted after the making of a will, or the share of
29 the surviving spouse who elects to take against the
30 will, without any preference or priority as between
31 real and personal property, in the following order:

32 Sec.____. Section 633.449, Code 2007, is amended
33 to read as follows:

34 633.449 PAYMENT OF FEDERAL ESTATE TAXES.

35 All federal ~~and state~~ estate taxes ~~(as,~~
36 distinguished from state inheritance ~~taxes)~~ taxes,
37 owing by the estate of a decedent shall be paid from
38 the property of the estate, unless the will of the
39 decedent, or other trust instrument, provides
40 expressly to the contrary."

41 4. Page 8, by inserting after line 27 the
42 following:

43 "3. Notwithstanding subsections 1 and 2, the
44 interest of a beneficiary of a valid spendthrift trust
45 may be reached to satisfy an enforceable claim against
46 the beneficiary or the beneficiary's estate for either
47 of the following:

48 a. Services or supplies for necessities provided
49 to or for the beneficiary.

50 b. Tax claims by the United States to the extent

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1 authorized by federal law or an applicable provision
2 of the Code."

3 5. Page 9, line 23, by inserting before the word
4 "Whether" the following: "1."

5 6. Page 9, line 27, by striking the figure "1."
6 and inserting the following: "a."

7 7. Page 9, line 29, by striking the figure "2."
8 and inserting the following: "b."

9 8. Page 9, by inserting after line 29 the
10 following:

11 "2. This section shall not apply to a creditor of
12 a beneficiary or to a creditor of a deceased
13 beneficiary enforcing an interest in a trust, if any,
14 given to a beneficiary by the trust instrument."

15 9. Page 9, line 32, by inserting before the word
16 "If" the following: "1."

17 10. Page 10, by inserting after line 2 the

18 following:

19 "2. Notwithstanding subsection 1, court may order
20 payment to a creditor of a beneficiary or to a
21 creditor of a deceased beneficiary if the beneficiary
22 has or had an interest in the trust."

23 11. Page 11, by inserting after line 25 the

24 following:

25 "Sec.____. Section 633A.3112, subsection 1, Code
26 2007, is amended to read as follows:

27 1. "Charges" includes costs of administration,
28 funeral expenses, costs of monuments, and federal ~~and~~
29 ~~state~~ estate taxes.

30 Sec.____. Section 633A.4703, unnumbered paragraph
31 1, Code Supplement 2007, is amended to read as
32 follows:

33 Except as otherwise provided by the governing
34 instrument, where necessary to abate shares of the
35 beneficiaries of a trust for the payment of debts and
36 charges, federal ~~and state~~ estate taxes, bequests, the
37 share of the surviving spouse who takes an elective
38 share, and the shares of children born or adopted
39 after the execution of the trust, abatement shall
40 occur in the following order:"

41 12. By renumbering as necessary.

Amendment [H-8415](#) was adopted.

Huser of Polk moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2350](#))

The ayes were, 99

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Bukta
Chambers	Clute	Cohoon	Dandekar
Davitt	De Boef	Deyoe	Dolecheck
Drake	Foege	Ford	Forristall
Frevert	Gaskill	Gayman	Gipp
Granzow	Grassley	Greiner	Heaton
Heddens	Hoffman	Horbach	Hunter
Huseman	Huser	Jacobs	Jacoby
Jochum	Kaufmann	Kelley	Kressig
Kuhn	Lensing	Lukan	Lykam
Mascher	May	McCarthy	Mertz
Miller, H.	Miller, L.	Murphy, Spkr.	Oldson
Olson, D.	Olson, R.	Olson, S.	Olson, T.
Palmer	Paulsen	Petersen	Pettengill

Quirk	Raecker	Rants	Rasmussen
Rayhons	Reasoner	Reichert	Roberts
Sands	Schickel	Schueller	Shomshor
Smith	Soderberg	Staed	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas
Tjepkes	Tomenga	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen	Watts	Wendt
Wenthe	Wessel-Kroeschell	Whitaker	Whitead
Wiencek	Winckler	Windschitl	Wise
Worthan	Zirkelbach	Boal, Presiding	

The nays were, none.

Absent or not voting, 1:

Abdul-Samad

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

HOUSE FILES 2594 and 2602 WITHDRAWN

Kressig of Black Hawk asked and received unanimous consent to withdraw House Files 2594 and 2602 from further consideration by the House.

IMMEDIATE MESSAGES

McCarthy of Polk asked and received unanimous consent that the following bills be immediately messaged to the Senate: **Senate Files 2246, 2250 and 2350.**

[Senate File 2340](#), a bill for an act requiring certain identity documents to be provided to children subject to a court order for out-of-home placement, with report of committee recommending passage, was taken up for consideration.

Hunter of Polk moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2340](#))

The ayes were, 98:

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Bukta
Chambers	Clute	Cohoon	Dandekar
Davitt	De Boef	Deyoe	Dolecheck
Drake	Foege	Ford	Forristall
Frevert	Gaskill	Gayman	Gipp
Granzow	Grassley	Greiner	Heaton
Heddens	Hoffman	Horbach	Hunter
Huseman	Huser	Jacobs	Jacoby
Jochum	Kaufmann	Kellley	Kressig
Kuhn	Lensing	Lukan	Lykam
Mascher	May	McCarthy	Mertz
Miller, H.	Miller, L.	Murphy, Spkr.	Oldson
Olson, D.	Olson, R.	Olson, S.	Olson, T.
Palmer	Paulsen	Petersen	Pettengill
Quirk	Raecker	Rants	Rasmussen
Rayhons	Reasoner	Reichert	Roberts
Sands	Schickel	Schueller	Shomshor
Smith	Soderberg	Staed	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas
Tomenga	Tymeson	Upmeyer	Van Engelenhoven
Van Fossen	Watts	Wendt	Wenthe
Wessel-Kroeschell	Whitaker	Whitead	Wiencek
Winckler	Windschitl	Wise	Worthan
Zirkelbach	Boal, Presiding		

The nays were, none.

Absent or not voting, 2:

Abdul-Samad Tjepkes

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

[HOUSE FILE 2582](#) WITHDRAWN

Huser of Polk asked and received unanimous consent to withdraw [House File 2582](#) from further consideration by the House.

[House File 2505](#), a bill for an act relating to the compliance advisory panel, including the appointment of its members and its powers and duties, was taken up for consideration.

[SENATE FILE 2367](#) SUBSTITUTED FOR [HOUSE FILE 2505](#)

Kressig of Black Hawk asked and received unanimous consent to substitute [Senate File 2367](#) for [House File 2505](#).

[Senate File 2367](#), a bill for an act relating to the compliance advisory panel, including the appointment of its members and its powers and duties, was taken up for consideration.

Kressig of Black Hawk moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2367](#))

The ayes were, 99:

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Bukta
Chambers	Clute	Cohoon	Dandekar
Davitt	De Boef	Deyoe	Dolecheck
Drake	Foege	Ford	Forristall
Frevert	Gaskill	Gayman	Gipp
Granzow	Grassley	Greiner	Heaton
Heddens	Hoffman	Horbach	Hunter
Huseman	Huser	Jacobs	Jacoby
Jochum	Kaufmann	Kelley	Kressig
Kuhn	Lensing	Lukan	Lykam
Mascher	May	McCarthy	Mertz
Miller, H.	Miller, L.	Murphy, Spkr.	Oldson
Olson, D.	Olson, R.	Olson, S.	Olson, T.
Palmer	Paulsen	Petersen	Pettengill
Quirk	Raecker	Rants	Rasmussen
Rayhons	Reasoner	Reichert	Roberts
Sands	Schickel	Schueller	Shomshor
Smith	Soderberg	Staed	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas
Tjepkes	Tomenga	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen	Watts	Wendt
Wenthe	Wessel-Kroeschell	Whitaker	Whitead
Wiencek	Winckler	Windschitl	Wise
Worthan	Zirkelbach	Boal,	
		Presiding	

The nays were, none.

Absent or not voting, 1:

Abdul-Samad

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

INTRODUCTION OF BILL

[House File 2685](#), by committee on ways and means, a bill for an act relating to rules for the discharge of wastewater from water well drilling sites and providing for a fee.

Read first time and referred to committee on **ways and means calendar**.

SENATE MESSAGE CONSIDERED

[Senate File 2404](#), by committee on government oversight, a bill for an act relating to state agency reporting of the receipt of gifts, bequests, and grants.

Read first time and referred to committee on **government oversight**.

The House stood at ease at 4:52 p.m., until the fall of the gavel.

The House resumed session at 4:56 p.m., Boal of Polk in the chair.

LEAVE OF ABSENCE

Leave of absence was granted as follows:

Abdul-Samad of Polk on request of Speaker Murphy.

IMMEDIATE MESSAGES

McCarthy of Polk asked and received unanimous consent that the following bills be immediately messaged to the Senate: **Senate Files 2340** and **2367**.

[Senate File 2392](#), a bill for an act to regulate viatical settlements, and providing for fees and penalties, was taken up for consideration.

Speaker Murphy in the chair at 5:00 p.m.

Wise of Lee offered amendment [H-8350](#) filed by the committee on commerce as follows:

[H-8350](#)

1 Amend [Senate File 2392](#), as amended, passed, and
2 reprinted by the Senate, as follows:

3 1. Page 5, line 35, by striking the words "[a](#)
4 [plan](#)" and inserting the following: "[an act](#)".

5 2. Page 9, by striking lines 30 through 34.

6 3. Page 15, line 2, by striking the figure
7 "508E.14" and inserting the following: "508E.15".

8 4. Page 16, line 14, by inserting after the word
9 "contract" the following: "form".

10 5. Page 17, line 22, by striking the figures and
11 words: "508E.13, and 508.14" and inserting the
12 following: "508E.14, and 508E.15".

13 6. Page 18, line 28, by striking the figure
14 "508E.14" and inserting the following: "508E.15".

15 7. Page 28, line 29, by striking the word "sixty"
16 and inserting the following: "thirty".

17 8. Page 28, line 31, by striking the word
18 "thirty" and inserting the following: "fifteen".

19 9. Page 30, by striking lines 10 through 12, and
20 inserting the following: "contracts shall be made
21 only by a duly licensed viatical settlement provider
22 or by the authorized".

23 10. Page 30, by striking lines 26 through 28.

24 11. Page 35, by striking lines 26 and 27, and
25 inserting the following:

26 "A viatical settlement broker, or viatical".

27 12. Page 35, line 29, by striking the words
28 "plan, transaction," and inserting the following:
29 "transaction".

30 13. Page 36, line 10, by striking the words
31 "broker, and" and inserting the following: "broker,
32 and, if the policy was issued less than two years from
33 the date of application for a viatical settlement
34 contract,".

35 14. Page 37, line 12, by striking the figure
36 "508E.16" and inserting the following: "508E.17".

37 15. Page 38, line 2, by striking the word "sixty"
38 and inserting the following: "thirty".

39 16. Page 38, line 4, by striking the word
40 "thirty" and inserting the following: "fifteen".

41 17. By striking page 40, line 12, through page
42 42, line 30, and inserting the following:
43 "Sec.____. NEW SECTION. 508E.11 PROHIBITED
44 PRACTICES.
45 1. Except as provided in section 508E.12, it is a
46 violation of this chapter for any person to enter into
47 a viatical settlement contract at any time prior to
48 the application or issuance of a policy which is the
49 subject of a viatical settlement contract or within a
50 five-year period commencing with the date of issuance

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1 of the insurance policy or certificate.
2 2. An insurer shall not, as a condition of
3 responding to a request for verification of coverage
4 or effecting the transfer of a policy pursuant to a
5 viatical settlement contract, require that the viator,
6 insured, viatical settlement provider, or viatical
7 settlement broker sign any form, disclosure, consent,
8 or waiver form that has not been expressly approved by
9 the commissioner for use in connection with viatical
10 settlement contracts in this state.
11 3. Upon receipt of a properly completed request
12 for change of ownership or beneficiary of a policy,
13 the insurer shall respond in writing within twenty
14 days, with written acknowledgment confirming that the
15 change has been effected or specifying the reasons why
16 the requested change cannot be processed. The insurer
17 shall not unreasonably delay effecting a change of
18 ownership or beneficiary and shall not otherwise seek
19 to interfere with any viatical settlement contract
20 lawfully entered into in this state.
21 Sec.____. NEW SECTION. 508E.12 PERMITTED
22 PRACTICES.
23 1. Notwithstanding section 508E.11, at any time
24 subsequent to the issuance of the policy, a person may
25 enter into a viatical settlement contract if the
26 viator certifies to the viatical settlement provider
27 that one or more of the following conditions have been
28 met within the five-year period:
29 a. The policy was issued upon the viator's
30 exercise of conversion rights arising out of a group
31 or individual policy, provided the total of the time
32 covered under the conversion policy plus the time
33 covered under the prior policy is at least sixty
34 months. The time covered under a group policy shall
35 be calculated without regard to any change in
36 insurance carriers, provided the coverage has been
37 continuous and under the same group sponsorship.
38 b. The viator submits an affidavit to the viatical
39 settlement provider that one or more of the following

40 conditions exists:

- 41 (1) The viator or insured is terminally or
- 42 chronically ill.
- 43 (2) The viator's spouse or child dies.
- 44 (3) The viator divorces the viator's spouse.
- 45 (4) The viator retires from full-time employment.
- 46 (5) The viator becomes physically or mentally
- 47 disabled and a physician determines that the
- 48 disability prevents the viator from maintaining
- 49 full-time employment.
- 50 (6) A final order, judgment, or decree is entered

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- 1 by a court of competent jurisdiction, on the
- 2 application of a creditor of the viator, adjudicating
- 3 the viator bankrupt or insolvent, or approving a
- 4 petition seeking reorganization of the viator or
- 5 appointing a receiver, trustee, or liquidator to all
- 6 or a substantial part of the viator's assets.
- 7 (7) Other circumstances as established as eligible
- 8 exemptions by the commissioner by rule, including but
- 9 not limited to substantial adverse financial
- 10 circumstances or other factors substantially affecting
- 11 the viator.
- 12 2. Notwithstanding section 508E.11, a person may
- 13 enter into a viatical settlement contract if at all
- 14 times prior to the date that is two years after policy
- 15 issuance, all of the following conditions are met with
- 16 respect to the policy:
- 17 a. Policy premiums have been funded exclusively
- 18 with any of the following:
- 19 (1) Unencumbered assets, including an interest in
- 20 the life insurance policy being financed only to the
- 21 extent of its net cash surrender value, provided by a
- 22 person described in section 508E.2, subsection 15,
- 23 paragraph "d".
- 24 (2) Fully recourse liability incurred by the
- 25 insured or a person described in section 508E.2,
- 26 subsection 15, paragraph "d".
- 27 b. There is no agreement or understanding with any
- 28 other person to guarantee any such liability or to
- 29 purchase, or stand ready to purchase, the policy,
- 30 including through an assumption or forgiveness of the
- 31 loan.
- 32 c. Neither the insured nor the policy has been
- 33 evaluated for settlement.
- 34 3. Copies of the affidavits described in this
- 35 section and documents required by section 508E.10,
- 36 subsection 1, shall be requested from and provided by
- 37 the insurer when the viatical settlement provider or
- 38 viatical settlement broker submits a request to the

39 insurer for verification of coverage. The copies
40 shall be accompanied by a letter of attestation from
41 the viatical settlement provider that the copies are
42 true and correct copies of the documents received by
43 the viatical settlement provider.

44 4. If the viatical settlement provider submits to
45 the insurer a copy of the owner's or insured's or
46 insurer's affidavit described in this section when the
47 provider submits a request to the insurer to effect
48 the transfer of the policy or certificate to the
49 viatical settlement provider, the copy shall be deemed
50 to conclusively establish that the viatical settlement

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1 contract satisfies the requirement of this section and
2 the insurer shall timely respond to the request."

3 18. Page 42, line 31, by striking the figure
4 "508E.12" and inserting the following: "508E.13".

5 19. Page 43, line 4, by inserting after the word
6 "broker" the following: "unless such relationship is
7 disclosed to the viator".

8 20. Page 43, line 14, by inserting after the word
9 "contract" the following: "unless such relationship
10 is disclosed to the viator".

11 21. Page 44, line 2, by inserting before the word
12 "purpose" the following: "sole".

13 22. Page 44, line 3, by striking the word "an"
14 and inserting the following: "a primary".

15 23. Page 44, by striking lines 4 through 18 and
16 inserting the following:

17 "____. A person providing premium financing shall
18 not receive any proceeds, fees, or other consideration
19 from the policy or owner of the policy that are in
20 addition to the amounts required to pay principal,
21 interest, and any costs or expenses incurred by the
22 lender or borrower in connection with the premium
23 finance agreement, except for the event of a default,
24 unless either the default on such loan or transfer of
25 the policy occurs pursuant to an agreement or
26 understanding with any other person for the purpose of
27 evading regulation under this chapter. Any payments,
28 charges, fees, or other amounts received by a person
29 providing premium financing in violation of this
30 subsection shall be".

31 24. Page 45, line 9, by striking the figure
32 "508E.13" and inserting the following: "508E.14".

33 25. Page 50, line 26, by striking the figure
34 "508E.14" and inserting the following: "508E.15".

35 26. Page 55, line 13, by striking the figure
36 "508E.15" and inserting the following: "508E.16".

37 27. Page 56, line 12, by striking the figure

- 38 "508E.16" and inserting the following: "508E.17".
39 28. Page 56, line 18, by striking the figure
40 "508E.17" and inserting the following: "508E.18".
41 29. Page 57, line 3, by striking the figure
42 "508E.18" and inserting the following: "508E.19".
43 30. By renumbering as necessary.

Struyk of Pottawattamie asked and received unanimous consent that amendment [H-8470](#) to amendment [H-8350](#) be deferred.

Bailey of Hamilton offered the following amendment [H-8463](#), to the committee amendment [H-8350](#), filed by him from the floor and moved its adoption:

[H-8463](#)

- 1 Amend the amendment, [H-8350](#), to [Senate File 2392](#),
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, by inserting after line 5 the
5 following:
6 "____. Page 11, line 31, by striking the words
7 "AND BOND".
8 _____. Page 14, by striking lines 1 through 32."
9 2. By renumbering as necessary.

Amendment [H-8463](#) was adopted.

Quirk of Chickasaw offered the following amendment [H-8473](#), to the committee amendment [H-8350](#), filed by Quirk, Bailey of Hamilton and Reichert of Muscatine from the floor and moved its adoption:

[H-8473](#)

- 1 Amend the amendment, [H-8350](#), to [Senate File 2392](#),
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. Page 1, line 50, by striking the word
5 "five-year" and inserting the following: "two-year".
6 2. Page 2, line 28, by striking the word
7 "five-year" and inserting the following: "two-year".
8 3. Page 4, by inserting after line 42 the
9 following:
10 "____. Page 58, by inserting after line 4 the
11 following:
12 "Sec.____. INTERIM COMMITTEE. The legislative
13 council is requested to establish an interim committee
14 to study sections 508E.11 and 508E.12 as enacted in

15 this Act, and specifically the proper time period when
16 a person may enter into a viatical settlement contract
17 after the issuance of the insurance policy or
18 certificate. If established, the interim committee
19 shall make a recommendation to the legislative council
20 for purposes of increasing the time period if
21 necessary for consideration by the Eighty-third
22 General Assembly during its 2009 legislative
23 session.""
24 4. By renumbering as necessary.

A non-record roll call was requested.

The ayes were 21, nays 60.

Amendment [H-8473](#) lost.

Wise of Lee offered the following amendment [H-8451](#), to the committee amendment [H-8350](#), filed by him and moved its adoption:

[H-8451](#)

1 Amend the amendment, [H-8350](#), to [Senate File 2392](#),
2 as amended, passed, and reprinted by the Senate, as
3 follows:
4 1. By striking page 2, line 50, through page 3,
5 line 5, and inserting the following:
6 "() The viator has filed for bankruptcy or sought
7 reorganization in a court of competent jurisdiction,
8 or a court of competent jurisdiction has appointed a
9 receiver, trustee, or liquidator to all".
10 2. Page 3, line 36, by striking the words
11 "requested from and provided by" and inserting the
12 following: "submitted to".
13 3. By renumbering as necessary.

Amendment [H-8451](#) was adopted.

Struyk of Pottawattamie asked and received unanimous consent to withdraw amendment [H-8470](#), to the committee amendment [H-8350](#), previously deferred, filed by him from the floor.

On motion by Wise of Lee, the committee amendment [H-8350](#), as amended, was adopted.

Wise of Lee offered the following amendment [H-8440](#) filed by him and moved its adoption:

[H-8440](#)

- 1 Amend [Senate File 2392](#), as amended, passed, and
- 2 reprinted by the Senate, as follows:
- 3 1. Page 45, line 2, by striking the figure "6."
- 4 and inserting the following: "9."
- 5 2. By renumbering as necessary.

Amendment [H-8440](#) was adopted.

Struyk of Pottawattamie asked and received unanimous consent to withdraw amendment [H-8391](#) filed by him on April 2, 2008, placing out of order amendment [H-8471](#) to amendment [H-8391](#) filed by Quirk of Chickasaw and Bailey of Hamilton and Reichert of Muscatine from the floor.

Wise of Lee moved that the bill be read a last time now and placed upon its passage which motion prevailed and the bill was read a last time.

On the question "Shall the bill pass?" ([S.F. 2392](#))

The ayes were, 99:

Alons	Anderson	Arnold	Bailey
Baudler	Bell	Berry	Boal
Bukta	Chambers	Clute	Cohoon
Dandekar	Davitt	De Boef	Deyoe
Dolecheck	Drake	Foege	Ford
Forristall	Frevert	Gaskill	Gayman
Gipp	Granzow	Grassley	Greiner
Heaton	Heddens	Hoffman	Horbach
Hunter	Huseman	Huser	Jacobs
Jacoby	Jochum	Kaufmann	Kelley
Kressig	Kuhn	Lensing	Lukan
Lykam	Mascher	May	McCarthy
Mertz	Miller, H.	Miller, L.	Oldson
Olson, D.	Olson, R.	Olson, S.	Olson, T.
Palmer	Paulsen	Petersen	Pettengill
Quirk	Raecker	Rants	Rasmussen
Rayhons	Reasoner	Reichert	Roberts
Sands	Schickel	Schueller	Shomshor
Smith	Soderberg	Staed	Struyk
Swaim	Taylor, D.	Taylor, T.	Thomas

Tjepkes	Tomenga	Tymeson	Upmeyer
Van Engelenhoven	Van Fossen	Watts	Wendt
Wenthe	Wessel-Kroeschell	Whitaker	Whitead
Wiencek	Winckler	Windschitl	Wise
Worthan	Zirkelbach	Mr. Speaker	
		Murphy	

The nays were, none.

Absent or not voting and 1:

Abdul-Samad

The bill having received a constitutional majority was declared to have passed the House and the title was agreed to.

IMMEDIATE MESSAGE

McCarthy of Polk asked and received unanimous consent that the following bill be immediately messaged to the Senate: [Senate File 2392](#).

[HOUSE FILE 2552](#) WITHDRAWN

Drake of Pottawattamie asked and received unanimous consent to withdraw [House File 2552](#) from further consideration by the House.

[HOUSE FILE 2505](#) WITHDRAWN

Kressig of Black Hawk asked and received unanimous consent to withdraw [House File 2505](#) from further consideration by the House.

BILLS ENROLLED, SIGNED AND SENT TO GOVERNOR

The Chief Clerk of the House submitted the following report:

Mr. Speaker: The Chief Clerk of the House respectfully reports that the following bills have been examined and found correctly enrolled, signed by the Speaker of the House and the President of the Senate, and presented to the Governor for his approval on this 9th day of April, 2008: House Files 247, 2164, 2328, 2372, 2383, 2385, 2410, 2411, 2564, 2568, 2580, 2581, 2603 and 2606.

MARK W. BRANDSGARD
Chief Clerk of the House

Report adopted.

CERTIFICATES OF RECOGNITION

MR. SPEAKER: The Chief Clerk of the House respectfully reports that certificates of recognition have been issued as follows.

MARK W. BRANDSGARD
Chief Clerk of the House

- 2008\2731 Grant and Rita Stalkfleet, Muscatine – For celebrating their 50th wedding anniversary.
- 2008\2732 Duane L. Seaman, Walker – For celebrating his 80th birthday.
- 2008\2733 Betty Lou Robertson, Cedar Rapids – For celebrating her 80th birthday.
- 2008\2734 Berniece Bangasser, Ackley – For celebrating her 85th birthday.
- 2008\2735 Harold Lawton, Iowa Falls – For celebrating his 85th birthday.
- 2008\2736 Wallace Rutzen, Hubbard – For celebrating his 85th birthday.
- 2008\2737 Donald Walters, New Providence – For celebrating his 80th birthday.
- 2008\2738 Fern Groenweld, Eldora – For celebrating her 85th birthday.
- 2008\2739 Darlene Williams, New Providence – For celebrating her 80th birthday.
- 2008\2740 Merriem Gast, Steamboat Rock – For celebrating her 85th birthday.
- 2008\2741 Orrell Veren, Haverhill – For celebrating his 80th birthday.
- 2008\2742 Myrna Shape, Le Grand – For celebrating her 85th birthday.
- 2008\2743 Wallace Gorder, Iowa Falls – For celebrating his 80th birthday.
- 2008\2744 Larry and Juventina Nelson, Mediapolis – For celebrating their 50th wedding anniversary.
- 2008\2745 Ellsworth and Marlys Cizek, Traer – For celebrating their 60th wedding anniversary.
- 2008\2746 Paul and Donna Burrows, Dysart – For celebrating their 50th wedding anniversary.
- 2008\2747 Dean and Donna Larsen, Reinbeck – For celebrating their 50th wedding anniversary.

- 2008\2748 Rose Brcka, Forest City – For celebrating her 102nd birthday.
- 2008\2749 Zachary M. Burds, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2008\2750 Alexander L. Engling, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2008\2751 Joshua A. Ihm, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2008\2752 Christopher A. Iverson, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2008\2753 Robert C. Stoman, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2008\2754 Ethan Spangler, Sherrill – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2008\2755 Zachary N. Marcov, Dubuque – For attaining the rank of Eagle Scout, the highest rank in the Boy Scouts of America.
- 2008\2756 Ariana McLaughlin, Cedar Rapids – For being named the Iowa High School Journalist of the Year by the Journalism Education Association.

SUBCOMMITTEE ASSIGNMENT

[House File 2652](#) Reassigned

Ways and Means: Palmer, Chair; Deyoe, Reasoner, Struyk and Wise.

HOUSE STUDY BILL SUBCOMMITTEE ASSIGNMENTS

[House Study Bill 790](#)

Ways and Means: Thomas, Chair; Schueller and Van Fossen.

[House Study Bill 791](#)

Ways and Means: Kelley, Chair; T. Olson and Wiencek.

HOUSE STUDY BILL COMMITTEE ASSIGNMENT

[H.S.B. 792](#) Human Resources

Establishing a pilot physician assistant mental health fellowship program and making appropriations.

COMMITTEE RECOMMENDATIONS

MR. SPEAKER: The Chief Clerk of the House respectfully reports that the following committee recommendations have been received and are on file in the office of the Chief Clerk.

MARK W. BRANDSGARD
Chief Clerk of the House

COMMITTEE ON WAYS AND MEANS

Committee Bill (Formerly [House File 903](#)), creating an insurance industry new jobs tax credit.

Fiscal Note is not required.

Recommended **Amend and Do Pass** April 8, 2008.

Committee Bill (Formerly [House File 2351](#)), relating to certain economic development programs by providing tax credits for the redevelopment of underutilized properties and by clarifying the meaning of an eligible business, and including effective date and retroactive applicability date provisions.

Fiscal Note is not required.

Recommended **Amend and Do Pass** April 8, 2008.

Committee Bill (Formerly [House File 2518](#)), relating to rules for the discharge of wastewater from water well drilling sites.

Fiscal Note is not required.

Recommended **Amend and Do Pass** April 8, 2008.

Committee Bill (Formerly [House File 2566](#)), relating to the funding of school district programs for returning dropouts and dropout prevention.

Fiscal Note is not required.

Recommended **Do Pass** April 8, 2008.

Committee Bill (Formerly [House File 2610](#)), relating to the employer-employee relationship by preventing identity theft in the procurement of employment, providing for the employment classification of individuals, and providing penalties and an effective date.

Fiscal Note is not required.

Recommended **Amend and Do Pass** April 8, 2008.

Committee Bill (Formerly [House File 2623](#)), relating to the compulsory school attendance age and providing effective dates.

Fiscal Note is not required.

Recommended **Do Pass** April 8, 2008.

Committee Bill (Formerly [House File 2632](#)), relating to renewable fuel, including by providing for infrastructure associated with storing, blending, and dispensing renewable fuel, modifying tax credits, providing for the purchase of renewable fuels by governmental entities, providing for renewable fuel marketing efforts, providing for retroactive applicability, and providing an effective date.

Fiscal Note is not required.

Recommended **Amend and Do Pass** April 8, 2008.

Committee Bill (Formerly [House Study Bill 781](#)), relating to the meeting of and appeals from the property assessment appeals board and including effective and applicability date provisions.

Fiscal Note is not required.

Recommended **Amend and Do Pass** April 8, 2008.

AMENDMENTS FILED

H-8460	S.F. 2134	Bailey of Hamilton Windschitl of Harrison
H-8464	H.F. 2412	Baudler of Adair
H-8467	S.F. 2132	R. Olson of Polk
H-8468	S.F. 587	Frevert of Palo Alto
H-8469	H.F. 2080	Frevert of Palo Alto
H-8472	H.F. 2558	Senate Amendment
H-8474	S.F. 2216	Raecker of Polk Wise of Lee
H-8475	S.F. 2404	Baudler of Adair
H-8476	H.F. 2679	Struyk of Pottawattamie Pettengill of Benton
H-8477	H.F. 2681	Gayman of Scott L. Miller of Scott

On motion by McCarthy of Polk the House adjourned at 5:59 p.m., until 9:00 a.m., Thursday, April 10, 2008.